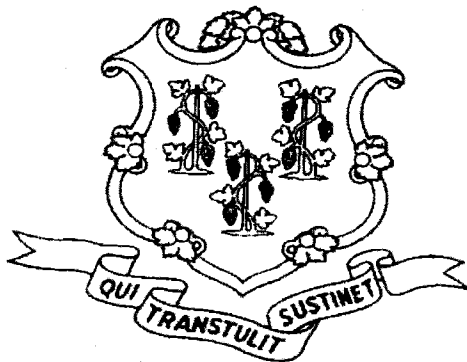


State of Connecticut



Annual Report of Long-Term Care Facility Cost Year 2016

Name of Facility (as licensed) Eastern Connecticut Health Systems, Inc. d/b/a New London Rehabilitation and Care of Waterford	
Address (No. & Street, City, State, Zip Code) 88 Clark Lane, Waterford, CT 06385	
Type of Facility	
<input checked="" type="checkbox"/> Chronic and Convalescent Nursing Home only (CCNH)	Rest Home with Nursing <input type="checkbox"/> Supervision only (RHNS)
Report for Year Beginning 10/1/2015	Report for Year Ending 9/30/2016

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

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

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General Information

Name of Facility (as licensed)	License No.	Report for Year Ended	Page	of
Eastern Connecticut Health Systems, Inc. d/b/a New Lo	1048C	9/30/2016	1	37

Administrator's/Owner's Certification

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

I HEREBY CERTIFY that I have read the above statement and that I have examined the accompanying Cost Report and supporting schedules prepared for Eastern Connecticut Health Systems, Inc. d/b/a New London Rehabilitation and Care of Waterford [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) Mike Pescatello			Printed Name (Owner)		
Subscribed and Sworn to before me:	State of	Date	Signed (Notary Public)	Comm. Expires / /	
Address of Notary Public					

(Notary Seal)

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

Data Required for Real Wage Adjustment			Page 1A	of 37
Name of Facility Eastern Connecticut Health Systems, Inc. d/b/a New London Rehabilitation and Care of Water		Period Covered:	From 10/1/2015	To 9/30/2016
Address of Facility 88 Clark Lane, Waterford, CT 06385				
Report Prepared By Marcum LLP		Phone Number 203-781-9600	Date 12/20/2016	
Item	Total	CCNH	RHNS	(Specify)
1. Dietary wages paid	\$			
2. Laundry wages paid	\$			
3. Housekeeping wages paid	\$			
4. Nursing wages paid	\$			
5. All other wages paid	\$			
6. Total Wages Paid	\$			
7. Total salaries paid	\$			
8. Total Wages and Salaries Paid (As per page 10 of Report)	\$			

Wages - Compensation computed on an hourly wage rate.

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

DO NOT include Fringe Benefit Costs.

General Information and Questionnaire
Type of Facility - Organization Structure

Phone No. of Facility 860-442-0471	Report for Year Ended 9/30/2016	Page 2	of 37
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Name of Facility (as shown on license) Eastern Connecticut Health Systems, Inc. d/b/a New London Rd	Address (No. & Street, City, State, Zip) 88 Clark Lane, Waterford, CT 06385
--	--

License Numbers:	CCNH 1048C	RHNS (Specify)	Medicare Provider No. 07-5158
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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="radio"/> Proprietorship	<input type="radio"/> LLC	<input type="radio"/> Partnership	<input checked="" type="radio"/> Profit Corp.	<input type="radio"/> Non-Profit Corp.	<input type="radio"/> Government	<input type="radio"/> Trust

If this facility opened or closed during report year provide:	Date Opened	Date Closed

Has there been any change in ownership or operation during this report year?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If "Yes," explain fully.
---	---------------------------	-------------------------------------	--------------------------

Administrator		
Name of Administrator Mike Pescatello	Nursing Home Administrator's License No.:	001760

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 Eastern Connecticut Health Systems, Inc. d/b/	License No. 1048C	Report for Year Ended 9/30/2016	Page 3A	of 37
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		
Eastern Connecticut Health Systems, Inc. d/b/a New London Rehabilitation and Care of	88 Clark Lane, Waterford, CT 06385	CT		
Name of Directors, Officers	Business Address	Title	No. Shares Held by Each	
Leonore Kallen	Ashton Gardens, 5999 University Drive, Parkland, FL 33067	Director/Pres.	1	
Phillip Kallen	2324 NE 28th Street, Lighthouse Point, FL 33064	Vice President	49.5	
Kenneth Kallen	797 Camino Del Monte Sol, Santa Fe, NM 87505	Secretary	49.5	
Names of Stockholders Owning at Least 10% of Shares				
Phillip Kallen	2324 NE 28th Street, Lighthouse Point, FL 33064	Vice President	49.5	
Kenneth Kallen	797 Camino Del Monte Sol, Santa Fe, NM 87505	Secretary	49.5	

General Information and Questionnaire Individual Proprietorship

Name of Facility	License No.	Report for Year Ended	Page	of
Eastern Connecticut Health Systems, Inc. d/b/a Ne	1048C	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 Eastern Connecticut Health Systems, Inc. d/b/a New Lo	License No. 1048C	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

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 Name/Address and complete the information on Page 11 of the report.

If "Yes," provide the following information:

Name of Related Individual or Company	Business Address	Also Provides Goods/Services to Non-Related Parties		Description of Goods/Services Provided	Indicate Where Costs are Included in Annual Report Page # / Line #	Cost Reported	Actual Cost to the Related Party
		Yes	No %**				
Norwichtown Rehabilitation and Care Center 06360	93 West Town Street, Norwich, CT	<input type="radio"/>	<input checked="" type="radio"/>	Provides Laundry Services	Pg. 19 / Line 3b	40,500	40,500
Norwichtown Rehabilitation and Care Center 06360	93 West Town Street, Norwich, CT	<input type="radio"/>	<input checked="" type="radio"/>	Allocation of controller's salary	Pg. 10 / Line A11a	112,424	112,424
Norwichtown Rehabilitation and Care Center 06360	93 West Town Street, Norwich, CT	<input type="radio"/>	<input checked="" type="radio"/>	Allocation of marketer's salary	Pg. 10 / Line A12n	21,669	21,669
Norwichtown Rehabilitation and Care Center 06360	93 West Town Street, Norwich, CT	<input type="radio"/>	<input checked="" type="radio"/>	Allocation of dietician's salary	Pg. 10 / Line A5a	15,606	15,606
Fountainview LLC		<input type="radio"/>	<input checked="" type="radio"/>	Rental of property, No assets placed into serv	Pg. 22 / Line 9	420,000	372,851
Kenneth Kallen		<input type="radio"/>	<input checked="" type="radio"/>	Owner - Provides financial oversight	Pg. 10 / Line A12o	95,089	95,089
Norwichtown Rehabilitation and Care Center 06360	93 West Town Street, Norwich, CT	<input type="radio"/>	<input checked="" type="radio"/>	Intercompany transactions	Pg. 34 / Line B3	274,487	274,487
		<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 Eastern Connecticut Health Systems, Inc. d/b/a	License No. 1048C	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.

One level of care - N/A

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

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

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

One level of care - N/A

General Information and Questionnaire Leases (Excluding Real Property)

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

Name of Facility		License No.		Report for Year Ended		Page	of
Eastern Connecticut Health Systems, Inc. d/b/a New London		1048C		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					
Accelerated Care Plus, 4850 Joule Street, Bldg. A1, Reno, NV 89502	<input type="radio"/>	<input checked="" type="radio"/>	Specialty Rehab Equipment	09/02/11	Open-ended	12,584	12,584
NEC Financial Services, 250 Peble Avenue, Suite 309, Saddle Brook, NH 07663	<input type="radio"/>	<input checked="" type="radio"/>	Phone System	11/01/11	60 Months	3,486	3,486
Pitney Bowes, Inc. 1 Elmcroft Road, Stamford, CT 06926	<input type="radio"/>	<input checked="" type="radio"/>	Postage Machine	09/29/09	Open-ended	880	880
Wells Fargo, P.O. Box 6434, Carol Stream, IL 60197	<input type="radio"/>	<input checked="" type="radio"/>	Copiers	10/01/11	60 Months	1,125	1,125
US Bank, P.O. Box 790448, St. Louis, MO 63179-0448	<input type="radio"/>	<input checked="" type="radio"/>	Copiers (See Attached)	10/01/15	60 Months	5,265	5,265
Life Systems, 7320 Central Ave, Savannah, GA 31406	<input type="radio"/>	<input checked="" type="radio"/>	Bladder Scanner	12/01/14	36 Months	6,475	6,475
	<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"/>					
						Total ***	29,815

Is a Mileage Log Book Maintained for All Leased Vehicles ? Yes No

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

** Attach copies of newly acquired leases.

*** Amount should agree to Page 22, Line 6c.



EQUIPMENT FINANCE

APPLICATION NO.	CONTRACT NO.
-----------------	--------------

Lease Agreement

Supplier:



Boston • Woburn
 Springfield • Canton
 Providence, RI • Manchester, NH
 1(800)321-NECS
 Fax: (781)935-3313

Send Account Inquiries to: 1310 Madrid Street, Suite 101 • Marshall, MN 56258 • Phone: (800) 328-5371 • Fax: (800) 328-9092
 Send Payments to: P.O. Box 790448 • St. Louis, MO 63179-0448

The words Lessee, you and your refer to Customer. The words Lessor, we, us and our refer to U.S. Bank Equipment Finance, a division of U.S. Bank National Association ("U.S. Bank Equipment Finance").

CUSTOMER INFORMATION

FULL LEGAL NAME EASTERN Ct Health Systems Mountaintop Care Center LLC		STREET ADDRESS 88 Clark Lane	
CITY Waterford	STATE CT	ZIP 06385	PHONE 860-822-2572
BILLING NAME (IF DIFFERENT FROM ABOVE) Same		BILLING STREET ADDRESS	
CITY	STATE	ZIP	E-MAIL

EQUIPMENT LOCATION (IF DIFFERENT FROM ABOVE)

EQUIPMENT DESCRIPTION

MAKE/MODEL/ACCESSORIES	SERIAL NO.
1 Samsung SCX-8240NA Complete Digital System	
1 Samsung SCX-08128NA Complete Digital System	

together with all replacements, parts, repairs, additions, and accessories incorporated therein or attached thereto and any and all proceeds of the foregoing, including, without limitation, insurance recoveries.

See the attached Schedule A

TERM AND PAYMENT SCHEDULE

Term in 60 Months 60 Payments* of \$ 334.94 *plus applicable taxes

The lease contract payment ("Payment") period is monthly unless otherwise indicated.

END OF LEASE OPTIONS

You may choose one of the following options within the area you check and initial at the end of the original term, provided that no event of default under the Agreement has occurred and is continuing. If no box is checked and initialed, then Fair Market Value will be your end of lease option. Leases with \$1.00 or \$101.00 purchase options will not be renewed. To the extent that any purchase option indicates that the purchase price will be the "Fair Market Value" (or "FMV"), such term means the value of the Equipment in continued use.

- 1) Purchase all but not less than all the Equipment for the Fair Market Value per paragraph 1, 2) Renew the Agreement per paragraph 1, or 3) Return the Equipment per paragraph 3.
- 1) Purchase the Equipment for \$1.00, or 2) Return the Equipment per paragraph 3.

____ Customer's Initials
 ____ Customer's Initials

THIS IS A NONCANCELABLE/IRREVOCABLE AGREEMENT, THIS AGREEMENT CANNOT BE CANCELED OR TERMINATED.

LESSOR ACCEPTANCE

U.S. Bank Equipment Finance			
LESSOR	SIGNATURE	TITLE	DATED

LEASE ACCEPTANCE

By signing below, you certify that you have reviewed and do agree to all terms and conditions of this Agreement on this page and on page 2 attached hereto.

EASTERN Ct Health Systems	<i>[Signature]</i>	CFO	10/20/2015
CUSTOMER (as referenced above)	SIGNATURE	TITLE	DATED
061103473	Richard Melchor		
FEDERAL TAX I.D. #	PRINT NAME		

ACCEPTANCE OF DELIVERY

You certify that all the Equipment listed above has been furnished, that delivery and installation has been fully completed and is satisfactory. Upon you signing below, your promises herein will be irrevocable and unconditional in all respects. You understand that we have purchased the Equipment from the Supplier, and you may contact the Supplier for a full description of any warranty rights under the supply contract, which we hereby assign to you for the term of this Agreement (or until you default). Your approval as indicated below of our purchase of the Equipment from the Supplier is a condition precedent to the effectiveness of this Agreement.

<i>[Signature]</i>		
CUSTOMER (as referenced above)	SIGNATURE	DATE OF DELIVERY

General Information and Questionnaire
Accounting Basis

Name of Facility Eastern Connecticut Health System	License No. 1048C	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 Byrd & Associates 3 PDR Certified Public Accountants 4	Address (No. & Street, City, State, Zip Code) 555 Long Wharf Drive, New Haven, CT 06511 PO Box 1749, Winter Park, FL 32790 29750 US Hwy 19 North, Suite 101, Clearwater, FL 33761
---	--

Services Provided by This Firm (*describe fully*)

1 Financial statements, Cost reports, and Ken Kallen Estate Matters (Disallowed \$6,760)	\$ 28,277
2 Tax return preparation	\$ 3,950
3 401(k) Audit Fees	\$ 2,437
4	\$
	Charge for Services Provided
	\$ 34,664

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 Murth Cullina LLP 2 New London Probate Court 3 Brown Jacobson P.C. 4 Clerk of Superior Court 5	Telephone Number 860-240-6000 860-443-7121 860-889-3321 860-443-8343
--	--

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

- 1 185 Asylum Street, Hartford, CT 06103
- 2 181 State Street, PO Box 148, New London, CT 06320
- 3 22 Courthouse Square, PO Box 391, Norwich, CT 06360
- 4 70 Huntington Street, New London, CT 06320
- 5

Services Provided by This Firm (*describe fully*)

1 Labor/employee matters	\$ 1,608
2 Conservatorship (Disallowed on pg. 28)	\$ 2,400
3 Collections and Secretary of State Filings (Disallowed on pg. 28)	\$ 5,142
4 Small claims (Pending Outcome)	\$ 180
5	\$
	Charge for Services Provided
	\$ 9,330

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 Eastern Connecticut Health Systems, Inc. d/b/a New London Rehabilitat	License No. 1048C		Report for Year Ended 9/30/2016				Page 8	of 37		
	Total All Levels	Total CCNH Level	Total RHNS Level	Total (Specify)	Period 10/1 Thru 6/30				Period 7/1 Thru 9/30	
					Total	CCNH			RHNS	(Specify)
1. Certified Bed Capacity										
A. On last day of PREVIOUS report period	120	120			120	120				
B. On last day of THIS report period	120	120			120	120				
2. Number of Residents										
A. As of midnight of PREVIOUS report period	108	108			108	108				
B. As of midnight of THIS report period	105	105			109	109				
3. Total Number of Days Care Provided During Period										
A. Medicare	3,380	3,380			2,495	2,495		885		
B. Medicaid (Conn.)	29,346	29,346			21,816	21,816		7,530		
C. Medicaid (other states)										
D. Private Pay	5,207	5,207			3,829	3,829		1,378		
E. State SSI for RCH										
F. Other (Specify) Insurance	1,110	1,110			881	881		229		
G. Total Care Days During Period (3A thru F)	39,043	39,043			29,021	29,021		10,022		
4. Total Number of Days Not Included in Figures in 3G for Which Revenue Was Received for Reserved Beds										
A. Medicaid Bed Reserve Days										
B. Other Bed Reserve Days										
5. Total Resident Days (3G + 4A + 4B)	39,043	39,043			29,021	29,021		10,022		

Schedule of Resident Statistics (Cont'd)

Name of Facility Eastern Connecticut Health Systems, Inc. d/b/	License No. 1048C	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	RHNS	CCNH	RHNS	CCNH	RHNS	(Specify)	R.C.H.	ICF-MR
No. of Residents	7		80		18				
Per Diem Rate									
a. One bed rm.	Various		192.76		415.00				
b. Two bed rms.	Various		192.76		365.00				
c. Three or more bed rms.									

7. Total Number of Physical Therapy Treatments	TOTAL	CCNH	RHNS	(Specify)
A. Medicare - Part B	4,041	4,041		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments				
2. Restorative Treatments	911	911		
C. Other	10,575	10,575		
D. Total Physical Therapy Treatments	15,527	15,527		
8. Total Number of Speech Therapy Treatments				
A. Medicare - Part B	1,722	1,722		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments				
2. Restorative Treatments	213	213		
C. Other	2,958	2,958		
D. Total Speech Therapy Treatments	4,893	4,893		
9. Total Number of Occupational Therapy Treatments				
A. Medicare - Part B	3,482	3,482		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments				
2. Restorative Treatments	754	754		
C. Other	10,007	10,007		
D. Total Occupational Therapy Treatments	14,243	14,243		

Report of Expenditures - Salaries & Wages

Name of Facility	License No.	Report for Year Ended	Page	of		
Eastern Connecticut Health Systems, Inc. d/b/a New London	1048C	9/30/2016	10	37		
Are time records maintained by all individuals receiving compensation? <input checked="" type="radio"/> Yes <input type="radio"/> No						
	Total Cost and Hours					
Item	CCNH	Hours	RHNS	Hours	(Specify)	Hours
A. Salaries and Wages*						
1. Operators/Owners (Complete also Sec. I of Schedule A1)						
2. Administrator(s) (Complete also Sec. III of Schedule A1)	126,426	2,112				
3. Assistant Administrator (Complete also Sec. IV of Schedule A1)						
4. Other Administrative Salaries (telephone operator, clerks, receptionists, etc.)	204,801	8,690				
5. Dietary Service						
a. Head Dietitian	15,606	617				
b. Food Service Supervisor	54,832	2,080				
c. Dietary Workers	230,167	20,150				
6. Housekeeping Service						
a. Head Housekeeper	78	7				
b. Other Housekeeping Workers	152,760	13,498				
7. Repairs & Maintenance Services						
a. Engineer or Chief of Maintenance	52,381	2,187				
b. Other Maintenance Workers	54,347	4,574				
8. Laundry Service						
a. Supervisor						
b. Other Laundry Workers						
9. Barber and Beautician Services						
10. Protective Services						
11. Accounting Services						
a. Head Accountant	112,424	1,048				
b. Other Accountants						
12. Professional Care of Residents						
a. Directors and Assistant Director of Nurses	183,413	4,230				
b. RN						
1. Direct Care	621,427	17,656				
2. Administrative**	346,795	9,497				
c. LPN						
1. Direct Care	973,317	35,948				
2. Administrative**						
d. Aides and Attendants	1,433,556	95,742				
e. Physical Therapists						
f. Speech Therapists						
g. Occupational Therapists						
h. Recreation Workers	123,227	7,880				
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	95,635	3,001				
n. Marketing	21,669	747				
o. Other (Specify)						
See Attached Schedule	128,066	2,396				
A-13. Total Salary Expenditures	4,930,927	232,060				

* 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				
	Eastern Connecticut Health Systems, Inc. d/b/a New London Rehabil	1048C	9/30/2016	11			37			
Name	CCNH	RHNS	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
Section I - Operators/Owners										
Kenneth Kallen	95,089			Non Discrim	Financial Consultant	757	A12o	Norwichtown Rehab and Care Center	1,043	100,982
Section II - Other related parties of Operators/Owners employed in and paid by facility (EXCEPT those who may be the Administrator or Assistant Administrators who are identified on Page 12).										

* No allowance for salaries will be considered unless full information is provided. Use additional sheets if required.
 ** Include all employment worked during the cost year.

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

Name of Facility (as licensed)		License No.		Report for Year Ended		Page	of		
Eastern Connecticut Health Systems, Inc. d/b/a New London Rehabilitation		1048C		9/30/2016		12	37		
Name	Salary Paid		Fringe Benefits and/or Other Payments (describe fully)	Full Description of Services Rendered	Total Hours Worked	Line Where Claimed on Page 10	Name and Address of All Other Employment**	Total Hours Worked	Compensation Received
	CCNH	RHNS (Specify)							
Section III - Administrators***									
Mike Pescatello	126,426		Non Discrim	Administrator	2,112	A2			
Section IV - Assistant Administrators									

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

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

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

B. Report of Expenditures - Professional Fees

Name of Facility	License No.	Report for Year Ended	Page	of		
Eastern Connecticut Health Systems, Inc. d/b/a New	1048C	9/30/2016	13	37		
Total Cost and Hours						
Item	CCNH	Hours	RHNS	Hours	(Specify)	Hours
*B. Direct care consultants paid on a fee for service basis in lieu of salary (For all such services complete Schedule B1)						
1. Dietitian	23,475	522				
2. Dentist	10,860	Monthly Bill				
3. Pharmacist	5,135	260				
4. Podiatrist						
5. Physical Therapy						
a. Resident Care	269,186	3,882				
b. Other						
6. Social Worker						
7. Recreation Worker						
8. Physicians						
a. Medical Director (entire facility)	48,400	242				
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	110,052	1,221				
b. Other						
10. Occupational Therapist						
a. Resident Care	251,193	3,561				
b. Other						
11. Nurses and aides and attendants						
a. RN						
1. Direct Care						
2. Administrative***	14,275	32				
b. LPN						
1. Direct Care						
2. Administrative***						
c. Aides						
d. Other						
12. Other (Specify) See Attached Schedule						
B-13 Total Fees Paid in Lieu of Salaries	732,576	9,720				

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

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

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

C. Expenditures Other Than Salaries - Administrative and General

Name of Facility	License No.	Report for Year Ended		Page	of
Eastern Connecticut Health Systems, Inc. d/b/a Ne	1048C	9/30/2016		15	37
Item	Total	CCNH	RHNS	(Specify)	
1. Administrative and General					
a. Employee Health & Welfare Benefits					
1. Workmen's Compensation	\$ 207,501	207,501			
2. Disability Insurance	\$				
3. Unemployment Insurance	\$ 157,254	157,254			
4. Social Security (F.I.C.A.)	\$ 349,365	349,365			
5. Health Insurance	\$ 373,199	373,199			
6. Life Insurance (employees only) (not-owners and not-operators)	\$ 4,200	4,200			
7. Pensions (Non-Discriminatory) (not-owners and not-operators)	\$				
8. Uniform Allowance	\$				
9. Other (<i>Specify</i>) See Attached Schedule	\$ 10,079	10,079			
b. Personal Retirement Plans, Pensions, and Profit Sharing Plans for Owners and Operators (Discriminatory)*	\$				
c. Bad Debts*	\$ 207,871	207,871			
d. Accounting and Auditing	\$ 34,664	34,664			
e. Legal (<i>Services should be fully described on Page 7</i>)	\$ 9,330	9,330			
f. Insurance on Lives of Owners and Operators (<i>Specify</i>)*	\$				
g. Office Supplies	\$ 19,640	19,640			
h. Telephone and Cellular Phones					
1. Telephone & Pagers	\$ 5,949	5,949			
2. Cellular Phones	\$ 2,426	2,426			
i. Appraisal (<i>Specify purpose and attach copy</i>)*	\$				
j. Corporation Business Taxes (<i>franchise tax</i>)	\$ 250	250			
k. Other Taxes (<i>Not related to property - See Page 22</i>)					
1. Income*	\$				
2. Other (<i>Specify</i>) See Attached Schedule	\$				
3. Resident Day User Fee	\$ 735,049	735,049			
Subtotal	\$ 2,116,777	2,116,777			

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

(Carry Subtotals forward to next page)

***** DO NOT Include Holiday Parties / Awards / Gifts to Staff**

Eastern Connecticut Health Systems, Inc. d/b/a New London Rehabilitation and Care Attachment Page 15
9/30/2016

Schedule of Other Employee Benefits

Description	CCNH	RHNS	(Specify)
	-		
Thanksgiving Gift Cards	\$ 3,325		
Employee Recognition (Disallowed on Pg. 28)	\$ 1,501		
Flowers for Employees (Disallowed on Pg. 28)	\$ 438		
Employee Spa Nights (Disallowed on Pg. 28)	\$ 225		
Water Coolers in Lieu of Water Fountains	\$ 3,505		
Operations Meeting (Disallowed on Pg. 28)	\$ 1,085		
Total	\$ 10,079	\$ -	\$ -

Schedule of Other Taxes

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

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

Name of Facility	License No.	Report for Year Ended		Page	of
Eastern Connecticut Health Systems, Inc. d/b/a New L	1048C	9/30/2016		16	37
Item	Total	CCNH	RHNS	(Specify)	
Subtotals Brought Forward:					
	2,116,777	2,116,777			
I. Travel and Entertainment					
1. Resident Travel and Entertainment	\$				
2. Holiday Parties for Staff	\$				
3. Gifts to Staff and Residents	\$				
4. Employee Travel	\$ 339	339			
5. Education Expenses Related to Seminars and Conventions	\$ 3,325	3,325			
6. Automobile Expense (<i>not purchase or depreciation</i>)	\$				
7. Other (<i>Specify</i>) See Attached Schedule	\$				
m. Other Administrative and General Expenses					
1. Advertising Help Wanted (<i>all such expenses</i>)	\$ 159	159			
2. Advertising Telephone Directory (<i>all such expenses</i>)***	\$				
3. Advertising Other (<i>Specify</i>)*** See Attached Schedule	\$ 41,061	41,061			
4. Fund-Raising***	\$				
5. Medical Records	\$				
6. Barber and Beauty Supplies (if this service is supplied directly and not by contract or fee for service)***	\$				
7. Postage	\$ 4,498	4,498			
* 8. Dues and Membership Fees to Professional Associations (<i>Specify</i>) See Attached Schedule	\$				
8a. Dues to Chamber of Commerce & Other Non-Allowable Org.***	\$ 973	973			
9. Subscriptions	\$ 8,971	8,971			
10. Contributions*** See Attached Schedule	\$				
11. Services Provided by Contract (<i>Specify and Complete Schedule C-2, Page 21 for each firm or individual</i>)	\$ 44,376	44,376			
12. Administrative Management Services**	\$				
13. Other (<i>Specify</i>) See Attached Schedule	\$ 39,297	39,297			
C-14 Total Administrative & General Expenditures	\$ 2,259,776	2,259,776			

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

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

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

Schedule of Other Travel and Entertainment

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

Schedule of Other Advertising

Description	CCNH	RHNS	(Specify)
Marketing	\$ 19,045		
Advertising - Promotional	\$ 22,016		
Total Other Advertising	\$ 41,061	\$ -	\$ -

Schedule of Dues

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

Schedule of Contributions

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

Schedule of Other Administrative and General

Description	CCNH	RHNS	(Specify)
	-		
Employee Pre-Employment Screening	\$ 3,458		
Owner/Administrator Allowance	\$ 2,601		
Licenses - Administrator Renewal	\$ 205		
Licenses - Food Service License	\$ 280		
Licenses - BioMedical Waste Permit	\$ 200		
Licenses - Facility	\$ 1,040		
Resident Replacement Items	\$ 2,028		
Miscellaneous	\$ 571		
Service Charges - Bank (Routine)	\$ 2,213		
Fines & Penalties	\$ 8,553		
Purchased Services - Admissions	\$ 4,040		
Expense Write Off - CWIP	\$ 11,200		
Nursing Home Week	\$ 2,833		
Mock Survey	\$ 75		
Total Other Administrative and General	\$ 39,297	\$ -	\$ -

Schedule C-1 - Management Services*

Name of Facility	License No.	Report for Year Ended	Page of
Eastern Connecticut Health Systems, Inc.	1048C	9/30/2016	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		License No.	Report for Year Ended		Page	of
Eastern Connecticut Health Systems, Inc. d/b/a New Lo		1048C	9/30/2016		18	37
Item	Total	CCNH	RHNS	(Specify)		
2. Dietary						
a. In-House Preparation & Service						
1. Raw Food	\$ 302,675	302,675				
2. Non-Food Supplies	\$ 42,833	42,833				
3. Other (Specify) _____	\$					
b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21)	\$ 1,825	1,825				
c. Management Services**	\$					
d. Other (Specify) _____ Equipment Rental, Repairs & Maintenance	\$ 2,696	2,696				
2E. Total Dietary Expenditures (2a + b + c + d)	\$ 350,029	350,029				
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 checked="" type="radio"/> Yes	<input type="radio"/> No				
I. Did you receive revenue from employees?	<input checked="" type="radio"/> Yes	<input type="radio"/> No		If yes, specify amt.		\$160
J. Where is the revenue received reported in the Cost Report? (Page/Line Item)						Pg. 30, Line IV 1
K. Is cost of meals provided to persons other than employees or residents (i.e., Board Members, Guests) included in 2E?	<input checked="" type="radio"/> Yes	<input type="radio"/> No		If yes, specify cost.		
L. Is any revenue collected from these people?	<input type="radio"/> Yes	<input checked="" type="radio"/> No		If yes, specify amt.		
M. Where is the revenue received reported in the Cost Report? (Page/Line Item)						
N. Is cost of food (other than meals, e.g., snacks at monthly staff meetings, board meetings) provided to employees included in 2E?	<input type="radio"/> Yes	<input checked="" type="radio"/> No		If yes, specify cost.		
O. Is any revenue collected from employees?	<input type="radio"/> Yes	<input checked="" type="radio"/> No		If yes, specify amt.		
P. Where is the revenue received reported in the Cost Report? (Page/Line Item)						

* Count each tray served to a resident at meal time, but do not count liquids or other "between meal" snacks.
 ** Schedule C-1, Page 17 must be fully completed or this expenditure will not be allowed.

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

Name of Facility		License No.	Report for Year Ended	Page	of
Eastern Connecticut Health Systems, Inc. d/b/a New Lon		1048C	9/30/2016	19	37
Item		Total	CCNH	RHNS	(Specify)
3. Laundry					
a. In-House Processing*		Lbs.			
1. Bed linens, cubicle curtains, draperies, gowns and other resident care items washed, ironed, and/or processed.***		Amt. \$			
2. Employee items including uniforms, gowns, etc. washed, ironed and/or processed.***		Lbs.			
		Amt. \$			
3. Personal clothing of residents washed, ironed, and/or processed.***		Lbs.			
		Amt. \$			
4. Repair and/or purchase of linens.***		Lbs.			
		Amt. \$	15,728	15,728	
b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21)		\$	40,500	40,500	
c. Management Services**		\$			
d. Other (Specify) Chemicals & Supplies		\$	123	123	
3E. Total Laundry Expenditures (3a + b + c + d)		\$	56,351	56,351	
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
Eastern Connecticut Health Systems, Inc. d/b/a		1048C	9/30/2016		20	37
Item		Total	CCNH	RHNS	(Specify)	
4.	Housekeeping	Sq. Ft. Serviced by Personnel				
a.	In-House Care	Amt. \$				
	1. Supplies - Cleaning (<i>Mops, pails, brooms, etc.</i>)	\$ 29,882	29,882			
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>)	\$				
4E.	Total Housekeeping Expenditures (4a + b + c + d)	\$ 29,882	29,882			
5.	Resident Care (Supplies)**					
a.	Prescription Drugs***					
	1. Own Pharmacy	\$				
	2. Purchased from Prescription Drugs	\$ 208,321	208,321			
b.	Medicine Cabinet Drugs	\$ 149,883	149,883			
c.	Medical and Therapeutic Supplies	\$				
d.	Ambulance/Limousine***	\$ 11,329	11,329			
e.	Oxygen					
	1. For Emergency Use	\$				
	2. Other***	\$ 39,726	39,726			
f.	X-rays and Related Radiological Procedures***	\$ 6,843	6,843			
g.	Dental (<i>Not dentists who should be included under salaries or fees</i>)	\$				
h.	Laboratory***	\$ 23,399	23,399			
i.	Recreation	\$ 25,788	25,788			
j.	Other (<i>Specify</i>)**** See Attached Schedule	\$ 76,397	76,397			
5K.	Total Resident Care Expenditures (5a - 5j)	\$ 541,686	541,686			

* 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)
	-		
Physician Other - Cancer Treatments (Disallowed on Pg. 29a)	\$ 4,053		
Physician Other - Hospice Services	\$ 1,211		
Physician Other - Medicare A PPS (Disallowed on Pg. 29a)	\$ 864		
PPS Billing Med A (Disallowed on Pg. 29a)	\$ 3,523		
Equipment Rental - Wound Vac Rentals (Disallowed on Pg. 29a)	\$ 11,512		
Equipment Rental - Mattress Rentals	\$ 1,170		
Small Equipment Purchased - Nursing Admin	\$ 12,472		
Purchased Services - Medicare A PPS (Disallowed on Pg. 29a)	\$ 1,342		
Purchased Services - Wheelchair Cleaning	\$ 2,200		
Purchased Services - Wheelchair Calibration	\$ 750		
Purchased Services - IV Expense (Disallowed on Pg. 29a)	\$ 9,386		
Purchased Services - ABAQIS	\$ 2,520		
Supplies - Physical Therapy	\$ 6,905		
Supplies - Occupational Therapy (Disallowed on Pg. 29a)	\$ 3,947		
Supplies - Speech Therapy	\$ 297		
IV Expense (Disallowed on Pg. 29a)	\$ 9,392		
PPS Billable (Disallowed on Pg. 29a)	\$ 4,853		
Total Other Resident Care	\$ 76,397	\$ -	\$ -

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

Name of Facility		License No.		Report for Year Ended		Page of				
Eastern Connecticut Health Systems, Inc. d/b/a New London Rehabilitation		1048C		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
CWPM	PO Box 415, Plainville, CT 06062	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Trash Removal	19,524			22	6f
MDI Achieve	Drive, Minneapolis, MN 55344	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Matrix	26,414			16	m11
Atlantic Broad Band Norwich Rehabilitation and Care Center	PO Box 6008, Waterford, CT 06385 93 West Town Street, Norwich, CT 06360	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Cable Television/Internet Access	22,108			16/20	11/5i
Diroma Landscaping	1111 Coluntown Rd, Griswold, CT 06351	<input type="radio"/>	<input checked="" type="radio"/>	Affiliate	Laundry Services	40,500			19	3b
P&J Sprinkler	67 Main Street, Willimantic, CT 06226	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Grounds Landscaping	14,208			22	6f
American Ambulance	16 Hamilton ST, Unit 2, Saugus, MA 01906	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Sprinkler system repair/maintenance	23,682			22	6f
L&M Hospital	365 Montauk Avenue, New London, CT 06320	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Ambulance Services	10,255			20	5d
Procaire LLC	77 Summit Street, Manchester, CT 06040	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Laboratory Services	23,399			20	5h
		<input type="radio"/>	<input checked="" type="radio"/>	N/A	Oxygen Services	39,726			20	5e2
		<input type="radio"/>	<input checked="" type="radio"/>							
		<input type="radio"/>	<input checked="" type="radio"/>							
		<input type="radio"/>	<input checked="" type="radio"/>							
		<input type="radio"/>	<input checked="" type="radio"/>							
		<input type="radio"/>	<input checked="" type="radio"/>							

* List all contracted services over \$10,000. Use additional sheets if necessary.

** Refer to Page 4 for definition of related.

*** Please cross-reference amount to the appropriate page in the Annual Report (Pages 16, 18, 19, 20 or 22).

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

Name of Facility	License No.	Report for Year Ended			Page	of
Eastern Connecticut Health Systems, Inc. d/b/a	1048C	9/30/2016			22	37
Item	Total	CCNH	RHNS	(Specify)		
6. Maintenance & Operation of Plant						
a. Repairs & Maintenance	\$ 32,324	32,324				
b. Heat	\$ 21,269	21,269				
c. Light & Power	\$ 118,976	118,976				
d. Water	\$ 31,619	31,619				
e. Equipment Lease (<i>Provide detail on page 6</i>)	\$ 29,815	29,815				
f. Other (<i>itemize</i>)	\$ 96,466	96,466				
See Attached Schedule						
6g. Total Maint. & Operating Expense (6a - 6f)	\$ 330,469	330,469				
7. Depreciation (<i>complete schedule page 23*</i>)						
a. Land Improvements	\$					
b. Building & Building Improvements	\$ 97,700	97,700				
c. Non-Movable Equipment	\$					
d. Movable Equipment	\$ 41,721	41,721				
*7e. Total Depreciation Costs (7a + b + c + d)	\$ 139,421	139,421				
8. Amortization (<i>Complete att. Schedule Page 24*</i>)						
a. Organization Expense	\$					
b. Mortgage Expense	\$					
c. Leasehold Improvements	\$					
d. Other (<i>Specify</i>)	\$					
*8e. Total Amortization Costs (8a + b + c + d)	\$					
9. Rental payments on leased real property less real estate taxes included in item 10b	\$ 420,000	420,000				
10. Property Taxes						
a. Real estate taxes paid by owner	\$					
b. Real estate taxes paid by lessor	\$ 75,553	75,553				
c. Personal property taxes	\$ 10,296	10,296				
11. Total Property Expenses (7e + 8e + 9 + 10)	\$ 645,270	645,270				

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

Depreciation Schedule

Name of Facility Eastern Connecticut Health Systems, Inc. d/b/a New London Rehabilitation		License No. 1048C		Report for Year Ended 9/30/2016				Page 23	of 37
Property Item		Historical Cost Exclusive of Land	Less Salvage Value	Cost to Be Depreciated	Accumulated Depreciation to Beginning of Year's Operations	Method of Computing Depreciation	Useful Life	Depreciation for This Year	Totals
A. Land Improvements									
1. Acquired prior to this report period		26,130		26,130	26,130	S/L	Various		
2. Disposals (attach schedule)									
3. Acquired during this report period (attach schedule)									
A-4. Subtotal									
B. Building and Building Improvements									
1. Acquired prior to this report period		2,359,078		2,359,078	1,838,670	S/L	Various	97,700	
2. Disposals (attach schedule)									
3. Acquired during this report period (attach schedule)									
B-4. Subtotal									97,700
C. Non-Movable Equipment									
1. Acquired prior to this report period		92,905		92,905	92,905	S/L	Various		
2. Disposals (attach schedule)									
3. Acquired during this report period (attach schedule)									
C-4. Subtotal									
D. Movable Equipment									
1. Motor Vehicles (Specify name, model and year of each vehicle)									
a.		1,042		1,042	1,042	S/L			
b.									
c.									
d.									
2. Movable Equipment									
a. Acquired prior to this report period		1,370,043		1,370,043	1,314,298	S/L	Various	36,304	
b. Disposals (attach schedule)		(3,355)		(3,355)	(3,355)	S/L	Various		
c. Acquired during this report period (attach schedule)									
D-3. Subtotal		47,406		47,406		S/L	Various	5,417	
E. Total Depreciation									41,721
									139,421

Schedule of Movable Equipment Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
Additions:				
Various	See Attached	\$ 47,406	Various	\$ 5,417
Total additions for Movable Equipment		\$ 47,406		\$ 5,417 *
Deletions:				
Various	See Attached	\$ (3,355)	Various	\$ -
Total deletions for Movable Equipment		\$ (3,355)		\$ - **

*Ties to Page 23, Line D2c

**Ties to Page 23, Line D2b

Schedule of Leasehold Improvements Acquired during this report period

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

*Ties to Page 24, Line C3

**Ties to Page 24, Line C2

Eastern Connecticut Health Systems, Inc. d/b/a New London
 Rehabilitation and Care of Waterford
 Depreciation Schedule
 09/30/16

Property	Acquisition Year	Historical Costs	Cost to Be Depreciated	Life	Method Life	2015 Deprec.	2016 Accum Deprec.	2016 Deprec.	2016 Accum Deprec.	Net Book Value
Land Improvements										
Acquired prior 2011	Var	26,130	26,130	Var	S/L	-	26,130	-	26,130	-
Total		26,130	26,130				26,130		26,130	
Building and Building Improvements										
Acquired prior 2011	Var	2,031,125	2,031,125	Var	S/L	65,009	1,735,859	65,009	1,800,868	230,257
Total		2,031,125	2,031,125			65,009	1,735,859	65,009	1,800,868	230,257
Acquisition 2012										
Renovations	8/21/2012	6,780	6,780	5	S/L	1,356	5,424	1,356	6,780	-
Repair Flooring	4/26/2012	15,587	15,587	5	S/L	3,117	12,469	3,118	15,587	-
Repair Sewer	7/31/2012	2,659	2,659	5	S/L	532	2,128	531	2,659	-
Repair Sewer	8/1/2012	5,318	5,318	5	S/L	1,064	4,255	1,063	5,318	-
Carpet	12/15/2011	10,868	10,868	5	S/L	2,174	8,695	2,173	10,868	-
New Generator	12/21/2011	12,000	12,000	20	S/L	600	2,400	600	3,000	9,000
Wallpaper	var	28,657	28,657	10	S/L	2,866	11,463	2,866	14,329	14,327
Generator	var	74,669	74,669	10	S/L	7,467	29,868	7,467	37,335	37,334
Wanderguard	12/1/2011	3,247	3,247	5	S/L	649	2,597	650	3,247	-
Outdoor Sign	12/1/2011	6,528	6,528	10	S/L	653	2,612	653	3,265	3,263
Electrical Work	10/20/2011	3,084	3,084	10	S/L	308	1,233	308	1,541	1,543
Total 2012 Acq		169,394	169,394			20,786	83,142	20,784	103,927	65,468
Acquisition 2013										
Dish Machine and Booster	5/17/2013	13,599	13,599	5	S/L	2,720	8,160	2,720	10,880	2,719
Total New Acq		13,599	13,599			2,720	8,160	2,720	10,880	2,719
Acquisition 2014										
FLOORING REPAIR/TEAR OUT	11/14/2013	5,830	5,830	10	S/L	534	1,069	583	1,652	4,178
WALK-IN FRIDGE/FREEZER	1/1/2014	47,759	47,759	15	S/L	2,388	4,776	3,184	7,960	39,799
ELECTRICAL DEMO/WIRING WALKIN COOLER	1/8/2014	4,201	4,201	15	S/L	210	420	280	700	3,501
ELECTRIC SERVICES FOR WALKIN	1/8/2014	2,165	2,165	15	S/L	108	217	144	361	1,805
SPRINKLER SERVICES FOR WALKIN	1/15/2014	3,261	3,261	15	S/L	163	326	217	543	2,718
DAYROOM RENOVATION	2/28/2014	6,777	6,777	20	S/L	226	452	339	791	5,986
WALKIN FREEZER WALL DEMO	3/11/2014	9,004	9,004	15	S/L	350	700	600	1,300	7,704
RENOVATE SHOWER ROOMS	3/31/2014	95,110	95,110	20	S/L	2,774	5,548	4,755	10,303	84,807
Settlement for AM/PM Roof - Repaired in 2010	10/18/2013	(32,500)	(32,500)	30	S/L	(1,083)	(2,167)	(1,083)	(3,250)	(29,250)
Total 2014 Additions		141,607	141,607			5,670	11,341	9,019	20,360	121,247
Acquisition 2015										
NEW ELECTRICAL PANEL	10/28/2014	3,353	3,353	20	S/L	168	168	168	336	3,017
Total 2015 Additions		3,353	3,353			168	168	168	336	3,017
Total Building Improvements		2,359,077	2,359,077			94,353	1,838,670	97,700	1,936,370	422,707
Non-Movable Equipment										
Acquired prior 2011	Var	92,905	92,905	Var	S/L	-	92,905	-	92,905	-
Total		92,905	92,905			-	92,905	-	92,905	-
Moveable Equipment										
Acquired prior 2011	Var	1,198,371	1,198,371	Var	S/L	1,409	1,198,371	-	1,198,371	-
Acquisition 2012										
Dell Computers	10/11/2011	2,548	2,548	5	S/L	510	2,039	509	2,548	-
Dell Computers	12/16/2011	2,813	2,813	5	S/L	563	2,251	562	2,813	-
Dell Computers	10/11/2011	12,240	12,240	5	S/L	2,448	9,792	2,448	12,240	-

Furniture	8/10/2012	4,804	5	S/L	961	3,843	960	4,804	-
Furniture	5/8/2012	9,518	5	S/L	1,904	7,615	1,903	9,518	-
Furniture	6/8/2012	9,518	5	S/L	1,904	7,615	1,903	9,518	-
Furniture	7/9/2012	9,518	5	S/L	1,904	7,615	1,903	9,518	-
Furniture	8/8/2012	9,519	5	S/L	1,904	7,615	1,903	9,519	-
Furniture	10/2/2011	4,599	5	S/L	3,680	4,599	919	4,599	-
Kitchen Tray Caddy	12/5/2011	3,576	5	S/L	2,860	715	3,576	-	-
Furniture	3/8/2012	9,518	5	S/L	1,904	7,615	1,903	9,518	-
Furniture	3/8/2012	9,518	5	S/L	1,904	7,615	1,903	9,518	-
Furniture	10/31/2011	4,600	5	S/L	920	3,680	920	4,600	-
Lamps/Furniture	3/1/2012	3,508	5	S/L	2,807	701	3,508	-	-
Resident Beds	4/21/2012	5,923	5	S/L	1,185	4,739	1,184	5,923	-
Ice machine	03/16/202	6,057	5	S/L	1,211	4,845	1,212	6,057	-
TVs	10/20/2011	5,210	5	S/L	1,042	4,168	1,042	5,210	-
Total 2012 Additions		112,986			22,601	90,386	22,589	112,986	-
Acquisition 2013									
Medline Beds	2/28/2013	8,142	5	S/L	1,628	4,884	1,628	6,512	1,630
Direct Supply Furniture For Dining Room	3/18/2013	12,711	5	S/L	2,542	7,626	2,542	10,168	2,543
Equipment	5/23/2013	4,110	5	S/L	822	2,466	822	3,288	822
Total 2013 Additions		24,963			4,992	14,977	4,992	19,969	4,995
Acquisition 2014									
BARIATRIC BED	4/2/2014	3,119	5	S/L	624	936	624	1,560	1,559
FURNITURE FOR DAY ROOM	3/3/2014	3,503	5	S/L	701	1,110	701	1,811	1,693
BEDS/FLOOR SCRUBBER	1/31/2014	6,737	5	S/L	1,347	2,358	1,347	3,705	3,032
ELECTRIC BEDS	8/13/2014	2,982	5	S/L	596	695	596	1,291	1,691
Total 2014 Additions		16,342			3,268	5,099	3,268	8,367	7,975
Acquisition 2015									
BED HEAD/FOOTBOARD KITS/LAMIN FOR PANELS	1/28/2015	1,015	3	S/L	338	338	338	676	339
BEDS	3/5/2015	13,831	3	S/L	4,610	4,610	4,610	9,220	4,611
HOT FOOD SERVING COUNTER	8/19/2015	2,535	5	S/L	507	507	507	1,014	1,521
Total 2015 Additions		17,381			5,455	5,455	5,455	10,910	6,471
Acquisition 2016									
Beds	5/16/2016	8,944	12	S/L	-	-	745	745	8,199
Beds	5/23/2016	8,789	12	S/L	-	-	732	732	8,057
Ultra Sound for Rehab	8/25/2016	5,352	7	S/L	-	-	765	765	4,587
Rehab Equipment	5/9/2016	8,742	7	S/L	-	-	1,249	1,249	7,493
Rehab Equipment	9/13/2016	8,586	7	S/L	-	-	1,227	1,227	7,359
Time Clock System	3/3/2016	6,995	10	S/L	-	-	699	699	6,296
Total 2016 Additions		47,406			-	-	5,417	5,417	41,989
Disposals 2016									
Generator	1/31/2000	(570)	5	S/L	-	-	-	(570)	-
Timeclock Plus	9/30/2002	(2,785)	3	S/L	-	-	-	(2,785)	-
Total 2016 Disposals		(3,355)						(3,355)	
Total		1,414,095			37,725	1,314,298	41,721	1,352,665	61,430
Total Historical Cost and Depreciation For Period		3,892,207			132,079	3,272,004	139,422	3,408,070	484,137
T/B		3,924,708					125,099	2,702,768	1,221,940
Additional Negative Asset for Roofing Settlement		(32,500)							
Variance		(1)							
CR vs. FS NBV		737,803							(14,323)
Rounding Variance		(1)							1
CR vs. FS NBV - Page 31, Line B9		737,802							(14,322)

CR vs. FS depreciation
Rounding Variance
CR vs. FS depreciation - Page 36, Line F1

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

Name of Facility Eastern Connecticut Health Systems, Inc.	License No. 1048C	Report for Year Ended 9/30/2016	Page 25	of 37
11. Property Questionnaire				
Part A				
Is the property either owned by the Facility or leased from a Related Party?*		<input checked="" type="radio"/> Yes	<input type="radio"/> No	If "Yes," complete Part B. If "No," complete Part C.
*If any owner or operator of this facility is related by family, marriage, ownership, ability to control or business association to any person or organization from whom buildings are leased, then it is considered a related party transaction.				
Description	Total			
1. Date Land Purchased	05/19/05			
2. Date Structure Completed	05/21/05			
3. If NOT Original Owner, Date of Purchase	06/06/05			
4. Date of Initial Licensure	05/21/05			
5. Total Licensed Bed Capacity	120			
6. Square Footage				
7. Acquisition Cost				
a. Land	33,500			
b. Building	699,640			
Part B - Owner and Related Parties	1st Mortgage	2nd Mortgage	3rd Mortgage	4th Mortgage
1. Financing				
a. Type of Financing (e.g., fixed, variable)	Fixed			
b. Date Mortgage Obtained	03/01/06			
c. Interest Rate for the Cost Year	3.23%			
d. Term of Mortgage (number of years)	20			
e. Amount of Principal Borrowed	5,600,000			
f. Principal balance outstanding as of 9/30/2016	4,387,275			
Complete if Mortgage was Refinanced During Current Cost Year				
g. Type of Financing (e.g., fixed, variable)				
h. Date of Refinancing				
i. New Interest Rate				
j. Term of Mortgage (number of years)				
k. Amount of Principal Borrowed				
l. Principal Outstanding on Note Paid-Off				
Part C - Arms-Length Leases for Real Property Improvements Only				
Name and Address of Lessor	Property Leased	Date of Lease	Term of Lease	Annual Amount of Lease

Note: Be sure required copies of leases are attached to Page 25 and real estate taxes paid by lessor are included on Page 22, Item 10b.

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
Eastern Connecticut Health Systems, Inc.		1048C	9/30/2016		26	37
Item			Total	CCNH	RHNS	(Specify)
12. Interest						
A. Building, Land Improvement & Non-Movable Equipment						
1. First Mortgage			\$			
Name of Lender		Rate				
Address of Lender						
2. Second Mortgage			\$			
Name of Lender		Rate				
Address of Lender						
3. Third Mortgage			\$			
Name of Lender		Rate				
Address of Lender						
4. Fourth Mortgage			\$			
Name of Lender		Rate				
Address of Lender						
B. CHEFA Loan Information						
1. Original Loan Amount			\$			
2. Loan Origination Date						
3. Interest Rate %						
4. Term						
5. CHEFA Interest Expense						
12 B7. Total Building Interest Expense (A1 - A4 + B5)			\$			

(Carry Subtotals forward to next page)

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

Name of Facility		License No.		Report for Year Ended		Page	of
Eastern Connecticut Health Systems		1048C		9/30/2016		27	37
Item				Total	CCNH	RHNS	(Specify)
Subtotals Brought Forward:							
12. C. Movable Equipment							
1. Automotive Equipment				\$			
A. Item		Rate	Amount				
Lender							
Address of Lender							
2. Other (Specify)				\$			
A. Item		Rate	Amount				
Lender							
Address of Lender							
B. Item		Rate	Amount				
Lender							
Address of Lender							
12. C. 3. Total Movable Equipment Interest Expense (C1 + 2)				\$			
12. D. Other Interest Expense (Specify) Interest				\$	248	248	
13. Total All Interest Expense (12B7 + 12C3 + 12D)				\$	248	248	
14. Insurance							
a. Insurance on Property (buildings only)				\$			
b. Insurance on Automobiles				\$			
c. Insurance other than Property (as specified above)							
1. Umbrella (Blanket Coverage)			\$	69,750	69,750		
2. Fire and Extended Coverage			\$				
3. Other (Specify)			\$				
14d. Total Insurance Expenditures (14a + b + c)				\$	69,750	69,750	
15. Total All Expenditures (A-13 thru C-14)				\$	9,946,964	9,946,964	

D. Adjustments to Statement of Expenditures

Name of Facility				License No.	Report for Year Ended	Page	of
Eastern Connecticut Health Systems, Inc. d/b/a New London Re				1048C	9/30/2016	28	37
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
Page 10 - Salaries and Wages							
1.			Outpatient Service Costs	\$			
2.			Salaries not related to Resident Care	\$			
3.			Occupational Therapy	\$			
4.			Other - See attached Schedule	\$ 116,758	116,758		
Page 13 - Professional Fees							
5.			Resident Care Physicians **	\$			
6.	13	B10a	Occupational Therapy	\$ 251,193	251,193		
7.			Other - See attached Schedule	\$			
Pages 15 & 16 - Administrative and General							
8.			Discriminatory Benefits	\$			
9.	15	1c	Bad Debts	\$ 207,871	207,871		
10.	15	1d/1e	Accounting & Legal	\$ 14,302	14,302		
11.			Telephone	\$			
12.	15	1h2	Cellular Telephone	\$ 1,440	1,440		
13.			Life insurance premiums on the life of Owners, Partners, Operators	\$			
14.	15	1a9	Gifts, flowers and coffee shops	\$ 3,249	3,249		
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	L4	Automobile Expense (e.g. personal use)	\$ 174	174		
18.	16	m2/3	Unallowable Advertising *	\$ 41,061	41,061		
19.			Income Tax / Corporate Business Tax	\$			
20.			Fund Raising / Contributions	\$			
21.			Unallowable Management Fees	\$			
22.			Barber and Beauty	\$			
23.			Other - See attached Schedule	\$ 47,771	47,771		
Page 18 - Dietary Expenditures							
24.			Meals to employees, guests and others who are not residents	\$			
Page 19 - Laundry Expenditures							
25.			Laundry services to employees, guests and others who are not residents	\$			
Page 20 - Housekeeping Expenditures							
26.			Housekeeping services to employees, guests and others who are not residents	\$			
Subtotal (Items 1 - 26)				\$ 683,819	683,819		

* 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	A12o	Financial Consultant (Owner)	\$ 95,089		
10	A12n	Marketing Salary	\$ 21,669		
Total Other Salaries Adjustment			\$ 116,758	\$ -	\$ -

Schedule of Fees Adjustments

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

Schedule of Other A&G Adjustments

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
16	m8a	Chamber of Commerce Dues	\$ 973		
16	m13	Owner/Administrator Allowance	\$ 2,601		
16	m13	Resident Replacement Items	\$ 2,028		
16	m13	Fines & Penalties	\$ 8,553		
16	m13	Miscellaneous	\$ 571		
16	m13	Expense Write Off - CWIP	\$ 11,200		
15	Var	Owners Benefits Disallowance	\$ 17,048		
15	Var	Marketing Benefits Disallowance	\$ 4,797		
Total Other A&G Adjustments			\$ 47,771	\$ -	\$ -

Eastern Connecticut Health Systems, Inc.
September 30, 2016
Benefits Disallowance
Page 28a Attachment

Marketing

Marketing Salary	21,669	TB Linked
Total Salaries	<u>4,930,927</u>	TB Linked
Percent to Total Salaries	0.44%	

Total Benefits (Pg 15, Line 1a1 - 1a7) 1,091,519 TB Linked

Marketing Benefits Disallowed 4,797 Page 28 attachment

Owner

Owner's Salary	95,089	TB Linked
Total Salaries	<u>4,930,927</u>	TB Linked
Percent to Total Salaries	1.93%	

Total Benefits (Pg 15, Line 1a3 - 1a6) 884,018 TB Linked

Owner's Benefits Disallowed 17,048 Page 28 attachment

Eastern Connecticut Health Systems, Inc.
Cost Report Year 2016
Disallowance of Other Employee Benefits
Attachment 28b, Line 14

<u>Page/Line on Cost Report</u>	<u>Account</u>	<u>Descriptions</u>	<u>Amount</u>
Page 15 / Line 1a9	730260.000	Thanksgiving Gift Cards	3,325
Page 15 / Line 1a9	730260.000	Employee Recognition	1,501
Page 15 / Line 1a9	730260.000	Flowers for Employees	438
Page 15 / Line 1a9	730260.000	Employee Spa Nights	225
Page 15 / Line 1a9	730260.000	Water Coolers in Lieu of Water Fountains	3,505
Page 15 / Line 1a9	730260.000	Operations Meeting	1,085
			\$ 10,079
Amount Disallowed from Page 15, Line 1a9			
Page 28 / Line 14	730260.000	Employee Recognition	1,501
Page 28 / Line 14	730260.000	Flowers for Employees	438
Page 28 / Line 14	730260.000	Employee Spa Nights	225
Page 28 / Line 14	730260.000	Operations Meeting	1,085
Total Disallowed Gifts and Flowers			\$ 3,249

Eastern Connecticut Health Systems, Inc.
 Cost Report Year 2016
 Disallowance of Employee Travel
 Attachment 28c, Line 17

<u>Page/Line on Cost Report</u>	<u>Account</u>	<u>Descriptions</u>	<u>Explanation of Expenses</u>	<u>Allowable</u>	<u>Disallowed</u>	<u>Total</u>
Page 16 / Line 1.4	730840.000	Mileage Reimbursement	Reimbursement to DSS in Hartford due to survey (IDR)	165		165
Page 16 / Line 1.4	740840.000	Mileage Reimbursement	Reimbursement to Admissions Director for marketing		174	174
				\$ 165 \$	\$ 174 \$	\$ 339

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

Name of Facility			License No.	Report for Year Ended	Page	of	
Eastern Connecticut Health Systems, Inc. d/b/a New London			1048C	9/30/2016	29	37	
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
Subtotals Brought Forward				\$ 683,819	683,819		
Page 20 - Resident Care Supplies***							
27.	20	5a1/2	Prescription Drugs	\$ 208,321	208,321		
28.	20	5d	Ambulance/Limousine	\$ 11,329	11,329		
29.	20	5f	X-rays, etc	\$ 6,843	6,843		
30.	20	5h	Laboratory	\$ 23,399	23,399		
31.			Medical Supplies	\$			
32.	20	5e2	Oxygen (non emergency)	\$ 39,726	39,726		
33.			Occupational Therapy	\$			
34.			Other - See Attached Schedule	\$ 63,133	63,133		
Page 22 - Maintenance and Property							
35.			Excess Movable Equipment Depreciation See Attached Schedule	\$			
36.			Depreciation on Unallowable Motor Vehicles	\$			
37.			Unallowable Property and Real Estate Taxes	\$			
38.			Rental of Building Space or Rooms	\$			
39.			Other - See Attached Schedule	\$ 47,149	47,149		
Page 27 - Insurance							
40.			Mortgage Insurance	\$			
41.			Property Insurance	\$			
Other - Miscellaneous							
42.			Research or Experimental Activities	\$			
43.			Radio and Television Revenue	\$			
44.			Vending Machine Revenue	\$			
45.			Purchase Discounts and Allowances	\$			
46.			Duplications of functions or services	\$			
47.			Expenditures made for the protection, enhancement or promotion of the providers interest	\$			
48.			Interest Income on Accounts Rec	\$			
49.			Other (include personnel and other costs unrelated to resident care) - See Attached Schedule	\$ 2,992	2,992		
Not For Profit Providers Only							
50.			Building/Non Movable Eq. Depreciation Unallowable Building Interest - See Attached Schedule	\$			
51.	Total Amount of Decrease (Items 1 - 50)			\$ 1,086,711	1,086,711		

*** 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.

Eastern Connecticut Health Systems, Inc. d/b/a New London Rehabilitation and Care of Waterford
9/30/2016

Schedule of Other Ancillary Costs

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
20	5i	Cable TV Disallowance (See Attachment)	\$ 12,502		
20	5j	Billable Medical Supplies (See Attachment)	\$ 1,759		
20	5j	Physician Other - Cancer Treatments	\$ 4,053		
20	5j	Physician Other - Medicare A PPS	\$ 864		
20	5j	PPS Billing Med A	\$ 3,523		
20	5j	Equipment Rental - Wound Vac Rentals	\$ 11,512		
20	5j	Purchased Services - Medicare A PPS	\$ 1,342		
20	5j	Purchased Services - IV Expense	\$ 9,386		
20	5j	Supplies - Occupational Therapy	\$ 3,947		
20	5j	IV Expense	\$ 9,392		
20	5j	PPS Billable	\$ 4,853		
Total Other Ancillary Costs			\$ 63,133	\$ -	\$ -

Schedule of Excess Movable Equipment Depreciation

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

Schedule of Other Property Adjustments

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
22	9	Rental Property Disallowance	\$ 47,149		
Total Other Property Adjustments			\$ 47,149	\$ -	\$ -

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
30	IV 8	Medical Records	\$ 2,832		
30	IV 1	Employee/Guest Meals	\$ 160		
Total Other Adjustments			\$ 2,992	\$ -	\$ -

Schedule of Unallowable Building Interest

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

Eastern Connecticut Health Systems, Inc.
September 30, 2016
Cable Disallowance Calculation
Page 29a Attachment

Total Allowable Amount		3,600	
Amount Reported	Page 20, LN 5i	<u>16,102</u>	
Disallowance		<u><u>(12,502)</u></u>	Page 29a

Eastern Connecticut Health Systems, Inc.
September 30, 2016
Medical Supply Disallowance Calculation
Page 29b Attachment

	<u>Amount</u>	<u>Percent to Total</u>
Revenue for Medicare Medical Supplies	332	36%
Revenue for Medicaid Medical Supplies	584	64%
Total Supply Income Page 30, Lines 2a-2d	916	100%
Billable Medical Supplies Page 20, LN 5j	4,853	
Percent related to non-Medicaid Payor	36%	
Amount Related to Medicare	1,759	
Disallowance	<u>1,759</u>	Page 29a

F. Statement of Revenue

Name of Facility Eastern Connecticut Health Systems, Inc. 1048C		License No.		Report for Year Ended 9/30/2016		Page 30	of 37
Item	Total	CCNH	RHNS	(Specify)			
I. Resident Room, Board & Routine Care Revenue							
1. a. Medicaid Residents (CT only)	\$ 10,645,850	10,645,850					
b. Medicaid Room and Board Contractual Allowance **	\$ (5,032,189)	(5,032,189)					
2. a. Medicaid (All other states)	\$						
b. Other States Room and Board Contractual Allowance **	\$						
3. a. Medicare Residents (all inclusive)	\$ 1,310,835	1,310,835					
b. Medicare Room and Board Contractual Allowance **	\$ 654,889	654,889					
4. a. Private-Pay Residents and Other	\$ 2,372,895	2,372,895					
b. Private-Pay Room and Board Contractual Allowance **	\$ (135,452)	(135,452)					
II. Other Resident Revenue							
1. a. Prescription Drugs - Medicare	\$ 316,267	316,267					
b. Prescription Drugs - Medicare Contractual Allowance **	\$						
c. Prescription Drugs - Non-Medicare	\$ 103,645	103,645					
d. Prescription Drugs - Non-Medicare Contractual Allowance **	\$						
2. a. Medical Supplies - Medicare	\$ 332	332					
b. Medical Supplies - Medicare Contractual Allowance **	\$						
c. Medical Supplies - Non-Medicare	\$ 584	584					
d. Medical Supplies - Non-Medicare Contractual Allowance **	\$						
3. a. Physical Therapy - Medicare	\$ 1,493,167	1,493,167					
b. Physical Therapy - Medicare Contractual Allowance **	\$						
c. Physical Therapy - Non-Medicare	\$ 328,200	328,200					
d. Physical Therapy - Non-Medicare Contractual Allowance **	\$						
4. a. Speech Therapy - Medicare	\$ 234,004	234,004					
b. Speech Therapy - Medicare Contractual Allowance **	\$						
c. Speech Therapy - Non-Medicare	\$ 42,720	42,720					
d. Speech Therapy - Non-Medicare Contractual Allowance **	\$						
5. a. Occupational Therapy - Medicare	\$ 1,362,005	1,362,005					
b. Occupational Therapy - Medicare Contractual Allowance **	\$						
c. Occupational Therapy - Non-Medicare	\$ 297,720	297,720					
d. Occupational Therapy - Non-Medicare Contractual Allowance **	\$						
6. a. Other (Specify) - Medicare	\$ (3,143,846)	(3,143,846)					
b. Other (Specify) - Non-Medicare	\$ (606,008)	(606,008)					
III. Total Resident Revenue (Section I. thru Section II.)	\$ 10,245,618	10,245,618					
IV. Other Revenue*							
1. Meals sold to guests, employees & others	\$ 160	160					
2. Rental of rooms to non-residents	\$						
3. Telephone	\$						
4. Rental of Television and Cable Services	\$						
5. Interest Income (Specify)	\$ 7,526	7,526					
6. Private Duty Nurses' Fees	\$						
7. Barber, Coffee, Beauty and Gift shops	\$						
8. Other (Specify)	\$ 2,832	2,832					
V. Total Other Revenue (1 thru 8)	\$ 10,518	10,518					
VI. Total All Revenue (III + V)	\$ 10,256,136	10,256,136					

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

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

Schedule of Other Resident Revenue - Medicare

Related Exp

Page Ref	Description	CCNH	RHNS	(Specify)
		-		
30 II 6a	Medicare A - Sequestration	\$ (33,801)		
30 II 6a	Medicare A - Oxygen	\$ 2,640		
30 II 6a	Medicare A - X-Ray	\$ 18,333		
30 II 6a	Medicare A - Lab	\$ 180,908		
30 II 6a	Medicare A - Contractual Adjustment	\$ (2,603,480)		
30 II 6a	Medicare A - Prior Year Adjustment	\$ (222)		
30 II 6a	Medicare B - Contractual Adjustment	\$ (669,097)		
30 II 6a	Medicare B - Sequestration	\$ (5,362)		
30 II 6a	Medicare B - Prior Year Adjustment	\$ (33,765)		
Total Other Resident Revenue - Medicare		\$ (3,143,846)	\$ -	\$ -

Schedule of Other Non-Medicare Resident Revenue

Related Exp

Page Ref	Description	CCNH	RHNS	(Specify)
		-		
	Private - Lab	3,442		
	Private - Contractual Adjustment	(7,335)		
	Private - Prior Year Adjustment	40,076		
	Medicaid - Oxygen	9,144		
	Medicaid - IV Therapy	21		
	Medicaid - Lab	534		
	Medicaid - Contractual Adjustment	(248,066)		
	Medicaid - Prior Year Adjustment	9,591		
	Managed Care - Oxygen	680		
	Managed Care - IV Therapy	1,443		
	Managed Care - X-Ray	15,844		
	Managed Care - Lab	40,960		
	Managed Care - Contractual Adjustment	(492,904)		
	Managed Care - Prior Year Adjustment	13,048		
	Insurance - X-Ray	538		
	Insurance - Lab	3,186		
	Insurance - Prior Year Adjustment	13,321		
	Hospice - Oxygen	224		
	Hospice - IV Therapy	1,451		
	Hospice - Contractual Adjustment	(2,398)		
	Hospice - Prior Year Adjustment	952		
	Managed Care B - Prior Year Adjustment	(9,760)		
Total Other Resident Revenue		\$ (606,008)	\$ -	\$ -

Interest Income

Account

Page Ref	Account	Balance	CCNH	RHNS	(Specify)
			-		
30 IV 5	Interest Income	302,099	\$ (323)		
30 IV 5	Interest Charged to Residents	N/A	\$ 7,849		
Total Interest Income			\$ 7,526	\$ -	\$ -

Schedule of Other Revenue

Page Ref	Description	CCNH	RHNS	(Specify)
		-		
30 IV 8	Medical Records	\$ 2,832		
Total Other Revenue		\$ 2,832	\$ -	\$ -

G. Balance Sheet

Name of Facility	License No.	Report for Year Ended	Page	of
Eastern Connecticut Health Systems, Inc	1048C	9/30/2016	31	37
Account			Amount	
Assets				
A. Current Assets				
1. Cash (on hand and in banks)			\$	734,443
2. Resident Accounts Receivable (Less Allowance for Bad Debts)			\$	1,084,245
3. Other Accounts Receivable (Excluding Owners or Related Parties)			\$	
4. Inventories			\$	
5. Prepaid Expenses			\$	96,848
a. Dietary / Insurance	16,407			
b. Property Tax	7,839			
c. Real Estate	58,213			
d. Federal Corp Tax	14,389			
6. Interest Receivable			\$	
7. Medicare Final Settlement Receivable			\$	
8. Other Current Assets (itemize)			\$	

A-9. Total Current Assets (Lines A1 thru 8)			\$	1,915,536
B. Fixed Assets				
1. Land			\$	
2. Land Improvements	*Historical Cost	26,130	\$	
	Accum. Depreciation	26,130		Net
3. Buildings	*Historical Cost	2,359,078	\$	422,708
	Accum. Depreciation	1,936,370		Net
4. Leasehold Improvements	*Historical Cost		\$	
	Accum. Depreciation			Net
5. Non-Movable Equipment	*Historical Cost	92,905	\$	
	Accum. Depreciation	92,905		Net
6. Movable Equipment	*Historical Cost	1,414,094	\$	61,430
	Accum. Depreciation	1,352,664		Net
7. Motor Vehicles	*Historical Cost	1,042	\$	
	Accum. Depreciation	1,042		Net
8. Minor Equipment-Not Depreciable			\$	
9. Other Fixed Assets (itemize)			\$	737,802
C/R vs F/S NBV		737,802		
B-10. Total Fixed Assets (Lines B1 thru 9)			\$	1,221,940

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

(Carry Total forward to next page)

G. Balance Sheet (cont'd)

Name of Facility		License No.	Report for Year Ended	Page	of
Eastern Connecticut Health Systems, Inc		1048C	9/30/2016	32	37
Account				Amount	
Total Brought Forward:				\$	3,137,476
C. Leasehold or like property recorded for Equity Purposes.					
1. Land				\$	202,400
2. Land Improvements		*Historical Cost _____		\$	
		Accum. Depreciation _____	Net	\$	
3. Buildings		*Historical Cost _____		\$	
		Accum. Depreciation _____	Net	\$	
4. Non-Movable Equipment		*Historical Cost _____		\$	
		Accum. Depreciation _____	Net	\$	
5. Movable Equipment		*Historical Cost _____		\$	
		Accum. Depreciation _____	Net	\$	
6. Motor Vehicles		*Historical Cost _____		\$	
		Accum. Depreciation _____	Net	\$	
7. Minor Equipment-Not Depreciable				\$	
C-8 Total Leasehold or Like Properties (C1 thru 7)				\$	202,400
D. Investment and Other Assets					
1. Deferred Deposits				\$	
2. Escrow Deposits				\$	
3. Organization Expense		*Historical Cost _____		\$	
		Accum. Depreciation _____	Net	\$	
4. Goodwill (Purchased Only)				\$	
5. Investments Related to Resident Care (<i>itemize</i>)				\$	
_____				\$	
6. Loans to Owners or Related Parties (<i>itemize</i>)				\$	
Name and Address		Amount	Loan Date		
_____		_____	_____		
7. Other Assets (<i>itemize</i>)				\$	
_____				\$	
_____				\$	
D-8. Total Investments and Other Assets (Lines D1 thru 7)				\$	
D-9. Total All Assets (Lines A9 + B10 + C8 + D8)				\$	3,339,876

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

Annual Report of Long-Term Care Facility

G. Balance Sheet (cont'd)

Name of Facility Eastern Connecticut Health Systems, Inc. d/b/a		License No. 1048C	Report for Year Ended 9/30/2016	Page 33	of 37
Account				Amount	
Liabilities					
A. Current Liabilities					
1. Trade Accounts Payable				\$	618,617
2. Notes Payable (<i>itemize</i>)				\$	

3. Loans Payable for Equipment (<i>Current portion</i>) (<i>itemize</i>)				\$	
Name of Lender		Purpose	Amount	Date Due	
4. Accrued Payroll (<i>Exclusive of Owners and/or Stockholders only</i>)				\$	132,228
5. Accrued Payroll (<i>Owners and/or Stockholders only</i>)				\$	
6. Accrued Payroll Taxes Payable				\$	25,198
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>)				\$	(4,004)
Resident Refunds		(4,004)			

A-13. Total Current Liabilities (Lines A1 thru 12)				\$	772,039

* 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 Eastern Connecticut Health Systems, Inc. d/		License No. 1048C	Report for Year Ended 9/30/2016	Page 34	of 37
Account				Amount	
Total Brought Forward:				772,039	
Liabilities (cont'd)					
B. Long-Term Liabilities					
1. Loans Payable-Equipment (<i>itemize</i>)				\$	
Name of Lender	Purpose	Amount	Date Due		
2. Mortgages Payable				\$	
3. Loans from Owners or Related Parties (<i>itemize</i>)				\$ 274,487	
Name and Address of Lender	Amount	Loan Date			
Due to Norwichtown	274,487				
4. Other Long-Term Liabilities (<i>itemize</i>)				\$	

B-5. Total Long-Term Liabilities (Lines B1 thru 4)				\$ 274,487	
C. Total All Liabilities (Lines A-13 + B-5)				\$ 1,046,526	

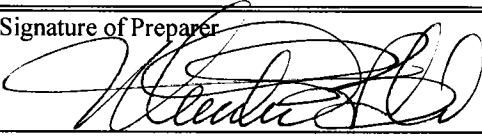
G. Balance Sheet (cont'd)
Reserves and Net Worth

Name of Facility	License No.	Report for Year Ended	Page	of
Eastern Connecticut Health Systems, Inc.	1048C	9/30/2016	35	37
Account			Amount	
A. Reserves				
1. Reserve for value of leased land			\$	202,400
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			\$	202,400
B. Net Worth				
1. Owner's Capital			\$	1,232,128
2. Capital Stock			\$	10,000
3. Paid-in Surplus			\$	
4. Treasury Stock			\$	
5. Cumulated Earnings			\$	525,328
6. Gain or Loss for Period				
	10/1/2015	thru	9/30/2016	
			\$	323,494
7. Total Net Worth			\$	2,090,950
C. Total Reserves and Net Worth			\$	2,293,350
D. Total Liabilities, Reserves, and Net Worth			\$	3,339,876

H. Changes in Total Net Worth

Name of Facility	License No.	Report for Year Ended	Page	of
Eastern Connecticut Health Systems, Inc.	1048C	9/30/2016	36	37
Account			Amount	
A. Balance at End of Prior Period as shown on Report of 09/30/2015			\$	1,832,823
B. Total Revenue (<i>From Statement of Revenue Page 30</i>)			\$	10,256,136
C. Total Expenditures (<i>From Statement of Expenditures Page 27</i>)			\$	9,932,642
D. Net Income or Deficit			\$	323,494
E. Balance			\$	2,156,317
F. Additions				
1. Additional Capital Contributed (<i>itemize</i>)				
Total Expenditures Per Pg. 27			\$9,946,964	
F/S vs C/R Depreciation			(14,322)	
Total F/S Expenditures			\$9,932,642	
2. Other (<i>itemize</i>)				
F-3. Total Additions			\$	
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>)			\$	65,367
Purpose		Amount		
Sub-S Distribution		65,367		
3. Total Deductions			\$	65,367
H. Balance at End of Period			\$	2,090,950

I. Preparer's/Reviewer's Certification

Name of Facility Eastern Connecticut Health Systems, Inc.	License No. 1048C	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)		
Preparer/Reviewer Certification				
<p>I have prepared and reviewed this report and am familiar with the applicable regulations governing its preparation. I have read the most recent Federal and State issued field audit reports for the Facility and have inquired of appropriate personnel as to the possible inclusion in this report of expenses which are not reimbursable under the applicable regulations. All non-reimbursable expenses of which I am aware (except those expenses known to be automatically removed in the State rate computation system) as a result of reading reports, inquiry or other services performed by me are properly reported as such in this report on Pages 28 and 29 (adjustments to statement of expenditures). Further, the data contained in this report is in agreement with the books and records, as provided to me, by the Facility.</p>				
Signature of Preparer 	Title PRINCIPAL	Date Signed 1/6/17		
Printed Name of Preparer Matthew S. Bivolack				
Address Address 555 Long Wharf Drive, New Haven, CT 06511		Phone Number 203-781-9600		

Subject to the attached accountants' consulting report



ACCOUNTANTS' CONSULTING REPORT

Management is responsible for the accompanying Annual Report of Long-Term Care Facility (the "Cost Report") for Eastern Connecticut Health Systems, Inc. d/b/a New London Rehabilitation and Care of Waterford 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 Eastern Connecticut Health Systems, Inc. d/b/a New London Rehabilitation and Care of Waterford. 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 Eastern Connecticut Health Systems, Inc. d/b/a New London Rehabilitation and Care of Waterford and DSS and is not intended to be, and should not be, used by anyone other than these specified parties.

MARCUM LLP

New Haven, CT
January 5, 2017



MARCUMGROUP
MEMBER

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

Facility Name Eastern Connecticut Health Systems d/b/a New London Rehabilitation and Care of Waterford

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: _____

Yes No

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

Explanation: _____

Yes No

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

Explanation: _____

Yes No

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

Explanation: _____

Yes No

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

Explanation: _____

Yes No

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

Explanation: _____

Client: **Eastern Connecticut Health Systems, Inc.**
 Engagement: **Medicaid - Fountainview Care Center 2016**
 Period Ending: **9/30/2016**
 Trial Balance: **A.01 - TB-CCNH**

Account	Description	ADJ 9/30/2016	JE Ref #	RJE	FINAL 9/30/2016
100100.000	Cash - Operating	436,008.00			436,008.00
100150.000	Cash - Payroll	(6,619.00)			(6,619.00)
100200.000	Cash - Petty	35.00			35.00
100250.000	Cash - Impress	2,920.00			2,920.00
100400.000	Cash - Savings	302,099.00			302,099.00
111000.000	A/R - Private	445,039.00			445,039.00
112000.000	A/R - Medicaid	447,861.00			447,861.00
113000.000	A/R - Medicare Part A	185,283.00			185,283.00
114000.000	A/R - Medicare Part B	35,553.00			35,553.00
115000.000	A/R - Co-Insurance Part A	86,218.00			86,218.00
117000.000	A/R - Managed Care	50,922.00			50,922.00
118000.000	A/R - Insurance	21,186.00			21,186.00
119300.000	A/R - Hospice	1,181.00			1,181.00
119600.000	A/R - Resource	(48,131.00)			(48,131.00)
120000.000	A/R - Allowance For Bad Debt	(140,867.00)			(140,867.00)
142000.000	Dietary	15,009.00			15,009.00
152000.000	Prepaid - Insurance	1,398.00			1,398.00
161000.000	Building	2,417,708.00			2,417,708.00
161500.000	Automobile	1,042.00			1,042.00
162000.000	Furniture Fixture & Equipment	1,465,460.00			1,465,460.00
162500.000	Computer Hardware	34,480.00			34,480.00
163000.000	Computer Software	6,018.00			6,018.00
165000.000	Accum. Dep. - Building	(1,265,117.00)			(1,265,117.00)
165500.000	Accum. Dep. - Automobile	(1,042.00)			(1,042.00)
166000.000	Accum. Dep. - FF&E	(1,402,698.00)			(1,402,698.00)
166500.000	Accum. Dep. - Computer Hardware	(29,870.00)			(29,870.00)
167000.000	Accum. Dep. - Computer Software	(4,041.00)			(4,041.00)
181000.000	Property Tax	7,839.00			7,839.00
182000.000	Real Estate	58,213.00			58,213.00
183000.000	Federal Corp Tax	14,389.00			14,389.00
200100.000	Accounts Payable	(414,761.00)			(414,761.00)
200200.000	Accrued Expenses	(203,856.00)			(203,856.00)
201100.000	Federal Withholding	(640.00)			(640.00)
201200.000	State Withholding	98.00			98.00
201300.000	FICA Social Security	(200.00)			(200.00)
201350.000	FICA Medicare	785.00			785.00
202000.000	Accrued Wages	(99,942.00)			(99,942.00)
202300.000	Accrued Vacation	(32,286.00)			(32,286.00)
202350.000	Accrued Vacation Taxes	(2,470.00)			(2,470.00)
210000.000	FUTA Liability	(4,518.00)			(4,518.00)
210050.000	SUTA Liability	(18,253.00)			(18,253.00)
215100.000	Resident Refunds	4,004.00			4,004.00
215400.000	Due To Intercompany	(274,487.00)			(274,487.00)
301000.000	Capital Stock	(10,000.00)			(10,000.00)
302000.000	Sub-S Distributions	65,366.00			65,366.00
305000.000	Additional Paid In Capital	(1,232,128.00)			(1,232,128.00)
308000.000	Retained Earnings	(590,694.00)			(590,694.00)
400100.000	Medicare A - Room And Board	(1,310,835.00)			(1,310,835.00)
400111.000	Medicare A - R&B Contractual Adjustment	(652,077.00)			(652,077.00)
400112.000	Medicare A - Co-Ins Adjustment	(2,812.00)			(2,812.00)
400113.000	Medicare A - Sequestration	33,801.00			33,801.00
400200.000	Medicare A - Medical Supplies	(332.00)			(332.00)
400250.000	Medicare A - Pharmacy	(316,267.00)			(316,267.00)

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
400300.000	Medicare A - Oxygen	(2,640.00)			(2,640.00)
400400.000	Medicare A - Physical Therapy	(1,012,800.00)			(1,012,800.00)
400450.000	Medicare A - Occupational Therapy	(943,680.00)			(943,680.00)
400500.000	Medicare A - Speech Therapy	(128,520.00)			(128,520.00)
400700.000	Medicare A - X-Ray	(18,333.00)			(18,333.00)
400850.000	Medicare A - Lab	(180,908.00)			(180,908.00)
400900.000	Medicare A - Contractual Adjustment	2,603,480.00			2,603,480.00
400999.000	Medicare A - Prior Year Adjustment	222.00			222.00
410100.000	Private - Room And Board	(1,948,330.00)			(1,948,330.00)
410111.000	Private - R&B Contractual Adjustment	65,849.00			65,849.00
410250.000	Private - Pharmacy	(9,923.00)			(9,923.00)
410850.000	Private - Lab	(3,442.00)			(3,442.00)
410900.000	Private - Contractual Adjustment	7,335.00			7,335.00
410999.000	Private - Prior Year Adjustment	(40,076.00)			(40,076.00)
430100.000	Medicaid - Room And Board	(10,645,850.00)			(10,645,850.00)
430111.000	Medicaid - R&B Contractual Adjustment	5,032,189.00			5,032,189.00
430200.000	Medicaid - Medical Supplies	(584.00)			(584.00)
430250.000	Medicaid - Pharmacy	(40,743.00)			(40,743.00)
430300.000	Medicaid - Oxygen	(9,144.00)			(9,144.00)
430400.000	Medicaid - Physical Therapy	(99,120.00)			(99,120.00)
430450.000	Medicaid - Occupational Therapy	(89,760.00)			(89,760.00)
430500.000	Medicaid - Speech Therapy	(14,160.00)			(14,160.00)
430600.000	Medicaid - IV Therapy	(21.00)			(21.00)
430850.000	Medicaid - Lab	(534.00)			(534.00)
430900.000	Medicaid - Contractual Adjustment	248,066.00			248,066.00
430999.000	Medicaid - Prior Year Adjustment	(9,591.00)			(9,591.00)
450100.000	Managed Care - Room And Board	(270,920.00)			(270,920.00)
450111.000	Managed Care - R&B Contractual Adjustment	(31,780.00)			(31,780.00)
450250.000	Managed Care - Pharmacy	(46,977.00)			(46,977.00)
450300.000	Managed Care - Oxygen	(680.00)			(680.00)
450400.000	Managed Care - Physical Therapy	(184,320.00)			(184,320.00)
450450.000	Managed Care - Occupational Therapy	(183,120.00)			(183,120.00)
450500.000	Managed Care - Speech Therapy	(19,560.00)			(19,560.00)
450600.000	Managed Care - IV Therapy	(1,443.00)			(1,443.00)
450700.000	Managed Care - X-Ray	(15,844.00)			(15,844.00)
450850.000	Managed Care - Lab	(40,960.00)			(40,960.00)
450900.000	Managed Care - Contractual Adjustment	492,904.00			492,904.00
450999.000	Managed Care - Prior Year Adjustment	(13,048.00)			(13,048.00)
460100.000	Insurance - Room And Board	(12,900.00)			(12,900.00)
460250.000	Insurance - Pharmacy	(5,278.00)			(5,278.00)
460400.000	Insurance - Physical Therapy	(11,160.00)			(11,160.00)
460450.000	Insurance - Occupational Therapy	(11,640.00)			(11,640.00)
460500.000	Insurance - Speech Therapy	(2,760.00)			(2,760.00)
460700.000	Insurance - X-Ray	(538.00)			(538.00)
460850.000	Insurance - Lab	(3,186.00)			(3,186.00)
460999.000	Insurance - Prior Year Adjustment	(13,321.00)			(13,321.00)
470100.000	Hospice - Room And Board	(140,745.00)			(140,745.00)
470111.000	Hospice - R&B Contractual Adjustment	67,493.00			67,493.00
470250.000	Hospice - Pharmacy	(724.00)			(724.00)
470300.000	Hospice - Oxygen	(224.00)			(224.00)
470600.000	Hospice - IV Therapy	(1,451.00)			(1,451.00)
470900.000	Hospice - Contractual Adjustment	2,398.00			2,398.00
470999.000	Hospice - Prior Year Adjustment	(952.00)			(952.00)
500400.000	Medicare B - Physical Therapy	(480,367.00)			(480,367.00)
500450.000	Medicare B - Occupational Therapy	(418,325.00)			(418,325.00)
500500.000	Medicare B - Speech Therapy	(105,484.00)			(105,484.00)
500900.000	Medicare B - Contractual Adjustment	669,097.00			669,097.00

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
500901.000	Medicare B - Sequestration	5,362.00			5,362.00
500999.000	Medicare B - Prior Year Adjustment	33,765.00			33,765.00
505400.000	Managed Care B - Physical Therapy	(33,600.00)			(33,600.00)
505450.000	Managed Care B - Occupational Therapy	(13,200.00)			(13,200.00)
505500.000	Managed Care B - Speech Therapy	(6,240.00)			(6,240.00)
505900.000	Managed Care B - Contractual Allowance	33,890.00			33,890.00
505999.000	Managed Care B - Prior Year Adjustment	9,760.00			9,760.00
599040.000	Employee/Guest Meals	(160.00)			(160.00)
599050.000	Interest Income	323.00			323.00
599055.000	Interest Charged To Residents	(7,849.00)			(7,849.00)
599080.000	Misc. Income	(2,832.00)			(2,832.00)
610100.000	Wages - Supervisor	41,319.00			41,319.00
610110.000	Wages - Regular	81,908.00			81,908.00
610650.000	Supplies	9,369.00			9,369.00
610810.000	Dues & Subscriptions	145.00			145.00
610830.000	Education	120.00			120.00
610850.000	Purchased Services	317.00			317.00
620110.000	Wages - Regular	95,635.00			95,635.00
630100.000	Wages - R.N.	603,428.00			603,428.00
630105.000	Wages - RN Orientation	17,999.00			17,999.00
630110.000	Wages - L.P.N.	957,427.00			957,427.00
630115.000	Wages - LPN Orientation	15,890.00			15,890.00
630120.000	Wages - CNA	1,404,404.00			1,404,404.00
630125.000	Wages - CNA Orientation	29,152.00			29,152.00
630130.000	Wages - Medical Records	32,977.00			32,977.00
630600.000	Supplies (Non-Medical)	522.00			522.00
630700.000	Equipment Rental	1,042.00			1,042.00
630710.000	Medical Director	48,400.00			48,400.00
630730.000	Oxygen	39,726.00			39,726.00
630760.000	Dentist	10,860.00			10,860.00
630775.000	Physican - Other	6,128.00			6,128.00
630780.000	Ambulance	11,329.00			11,329.00
630790.000	Laboratory	23,399.00			23,399.00
630800.000	Radiology	6,843.00			6,843.00
630820.000	Travel & Seminars	150.00			150.00
630830.000	Education	151.00			151.00
630900.000	Other	3,523.00			3,523.00
670100.000	Wages - DON	90,301.00			90,301.00
670110.000	Wages - ADON	93,112.00			93,112.00
670120.000	Wages - MDS Coordinator	164,694.00			164,694.00
670130.000	Wages - Infection Control	68,373.00			68,373.00
670135.000	Wages - Inservice	59,719.00			59,719.00
670145.000	Wages - Staffing Coordinator	49,323.00			49,323.00
670146.000	Wages - QA Nurse	4,686.00			4,686.00
670600.000	Supplies (Non-Medical)	7,612.00			7,612.00
670700.000	Equipment Rental	19,157.00		(6,475.00)	12,682.00
670720.000	Small Equipment Purchased	12,472.00			12,472.00
670730.000	Equipment Repair & Maintenance	382.00			382.00
670820.000	Travel & Seminar	715.00			715.00
670830.000	Education	1,369.00			1,369.00
670850.000	Purchased Services	30,473.00		(14,275.00)	16,198.00
690100.000	Wages - Supervisor	54,832.00			54,832.00
690110.000	Wages - Regular	230,167.00			230,167.00
690120.000	Wages - Dietician	15,606.00			15,606.00
690660.000	Chemicals	4,166.00			4,166.00
690670.000	Supplies (Non-Food)	23,856.00		125.00	23,981.00
690680.000	Food Supplements	2,331.00			2,331.00

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
690690.000	Raw Food	302,675.00			302,675.00
690695.000	Nutritional Supplements	8,308.00			8,308.00
690700.000	Equipment Rental	711.00			711.00
690720.000	Small Equipment Purchase	4,047.00			4,047.00
690730.000	Equipment Repair & Maintenance	1,985.00			1,985.00
690830.000	Education	820.00			820.00
690850.000	Purchased Services	1,825.00			1,825.00
690860.000	Dietician Consultant	23,475.00			23,475.00
700500.000	Service Contracts	40,500.00			40,500.00
700670.000	Supplies	40.00			40.00
700690.000	Linen	15,728.00			15,728.00
710100.000	Wages - Supervisor	78.00			78.00
710110.000	Wages - Regular	152,760.00			152,760.00
710660.000	Chemicals	83.00			83.00
710670.000	Supplies	29,882.00			29,882.00
710730.000	Equipment Repair & Maintenance	113.00			113.00
720100.000	Wages - Supervisor	52,381.00			52,381.00
720110.000	Wages - Regular	54,347.00			54,347.00
720510.000	Gas	21,269.00			21,269.00
720520.000	Electricity	118,976.00			118,976.00
720530.000	Water	31,619.00			31,619.00
720540.000	Trash Removal	23,569.00			23,569.00
720550.000	Service Contracts	240.00			240.00
720660.000	Building Repair & Maintenance	14,467.00			14,467.00
720670.000	Supplies	17,221.00			17,221.00
720690.000	Grounds Maintenance	871.00			871.00
720695.000	Grounds Landscaping	14,208.00			14,208.00
720700.000	Equipment Rental	2,706.00			2,706.00
720720.000	Small Equipment Purchase	957.00			957.00
720850.000	Purchased Services	48,885.00			48,885.00
720855.000	Rent	420,000.00			420,000.00
730100.000	Wages - Administrator	126,426.00			126,426.00
730105.000	Wages - Controller	112,424.00			112,424.00
730110.000	Wages - Regular	125,926.00			125,926.00
730115.000	Wages - Financial Consultant	95,089.00			95,089.00
730200.000	FUTA	37,912.00			37,912.00
730205.000	SUTA	119,342.00			119,342.00
730210.000	FICA	282,807.00			282,807.00
730215.000	FICAM	66,558.00			66,558.00
730250.000	Workers Compensation	207,501.00			207,501.00
730260.000	Employee Benefit - Misc	13,112.00		(3,033.00)	10,079.00
730270.000	Employee Pre-Employment Screening	3,458.00			3,458.00
730300.000	Group Insurance	373,697.00			373,697.00
730310.000	Dental Insurance	1,465.00			1,465.00
730320.000	Vision Insurance	(4,036.00)			(4,036.00)
730330.000	Life Insurance	4,200.00			4,200.00
730340.000	Aflac Insurance	2,073.00			2,073.00
730430.000	Legal Fees	9,330.00			9,330.00
730440.000	Accounting Fees	34,664.00			34,664.00
730445.000	Telephone	5,949.00			5,949.00
730460.000	Professional Fees	20,512.00		(11,610.00)	8,902.00
730470.000	Owner/Administrator Allowance	2,601.00			2,601.00
730485.000	Administrator Phone	986.00			986.00
730490.000	Marketing	19,045.00			19,045.00
730510.000	Advertising - Recruitment	159.00			159.00
730515.000	Advertising - Promotional	22,016.00			22,016.00
730520.000	Software Maintenance	26,414.00			26,414.00

Account	Description	ADJ 9/30/2016	JE Ref #	RJE	FINAL 9/30/2016
730530.000	Insurance	69,750.00			69,750.00
730540.000	Bad Debt Expense	207,871.00			207,871.00
730550.000	Depreciation	125,099.00			125,099.00
730560.000	Interest	248.00			248.00
730580.000	Real Estate Tax	75,553.00			75,553.00
730585.000	Property Tax	10,296.00			10,296.00
730670.000	Office Supplies	17,679.00			17,679.00
730675.000	Postage	4,498.00			4,498.00
730700.000	Equipment Rental	9,631.00			9,631.00
730720.000	Small Equipment Purchase	1,442.00			1,442.00
730730.000	Repair & Maintenance	141.00			141.00
730740.000	Copier Equipment	5,113.00		(3,988.00)	1,125.00
730810.000	Dues & Subscriptions	10,011.00		(10,011.00)	0.00
730820.000	Travel & Seminar	418.00		(418.00)	0.00
730840.000	Mileage Reimbursement	165.00			165.00
730850.000	Purchased Services	3,054.00			3,054.00
730851.000	Cable Television	16,102.00			16,102.00
730852.000	Internet Provider	6,006.00			6,006.00
730870.000	Licenses	685.00		1,040.00	1,725.00
730900.000	Miscellaneous	2,028.00		571.00	2,599.00
730910.000	Service Charges - Bank	2,214.00			2,214.00
730920.000	Bank Reconciliation Adjustments	(1.00)			(1.00)
730930.000	CT User Fee Tax	735,049.00			735,049.00
730935.000	CT State Corp Tax	250.00			250.00
730950.000	Fines and Penalties	8,553.00			8,553.00
740100.000	Wages - Supervisor	78,875.00			78,875.00
740110.000	Wages - Marketer	21,669.00			21,669.00
740485.000	Cell Phone	1,440.00			1,440.00
740650.000	Supplies	519.00			519.00
740840.000	Mileage Reimbursement	174.00			174.00
740850.000	Purchased Services	4,040.00			4,040.00
800670.000	Supplies	6,905.00			6,905.00
800900.000	Other	13,155.00		(571.00)	12,584.00
800950.000	Purchased Services	269,186.00			269,186.00
810670.000	Supplies	3,947.00			3,947.00
810950.000	Purchased Services	251,193.00			251,193.00
820670.000	Supplies	297.00			297.00
820950.000	Purchased Services	110,052.00			110,052.00
850050.000	Pharmacy Consultant	5,135.00			5,135.00
850650.000	Drugs - Medicare Part A	158,249.00			158,249.00
850660.000	Drugs - Legend	47,626.00			47,626.00
850670.000	Drugs - Non-Legend	2,446.00			2,446.00
850680.000	Drugs - IV	9,392.00			9,392.00
860660.000	Billable	4,853.00			4,853.00
860690.000	Non-Billable	141,749.00			141,749.00
Marcum 01	Chamber of Commerce	0.00		973.00	973.00
Marcum 02	Subscriptions	0.00		8,826.00	8,826.00
Marcum 04	Copier Maintenance	0.00		3,988.00	3,988.00
Marcum 06	Nursing Home Week	0.00		2,833.00	2,833.00
Marcum 07	Contracted Service - MDS/Care PPlan Services	0.00		10,755.00	10,755.00
Marcum 08	Bladder Scanner Lease	0.00		6,475.00	6,475.00
Marcum 09	Nurse Consultant	0.00		3,520.00	3,520.00
Marcum 10	Expense Write Off	0.00		11,200.00	11,200.00
Marcum 11	Mock Survey	0.00		75.00	75.00
Total		0.00		0.00	0.00

Net (Income) Loss

0.00

Client: **Eastern Connecticut Health Systems, Inc.**
 Engagement: **Medicaid - Fountainview Care Center 2016**
 Period Ending: **9/30/2016**
 Trial Balance: **A.01 - TB-CCNH**
 Workpaper: **A.02 - Grouping Report**

Account	Description	ADJ 9/30/2016	JE Ref #	RJE 9/30/2016	FINAL 9/30/2016
Group : [10-A]	Salaries and Wages				
Subgroup : [2]	Administrators				
730100.000	Wages - Administrator	126,426.00		0.00	126,426.00
Subtotal [2]	Administrators	126,426.00		0.00	126,426.00
Subgroup : [4]	Other Administrative Salaries				
730110.000	Wages - Regular	125,926.00		0.00	125,926.00
740100.000	Wages - Supervisor	78,875.00		0.00	78,875.00
Subtotal [4]	Other Administrative Salaries	204,801.00		0.00	204,801.00
Subgroup : [5A]	Head Dietitian				
690120.000	Wages - Dietician	15,606.00		0.00	15,606.00
Subtotal [5A]	Head Dietitian	15,606.00		0.00	15,606.00
Subgroup : [5B]	Food Service Supervisor				
690100.000	Wages - Supervisor	54,832.00		0.00	54,832.00
Subtotal [5B]	Food Service Supervisor	54,832.00		0.00	54,832.00
Subgroup : [5C]	Dietary Workers				
690110.000	Wages - Regular	230,167.00		0.00	230,167.00
Subtotal [5C]	Dietary Workers	230,167.00		0.00	230,167.00
Subgroup : [6A]	Head Housekeeper				
710100.000	Wages - Supervisor	78.00		0.00	78.00
Subtotal [6A]	Head Housekeeper	78.00		0.00	78.00
Subgroup : [6B]	Other Housekeeping Workers				
710110.000	Wages - Regular	152,760.00		0.00	152,760.00
Subtotal [6B]	Other Housekeeping Workers	152,760.00		0.00	152,760.00
Subgroup : [7A]	Engineer or Chief of Maintenance				
720100.000	Wages - Supervisor	52,381.00		0.00	52,381.00
Subtotal [7A]	Engineer or Chief of Maintenance	52,381.00		0.00	52,381.00
Subgroup : [7B]	Other Maintenance Workers				
720110.000	Wages - Regular	54,347.00		0.00	54,347.00
Subtotal [7B]	Other Maintenance Workers	54,347.00		0.00	54,347.00
Subgroup : [11A]	Head Accountant				
730105.000	Wages - Controller	112,424.00		0.00	112,424.00
Subtotal [11A]	Head Accountant	112,424.00		0.00	112,424.00
Subgroup : [12A]	Director of Nurses/Assistant Director				
670100.000	Wages - DON	90,301.00		0.00	90,301.00
670110.000	Wages - ADON	93,112.00		0.00	93,112.00
Subtotal [12A]	Director of Nurses/Assistant Director	183,413.00		0.00	183,413.00
Subgroup : [12B1]	RNs - Direct Care				
630100.000	Wages - R.N.	603,428.00		0.00	603,428.00
630105.000	Wages - RN Orientation	17,999.00		0.00	17,999.00
Subtotal [12B1]	RNs - Direct Care	621,427.00		0.00	621,427.00
Subgroup : [12B2]	RNs - Administrative				
670120.000	Wages - MDS Coordinator	164,694.00		0.00	164,694.00
670130.000	Wages - Infection Control	68,373.00		0.00	68,373.00
670135.000	Wages - Inservice	59,719.00		0.00	59,719.00
670145.000	Wages - Staffing Coordinator	49,323.00		0.00	49,323.00
670146.000	Wages - QA Nurse	4,686.00		0.00	4,686.00
Subtotal [12B2]	RNs - Administrative	346,795.00		0.00	346,795.00

Subgroup : [12C1]	LPNs - Direct Care			
630110.000	Wages - L.P.N.	957,427.00	0.00	957,427.00
630115.000	Wages - LPN Orientation	15,890.00	0.00	15,890.00
Subtotal [12C1]	LPNs - Direct Care	973,317.00	0.00	973,317.00
Subgroup : [12D]	Aides and Attendants			
630120.000	Wages - CNA	1,404,404.00	0.00	1,404,404.00
630125.000	Wages - CNA Orientation	29,152.00	0.00	29,152.00
Subtotal [12D]	Aides and Attendants	1,433,556.00	0.00	1,433,556.00
Subgroup : [12H]	Recreation Workers			
610100.000	Wages - Supervisor	41,319.00	0.00	41,319.00
610110.000	Wages - Regular	81,908.00	0.00	81,908.00
Subtotal [12H]	Recreation Workers	123,227.00	0.00	123,227.00
Subgroup : [12M]	Social Workers/Case Management			
620110.000	Wages - Regular	95,635.00	0.00	95,635.00
Subtotal [12M]	Social Workers/Case Management	95,635.00	0.00	95,635.00
Subgroup : [12N]	Marketing			
740110.000	Wages - Marketer	21,669.00	0.00	21,669.00
Subtotal [12N]	Marketing	21,669.00	0.00	21,669.00
Subgroup : [12O]	Other			
630130.000	Wages - Medical Records	32,977.00	0.00	32,977.00
730115.000	Wages - Financial Consultant	95,089.00	0.00	95,089.00
Subtotal [12O]	Other	128,066.00	0.00	128,066.00
Total [10-A]	Salaries and Wages	4,930,927.00	0.00	4,930,927.00
Group : [13-B]	Professional Fees			
Subgroup : [1]	Dietitian			
690860.000	Dietician Consultant	23,475.00	0.00	23,475.00
Subtotal [1]	Dietitian	23,475.00	0.00	23,475.00
Subgroup : [2]	Dentist			
630760.000	Dentist	10,860.00	0.00	10,860.00
Subtotal [2]	Dentist	10,860.00	0.00	10,860.00
Subgroup : [3]	Pharmacist			
850050.000	Pharmacy Consultant	5,135.00	0.00	5,135.00
Subtotal [3]	Pharmacist	5,135.00	0.00	5,135.00
Subgroup : [5A]	PT - Resident Care			
800950.000	Purchased Services	269,186.00	0.00	269,186.00
Subtotal [5A]	PT - Resident Care	269,186.00	0.00	269,186.00
Subgroup : [8A]	Medical Director			
630710.000	Medical Director	48,400.00	0.00	48,400.00
Subtotal [8A]	Medical Director	48,400.00	0.00	48,400.00
Subgroup : [9A]	ST - Resident Care			
820950.000	Purchased Services	110,052.00	0.00	110,052.00
Subtotal [9A]	ST - Resident Care	110,052.00	0.00	110,052.00
Subgroup : [10A]	OT - Resident Care			
810950.000	Purchased Services	251,193.00	0.00	251,193.00
Subtotal [10A]	OT - Resident Care	251,193.00	0.00	251,193.00
Subgroup : [11A2]	RN's - Administrative			
Marcum 07	Contracted Service - MDS/Care PLan Se	0.00	10,755.00	10,755.00
			RJE - 1	10,755.00
Marcum 09	Nurse Consultant	0.00	3,520.00	3,520.00
			RJE - 7	3,520.00
Subtotal [11A2]	RN's - Administrative	0.00	14,275.00	14,275.00

Total [13-B]	Professional Fees	718,301.00	14,275.00	732,576.00
Group : [15]	Expenditures Other than Salaries			
Subgroup : [1A1]	Workmen's Compensation			
730250.000	Workers Compensation	207,501.00	0.00	207,501.00
Subtotal [1A1]	Workmen's Compensation	207,501.00	0.00	207,501.00
Subgroup : [1A3]	Unemployment Insurance			
730200.000	FUTA	37,912.00	0.00	37,912.00
730205.000	SUTA	119,342.00	0.00	119,342.00
Subtotal [1A3]	Unemployment Insurance	157,254.00	0.00	157,254.00
Subgroup : [1A4]	Social Security (FICA)			
730210.000	FICA	282,807.00	0.00	282,807.00
730215.000	FICAM	66,558.00	0.00	66,558.00
Subtotal [1A4]	Social Security (FICA)	349,365.00	0.00	349,365.00
Subgroup : [1A5]	Health Insurance			
730300.000	Group Insurance	373,697.00	0.00	373,697.00
730310.000	Dental Insurance	1,465.00	0.00	1,465.00
730320.000	Vision Insurance	(4,036.00)	0.00	(4,036.00)
730340.000	Aflac Insurance	2,073.00	0.00	2,073.00
Subtotal [1A5]	Health Insurance	373,199.00	0.00	373,199.00
Subgroup : [1A6]	Life Insurance			
730330.000	Life Insurance	4,200.00	0.00	4,200.00
Subtotal [1A6]	Life Insurance	4,200.00	0.00	4,200.00
Subgroup : [1A9]	Other			
730260.000	Employee Benefit - Misc	13,112.00	(3,033.00)	10,079.00
Subtotal [1A9]	Other	13,112.00	(3,033.00)	10,079.00
			RJE - 3	
Subgroup : [1C]	Bad Debts			
730540.000	Bad Debt Expense	207,871.00	0.00	207,871.00
Subtotal [1C]	Bad Debts	207,871.00	0.00	207,871.00
Subgroup : [1D]	Accounting and Auditing			
730440.000	Accounting Fees	34,664.00	0.00	34,664.00
Subtotal [1D]	Accounting and Auditing	34,664.00	0.00	34,664.00
Subgroup : [1E]	Legal			
730430.000	Legal Fees	9,330.00	0.00	9,330.00
Subtotal [1E]	Legal	9,330.00	0.00	9,330.00
Subgroup : [1G]	Office Supplies			
730670.000	Office Supplies	17,679.00	0.00	17,679.00
730720.000	Small Equipment Purchase	1,442.00	0.00	1,442.00
740650.000	Supplies	519.00	0.00	519.00
Subtotal [1G]	Office Supplies	19,640.00	0.00	19,640.00
Subgroup : [1H1]	Telephone and Telegraph			
730445.000	Telephone	5,949.00	0.00	5,949.00
Subtotal [1H1]	Telephone and Telegraph	5,949.00	0.00	5,949.00
Subgroup : [1H2]	Cellular Phones and Beepers			
730485.000	Administrator Phone	986.00	0.00	986.00
740485.000	Cell Phone	1,440.00	0.00	1,440.00
Subtotal [1H2]	Cellular Phones and Beepers	2,426.00	0.00	2,426.00
Subgroup : [1J]	Corporation Business Taxes			
730935.000	CT State Corp Tax	250.00	0.00	250.00
Subtotal [1J]	Corporation Business Taxes	250.00	0.00	250.00
Subgroup : [1K3]	Resident Day User Fee			
730930.000	CT User Fee Tax	735,049.00	0.00	735,049.00
Subtotal [1K3]	Resident Day User Fee	735,049.00	0.00	735,049.00

Total [15]	Expenditures Other than Salaries	<u>2,119,810.00</u>	<u>(3,033.00)</u>	<u>2,116,777.00</u>
Group : [16]	Expenditures Other than Salaries (cont'd) - Admin. and General			
Subgroup : [4]	Employee Travel			
730840.000	Mileage Reimbursement	165.00	0.00	165.00
740840.000	Mileage Reimbursement	174.00	0.00	174.00
Subtotal [4]	Employee Travel	<u>339.00</u>	<u>0.00</u>	<u>339.00</u>
Subgroup : [5]	Education Expense			
610830.000	Education	120.00	0.00	120.00
630820.000	Travel & Seminars	150.00	0.00	150.00
630830.000	Education	151.00	0.00	151.00
670820.000	Travel & Seminar	715.00	0.00	715.00
670830.000	Education	1,369.00	0.00	1,369.00
690830.000	Education	820.00	0.00	820.00
730820.000	Travel & Seminar	418.00	(418.00)	0.00
			RJE - 9 (418.00)	
Subtotal [5]	Education Expense	<u>3,743.00</u>	<u>(418.00)</u>	<u>3,325.00</u>
Subgroup : [M1]	Advertising Help Wanted			
730510.000	Advertising - Recruitment	159.00	0.00	159.00
Subtotal [M1]	Advertising Help Wanted	<u>159.00</u>	<u>0.00</u>	<u>159.00</u>
Subgroup : [M3]	Advertising Other			
730490.000	Marketing	19,045.00	0.00	19,045.00
730515.000	Advertising - Promotional	22,016.00	0.00	22,016.00
Subtotal [M3]	Advertising Other	<u>41,061.00</u>	<u>0.00</u>	<u>41,061.00</u>
Subgroup : [M7]	Postage			
730675.000	Postage	4,498.00	0.00	4,498.00
Subtotal [M7]	Postage	<u>4,498.00</u>	<u>0.00</u>	<u>4,498.00</u>
Subgroup : [M8]	Dues and Membership Fees to Professional Associations			
730810.000	Dues & Subscriptions	10,011.00	(10,011.00)	0.00
			RJE - 4 (10,011.00)	
Subtotal [M8]	Dues and Membership Fees to Profes:	<u>10,011.00</u>	<u>(10,011.00)</u>	<u>0.00</u>
Subgroup : [M8A]	Dues to Chamber of Commerce			
Marcum 01	Chamber of Commerce	0.00	973.00	973.00
			RJE - 4 555.00	
			RJE - 9 418.00	
Subtotal [M8A]	Dues to Chamber of Commerce	<u>0.00</u>	<u>973.00</u>	<u>973.00</u>
Subgroup : [M9]	Subscriptions			
610810.000	Dues & Subscriptions	145.00	0.00	145.00
Marcum 02	Subscriptions	0.00	8,826.00	8,826.00
			RJE - 4 8,416.00	
			RJE - 8 410.00	
Subtotal [M9]	Subscriptions	<u>145.00</u>	<u>8,826.00</u>	<u>8,971.00</u>
Subgroup : [M11]	Services Provided by Contract			
730460.000	Professional Fees	20,512.00	(11,610.00)	8,902.00
			RJE - 8 (11,610.00)	
730520.000	Software Maintenance	26,414.00	0.00	26,414.00
730850.000	Purchased Services	3,054.00	0.00	3,054.00
730852.000	Internet Provider	6,006.00	0.00	6,006.00
Subtotal [M11]	Services Provided by Contract	<u>55,986.00</u>	<u>(11,610.00)</u>	<u>44,376.00</u>
Subgroup : [M13]	Other			
730270.000	Employee Pre-Employment Screening	3,458.00	0.00	3,458.00
730470.000	Owner/Administrator Allowance	2,601.00	0.00	2,601.00
730870.000	Licenses	685.00	1,040.00	1,725.00
			RJE - 4 1,040.00	
730900.000	Miscellaneous	2,028.00	571.00	2,599.00
			RJE - 6 571.00	
730910.000	Service Charges - Bank	2,214.00	0.00	2,214.00

730920.000	Bank Reconciliation Adjustments	(1.00)	0.00	(1.00)
730950.000	Fines and Penalties	8,553.00	0.00	8,553.00
740850.000	Purchased Services	4,040.00	0.00	4,040.00
Marcum 06	Nursing Home Week	0.00	2,833.00	2,833.00
Marcum 10	Expense Write Off	0.00	2,833.00	11,200.00
Marcum 11	Mock Survey	0.00	11,200.00	75.00
			75.00	75.00
Subtotal [M13]	Other	23,578.00	15,719.00	39,297.00
Total [16]	Expenditures Other than Salaries (con	139,520.00	3,479.00	142,999.00
Group : [18]	Dietary Basis for Allocation of Costs			
Subgroup : [2A1]	Raw Food			
690690.000	Raw Food	302,675.00	0.00	302,675.00
Subtotal [2A1]	Raw Food	302,675.00	0.00	302,675.00
Subgroup : [2A2]	Non-Food Supplies			
690660.000	Chemicals	4,166.00	0.00	4,166.00
690670.000	Supplies (Non-Food)	23,856.00	125.00	23,981.00
			RJE - 3 125.00	
690680.000	Food Supplements	2,331.00	0.00	2,331.00
690695.000	Nutritional Supplements	8,308.00	0.00	8,308.00
690720.000	Small Equipment Purchase	4,047.00	0.00	4,047.00
Subtotal [2A2]	Non-Food Supplies	42,708.00	125.00	42,833.00
Subgroup : [2B]	Purchased Services			
690850.000	Purchased Services	1,825.00	0.00	1,825.00
Subtotal [2B]	Purchased Services	1,825.00	0.00	1,825.00
Subgroup : [2D]	Other			
690700.000	Equipment Rental	711.00	0.00	711.00
690730.000	Equipment Repair & Maintenance	1,985.00	0.00	1,985.00
Subtotal [2D]	Other	2,696.00	0.00	2,696.00
Total [18]	Dietary Basis for Allocation of Costs	349,904.00	125.00	350,029.00
Group : [19]	Laundry-Basis for Allocation of Costs			
Subgroup : [3A4]	Repair and/or purchased linens			
700690.000	Linen	15,728.00	0.00	15,728.00
Subtotal [3A4]	Repair and/or purchased linens	15,728.00	0.00	15,728.00
Subgroup : [3B]	Purchased Services			
700500.000	Service Contracts	40,500.00	0.00	40,500.00
Subtotal [3B]	Purchased Services	40,500.00	0.00	40,500.00
Subgroup : [3D]	Other			
700670.000	Supplies	40.00	0.00	40.00
710660.000	Chemicals	83.00	0.00	83.00
Subtotal [3D]	Other	123.00	0.00	123.00
Total [19]	Laundry-Basis for Allocation of Costs	56,351.00	0.00	56,351.00
Group : [20]	Housekeeping and Resident Care Basis for Allocation of Costs			
Subgroup : [4A1]	In-House Care Supplies			
710670.000	Supplies	29,882.00	0.00	29,882.00
Subtotal [4A1]	In-House Care Supplies	29,882.00	0.00	29,882.00
Subgroup : [5A2]	Purchased from			
850650.000	Drugs - Medicare Part A	158,249.00	0.00	158,249.00
850660.000	Drugs - Legend	47,626.00	0.00	47,626.00
850670.000	Drugs - Non-Legend	2,446.00	0.00	2,446.00
Subtotal [5A2]	Purchased from	208,321.00	0.00	208,321.00
Subgroup : [5B]	Medicine Cabinet Drugs			
630600.000	Supplies (Non-Medical)	522.00	0.00	522.00

670600.000	Supplies (Non-Medical)	7,612.00	0.00	7,612.00
860690.000	Non-Billable	141,749.00	0.00	141,749.00
Subtotal [5B]	Medicine Cabinet Drugs	149,883.00	0.00	149,883.00
Subgroup : [5D] Ambulance/Limousine				
630780.000	Ambulance	11,329.00	0.00	11,329.00
Subtotal [5D]	Ambulance/Limousine	11,329.00	0.00	11,329.00
Subgroup : [5E2] Oxygen - Other				
630730.000	Oxygen	39,726.00	0.00	39,726.00
Subtotal [5E2]	Oxygen - Other	39,726.00	0.00	39,726.00
Subgroup : [5F] X-Rays and related radiological				
630800.000	Radiology	6,843.00	0.00	6,843.00
Subtotal [5F]	X-Rays and related radiological	6,843.00	0.00	6,843.00
Subgroup : [5H] Laboratory				
630790.000	Laboratory	23,399.00	0.00	23,399.00
Subtotal [5H]	Laboratory	23,399.00	0.00	23,399.00
Subgroup : [5I] Recreation				
610650.000	Supplies	9,369.00	0.00	9,369.00
610850.000	Purchased Services	317.00	0.00	317.00
730851.000	Cable Television	16,102.00	0.00	16,102.00
Subtotal [5I]	Recreation	25,788.00	0.00	25,788.00
Subgroup : [5J] Other				
630775.000	Physican - Other	6,128.00	0.00	6,128.00
630900.000	Other	3,523.00	0.00	3,523.00
670700.000	Equipment Rental	19,157.00	(6,475.00)	12,682.00
			RJE - 2 (6,475.00)	
670720.000	Small Equipment Purchased	12,472.00	0.00	12,472.00
670850.000	Purchased Services	30,473.00	(14,275.00)	16,198.00
			RJE - 1 (10,755.00)	
			RJE - 7 (3,520.00)	
800670.000	Supplies	6,905.00	0.00	6,905.00
810670.000	Supplies	3,947.00	0.00	3,947.00
820670.000	Supplies	297.00	0.00	297.00
850680.000	Drugs - IV	9,392.00	0.00	9,392.00
860660.000	Billable	4,853.00	0.00	4,853.00
Subtotal [5J]	Other	97,147.00	(20,750.00)	76,397.00
Total [20]	Housekeeping and Resident Care Bas	592,318.00	(20,750.00)	571,568.00
Group : [22] Maintenance and Property				
Subgroup : [6A] Repairs and Maintenance				
670730.000	Equipment Repair & Maintenance	382.00	0.00	382.00
710730.000	Equipment Repair & Maintenance	113.00	0.00	113.00
720660.000	Building Repair & Maintenance	14,467.00	0.00	14,467.00
720670.000	Supplies	17,221.00	0.00	17,221.00
730730.000	Repair & Maintenance	141.00	0.00	141.00
Subtotal [6A]	Repairs and Maintenance	32,324.00	0.00	32,324.00
Subgroup : [6B] Heat				
720510.000	Gas	21,269.00	0.00	21,269.00
Subtotal [6B]	Heat	21,269.00	0.00	21,269.00
Subgroup : [6C] Light & Power				
720520.000	Electricity	118,976.00	0.00	118,976.00
Subtotal [6C]	Light & Power	118,976.00	0.00	118,976.00
Subgroup : [6D] Water				
720530.000	Water	31,619.00	0.00	31,619.00
Subtotal [6D]	Water	31,619.00	0.00	31,619.00
Subgroup : [6E] Equipment Lease				
730700.000	Equipment Rental	9,631.00	0.00	9,631.00

730740.000	Copier Equipment	5,113.00	(3,988.00)	1,125.00
800900.000	Other	13,155.00	(3,988.00)	12,584.00
Marcum 08	Bladder Scanner Lease	0.00	(571.00)	6,475.00
Subtotal [6E]	Equipment Lease	27,899.00	1,916.00	29,815.00
Subgroup : [6F]	Other			
630700.000	Equipment Rental	1,042.00	0.00	1,042.00
720540.000	Trash Removal	23,569.00	0.00	23,569.00
720550.000	Service Contracts	240.00	0.00	240.00
720690.000	Grounds Maintenance	871.00	0.00	871.00
720695.000	Grounds Landscaping	14,208.00	0.00	14,208.00
720700.000	Equipment Rental	2,706.00	0.00	2,706.00
720720.000	Small Equipment Purchase	957.00	0.00	957.00
720850.000	Purchased Services	48,885.00	0.00	48,885.00
Marcum 04	Copier Maintenance	0.00	3,988.00	3,988.00
Subtotal [6F]	Other	92,478.00	3,988.00	96,466.00
Subgroup : [7D]	Movable Equipment			
730550.000	Depreciation	125,099.00	0.00	125,099.00
Subtotal [7D]	Movable Equipment	125,099.00	0.00	125,099.00
Subgroup : [9]	Rental Payments			
720855.000	Rent	420,000.00	0.00	420,000.00
Subtotal [9]	Rental Payments	420,000.00	0.00	420,000.00
Subgroup : [10B]	Real estate taxes paid by lessor			
730580.000	Real Estate Tax	75,553.00	0.00	75,553.00
Subtotal [10B]	Real estate taxes paid by lessor	75,553.00	0.00	75,553.00
Subgroup : [10C]	Personal property taxes			
730585.000	Property Tax	10,296.00	0.00	10,296.00
Subtotal [10C]	Personal property taxes	10,296.00	0.00	10,296.00
Total [22]	Maintenance and Property	955,513.00	5,904.00	961,417.00
Group : [27]	Interest and Insurance			
Subgroup : [12D]	Other Interest Expense			
730560.000	Interest	248.00	0.00	248.00
Subtotal [12D]	Other Interest Expense	248.00	0.00	248.00
Subgroup : [14C1]	Umbrella			
730530.000	Insurance	69,750.00	0.00	69,750.00
Subtotal [14C1]	Umbrella	69,750.00	0.00	69,750.00
Total [27]	Interest and Insurance	69,998.00	0.00	69,998.00
Group : [30]	Statement of Revenue			
Subgroup : [1A]	Medicaid Residents (CT only)			
430100.000	Medicaid - Room And Board	(10,645,850.00)	0.00	(10,645,850.00)
Subtotal [1A]	Medicaid Residents (CT only)	(10,645,850.00)	0.00	(10,645,850.00)
Subgroup : [1B]	Medicaid room and board contractual allowance			
430111.000	Medicaid - R&B Contractual Adjustment	5,032,189.00	0.00	5,032,189.00
Subtotal [1B]	Medicaid room and board contractual	5,032,189.00	0.00	5,032,189.00
Subgroup : [3A]	Medicare Residents (All inclusive)			
400100.000	Medicare A - Room And Board	(1,310,835.00)	0.00	(1,310,835.00)
Subtotal [3A]	Medicare Residents (All inclusive)	(1,310,835.00)	0.00	(1,310,835.00)
Subgroup : [3B]	Medicare room and board contractual allowance			
400111.000	Medicare A - R&B Contractual Adjustmer	(652,077.00)	0.00	(652,077.00)
400112.000	Medicare A - Co-Ins Adjustment	(2,812.00)	0.00	(2,812.00)
Subtotal [3B]	Medicare room and board contractual	(654,889.00)	0.00	(654,889.00)

Subgroup : [4A]	Private-pay residents and other			
410100.000	Private - Room And Board	(1,948,330.00)	0.00	(1,948,330.00)
450100.000	Managed Care - Room And Board	(270,920.00)	0.00	(270,920.00)
460100.000	Insurance - Room And Board	(12,900.00)	0.00	(12,900.00)
470100.000	Hospice - Room And Board	(140,745.00)	0.00	(140,745.00)
Subtotal [4A]	Private-pay residents and other	(2,372,895.00)	0.00	(2,372,895.00)
Subgroup : [4B]	Private-pay room and board contractual allowance			
410111.000	Private - R&B Contractual Adjustment	65,849.00	0.00	65,849.00
450111.000	Managed Care - R&B Contractual Adjust	(31,780.00)	0.00	(31,780.00)
470111.000	Hospice - R&B Contractual Adjustment	67,493.00	0.00	67,493.00
505900.000	Managed Care B - Contractual Allowance	33,890.00	0.00	33,890.00
Subtotal [4B]	Private-pay room and board contractu	135,452.00	0.00	135,452.00
Subgroup : [5A]	Prescription Drugs - Medicare			
400250.000	Medicare A - Pharmacy	(316,267.00)	0.00	(316,267.00)
Subtotal [5A]	Prescription Drugs - Medicare	(316,267.00)	0.00	(316,267.00)
Subgroup : [5C]	Prescription Drugs - Non-medicare			
410250.000	Private - Pharmacy	(9,923.00)	0.00	(9,923.00)
430250.000	Medicaid - Pharmacy	(40,743.00)	0.00	(40,743.00)
450250.000	Managed Care - Pharmacy	(46,977.00)	0.00	(46,977.00)
460250.000	Insurance - Pharmacy	(5,278.00)	0.00	(5,278.00)
470250.000	Hospice - Pharmacy	(724.00)	0.00	(724.00)
Subtotal [5C]	Prescription Drugs - Non-medicare	(103,645.00)	0.00	(103,645.00)
Subgroup : [6A]	Medical Supplies - Medicare			
400200.000	Medicare A - Medical Supplies	(332.00)	0.00	(332.00)
Subtotal [6A]	Medical Supplies - Medicare	(332.00)	0.00	(332.00)
Subgroup : [6C]	Medical Supplies - Non-medicare			
430200.000	Medicaid - Medical Supplies	(584.00)	0.00	(584.00)
Subtotal [6C]	Medical Supplies - Non-medicare	(584.00)	0.00	(584.00)
Subgroup : [7A]	Physical Therapy - Medicare			
400400.000	Medicare A - Physical Therapy	(1,012,800.00)	0.00	(1,012,800.00)
500400.000	Medicare B - Physical Therapy	(480,367.00)	0.00	(480,367.00)
Subtotal [7A]	Physical Therapy - Medicare	(1,493,167.00)	0.00	(1,493,167.00)
Subgroup : [7C]	Physical Therapy - Non-medicare			
430400.000	Medicaid - Physical Therapy	(99,120.00)	0.00	(99,120.00)
450400.000	Managed Care - Physical Therapy	(184,320.00)	0.00	(184,320.00)
460400.000	Insurance - Physical Therapy	(11,160.00)	0.00	(11,160.00)
505400.000	Managed Care B - Physical Therapy	(33,600.00)	0.00	(33,600.00)
Subtotal [7C]	Physical Therapy - Non-medicare	(328,200.00)	0.00	(328,200.00)
Subgroup : [8A]	Speech Therapy - Medicare			
400500.000	Medicare A - Speech Therapy	(128,520.00)	0.00	(128,520.00)
500500.000	Medicare B - Speech Therapy	(105,484.00)	0.00	(105,484.00)
Subtotal [8A]	Speech Therapy - Medicare	(234,004.00)	0.00	(234,004.00)
Subgroup : [8C]	Speech Therapy - Non-medicare			
430500.000	Medicaid - Speech Therapy	(14,160.00)	0.00	(14,160.00)
450500.000	Managed Care - Speech Therapy	(19,560.00)	0.00	(19,560.00)
460500.000	Insurance - Speech Therapy	(2,760.00)	0.00	(2,760.00)
505500.000	Managed Care B - Speech Therapy	(6,240.00)	0.00	(6,240.00)
Subtotal [8C]	Speech Therapy - Non-medicare	(42,720.00)	0.00	(42,720.00)
Subgroup : [9A]	Occupational Therapy - Medicare			
400450.000	Medicare A - Occupational Therapy	(943,680.00)	0.00	(943,680.00)
500450.000	Medicare B - Occupational Therapy	(418,325.00)	0.00	(418,325.00)
Subtotal [9A]	Occupational Therapy - Medicare	(1,362,005.00)	0.00	(1,362,005.00)
Subgroup : [9C]	Occupational Therapy - Non-medicare			
430450.000	Medicaid - Occupational Therapy	(89,760.00)	0.00	(89,760.00)
450450.000	Managed Care - Occupational Therapy	(183,120.00)	0.00	(183,120.00)

460450.000	Insurance - Occupational Therapy	(11,640.00)	0.00	(11,640.00)
505450.000	Managed Care B - Occupational Therapy	(13,200.00)	0.00	(13,200.00)
Subtotal [9C]	Occupational Therapy - Non-medicare	(297,720.00)	0.00	(297,720.00)
Subgroup : [10A] Other - Medicare				
400113.000	Medicare A - Sequestration	33,801.00	0.00	33,801.00
400300.000	Medicare A - Oxygen	(2,640.00)	0.00	(2,640.00)
400700.000	Medicare A - X-Ray	(18,333.00)	0.00	(18,333.00)
400850.000	Medicare A - Lab	(180,908.00)	0.00	(180,908.00)
400900.000	Medicare A - Contractual Adjustment	2,603,480.00	0.00	2,603,480.00
400999.000	Medicare A - Prior Year Adjustment	222.00	0.00	222.00
500900.000	Medicare B - Contractual Adjustment	669,097.00	0.00	669,097.00
500901.000	Medicare B - Sequestration	5,362.00	0.00	5,362.00
500999.000	Medicare B - Prior Year Adjustment	33,765.00	0.00	33,765.00
Subtotal [10A]	Other - Medicare	3,143,846.00	0.00	3,143,846.00
Subgroup : [10B] Other - Non-medicare				
410850.000	Private - Lab	(3,442.00)	0.00	(3,442.00)
410900.000	Private - Contractual Adjustment	7,335.00	0.00	7,335.00
410999.000	Private - Prior Year Adjustment	(40,076.00)	0.00	(40,076.00)
430300.000	Medicaid - Oxygen	(9,144.00)	0.00	(9,144.00)
430600.000	Medicaid - IV Therapy	(21.00)	0.00	(21.00)
430850.000	Medicaid - Lab	(534.00)	0.00	(534.00)
430900.000	Medicaid - Contractual Adjustment	248,066.00	0.00	248,066.00
430999.000	Medicaid - Prior Year Adjustment	(9,591.00)	0.00	(9,591.00)
450300.000	Managed Care - Oxygen	(680.00)	0.00	(680.00)
450600.000	Managed Care - IV Therapy	(1,443.00)	0.00	(1,443.00)
450700.000	Managed Care - X-Ray	(15,844.00)	0.00	(15,844.00)
450850.000	Managed Care - Lab	(40,960.00)	0.00	(40,960.00)
450900.000	Managed Care - Contractual Adjustment	492,904.00	0.00	492,904.00
450999.000	Managed Care - Prior Year Adjustment	(13,048.00)	0.00	(13,048.00)
460700.000	Insurance - X-Ray	(538.00)	0.00	(538.00)
460850.000	Insurance - Lab	(3,186.00)	0.00	(3,186.00)
460999.000	Insurance - Prior Year Adjustment	(13,321.00)	0.00	(13,321.00)
470300.000	Hospice - Oxygen	(224.00)	0.00	(224.00)
470600.000	Hospice - IV Therapy	(1,451.00)	0.00	(1,451.00)
470900.000	Hospice - Contractual Adjustment	2,398.00	0.00	2,398.00
470999.000	Hospice - Prior Year Adjustment	(952.00)	0.00	(952.00)
505999.000	Managed Care B - Prior Year Adjustment	9,760.00	0.00	9,760.00
Subtotal [10B]	Other - Non-medicare	606,008.00	0.00	606,008.00
Subgroup : [11] Meals sold to guests, employees, and others				
599040.000	Employee/Guest Meals	(160.00)	0.00	(160.00)
Subtotal [11]	Meals sold to guests, employees, and	(160.00)	0.00	(160.00)
Subgroup : [15] Interest Income				
599050.000	Interest Income	323.00	0.00	323.00
599055.000	Interest Charged To Residents	(7,849.00)	0.00	(7,849.00)
Subtotal [15]	Interest Income	(7,526.00)	0.00	(7,526.00)
Subgroup : [18] Other Revenue				
599080.000	Misc. Income	(2,832.00)	0.00	(2,832.00)
Subtotal [18]	Other Revenue	(2,832.00)	0.00	(2,832.00)
Total [30]	Statement of Revenue	(10,256,136.00)	0.00	(10,256,136.00)
Group : [31-32] Assets				
Subgroup : [A1] Cash				
100100.000	Cash - Operating	436,008.00	0.00	436,008.00
100150.000	Cash - Payroll	(6,619.00)	0.00	(6,619.00)
100200.000	Cash - Petty	35.00	0.00	35.00
100250.000	Cash - Impress	2,920.00	0.00	2,920.00
100400.000	Cash - Savings	302,099.00	0.00	302,099.00
Subtotal [A1]	Cash	734,443.00	0.00	734,443.00
Subgroup : [A2] Resident A/R				
111000.000	A/R - Private	445,039.00	0.00	445,039.00

112000.000	A/R - Medicaid	447,861.00	0.00	447,861.00
113000.000	A/R - Medicare Part A	185,283.00	0.00	185,283.00
114000.000	A/R - Medicare Part B	35,553.00	0.00	35,553.00
115000.000	A/R - Co-Insurance Part A	86,218.00	0.00	86,218.00
117000.000	A/R - Managed Care	50,922.00	0.00	50,922.00
118000.000	A/R - Insurance	21,186.00	0.00	21,186.00
119300.000	A/R - Hospice	1,181.00	0.00	1,181.00
119600.000	A/R - Resource	(48,131.00)	0.00	(48,131.00)
120000.000	A/R - Allowance For Bad Debt	(140,867.00)	0.00	(140,867.00)
Subtotal [A2]	Resident A/R	1,084,245.00	0.00	1,084,245.00
Subgroup : [A5]	Prepaid Expenses			
142000.000	Dietary	15,009.00	0.00	15,009.00
152000.000	Prepaid - Insurance	1,398.00	0.00	1,398.00
181000.000	Property Tax	7,839.00	0.00	7,839.00
182000.000	Real Estate	58,213.00	0.00	58,213.00
183000.000	Federal Corp Tax	14,389.00	0.00	14,389.00
Subtotal [A5]	Prepaid Expenses	96,848.00	0.00	96,848.00
Subgroup : [B3]	Buildings			
161000.000	Building	2,417,708.00	0.00	2,417,708.00
165000.000	Accum. Dep. - Building	(1,265,117.00)	0.00	(1,265,117.00)
Subtotal [B3]	Buildings	1,152,591.00	0.00	1,152,591.00
Subgroup : [B6]	Movable Equipment			
162000.000	Furniture Fixture & Equipment	1,465,460.00	0.00	1,465,460.00
162500.000	Computer Hardware	34,480.00	0.00	34,480.00
163000.000	Computer Software	6,018.00	0.00	6,018.00
166000.000	Accum. Dep. - FF&E	(1,402,698.00)	0.00	(1,402,698.00)
166500.000	Accum. Dep. - Computer Hardware	(29,870.00)	0.00	(29,870.00)
167000.000	Accum. Dep. - Computer Software	(4,041.00)	0.00	(4,041.00)
Subtotal [B6]	Movable Equipment	69,349.00	0.00	69,349.00
Subgroup : [B7]	Motor Vehicles			
161500.000	Automobile	1,042.00	0.00	1,042.00
165500.000	Accum. Dep. - Automobile	(1,042.00)	0.00	(1,042.00)
Subtotal [B7]	Motor Vehicles	0.00	0.00	0.00
Total [31-32]	Assets	3,137,476.00	0.00	3,137,476.00
Group : [33-34]	Liabilities			
Subgroup : [A1]	Trade A/P			
200100.000	Accounts Payable	(414,761.00)	0.00	(414,761.00)
200200.000	Accrued Expenses	(203,856.00)	0.00	(203,856.00)
Subtotal [A1]	Trade A/P	(618,617.00)	0.00	(618,617.00)
Subgroup : [A4]	Accrued Payroll			
202000.000	Accrued Wages	(99,942.00)	0.00	(99,942.00)
202300.000	Accrued Vacation	(32,286.00)	0.00	(32,286.00)
Subtotal [A4]	Accrued Payroll	(132,228.00)	0.00	(132,228.00)
Subgroup : [A6]	Accrued Payroll Taxes Payable			
201100.000	Federal Withholding	(640.00)	0.00	(640.00)
201200.000	State Withholding	98.00	0.00	98.00
201300.000	FICA Social Security	(200.00)	0.00	(200.00)
201350.000	FICA Medicare	785.00	0.00	785.00
202350.000	Accrued Vacation Taxes	(2,470.00)	0.00	(2,470.00)
210000.000	FUTA Liability	(4,518.00)	0.00	(4,518.00)
210050.000	SUTA Liability	(18,253.00)	0.00	(18,253.00)
Subtotal [A6]	Accrued Payroll Taxes Payable	(25,198.00)	0.00	(25,198.00)
Subgroup : [A12]	Other Current Liabilities			
215100.000	Resident Refunds	4,004.00	0.00	4,004.00
Subtotal [A12]	Other Current Liabilities	4,004.00	0.00	4,004.00
Subgroup : [B3]	Loans from Owners or Related Parties			
215400.000	Due To Intercompany	(274,487.00)	0.00	(274,487.00)

Subtotal [B3]	Loans from Owners or Related Parties	<u>(274,487.00)</u>	<u>0.00</u>	<u>(274,487.00)</u>
Total [33-34]	Liabilities	<u>(1,046,526.00)</u>	<u>0.00</u>	<u>(1,046,526.00)</u>
Group : [35]	Equity			
Subgroup : [B1]	Owner's Capital			
305000.000	Additional Paid In Capital	(1,232,128.00)	0.00	(1,232,128.00)
Subtotal [B1]	Owner's Capital	<u>(1,232,128.00)</u>	<u>0.00</u>	<u>(1,232,128.00)</u>
Subgroup : [B2]	Capital Stock			
301000.000	Capital Stock	(10,000.00)	0.00	(10,000.00)
Subtotal [B2]	Capital Stock	<u>(10,000.00)</u>	<u>0.00</u>	<u>(10,000.00)</u>
Subgroup : [B5]	Cumulated Earnings			
302000.000	Sub-S Distributions	65,366.00	0.00	65,366.00
308000.000	Retained Earnings	(590,694.00)	0.00	(590,694.00)
Subtotal [B5]	Cumulated Earnings	<u>(525,328.00)</u>	<u>0.00</u>	<u>(525,328.00)</u>
Total [35]	Equity	<u>(1,767,456.00)</u>	<u>0.00</u>	<u>(1,767,456.00)</u>
	NET (INCOME) LOSS	<u>(323,494.00)</u>	<u>0.00</u>	<u>(323,494.00)</u>
	Sum of Account Groups	0.00	0.00	0.00

Client: **Eastern Connecticut Health Systems, Inc.**
 Engagement: **Medicaid - Fountainview Care Center 2015**
 Period Ending: **9/30/2015**
 Trial Balance: **A.01 - TB-CCNH**
 Workpaper: **H.02 - Reclassifying Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Reclassifying Journal Entries JE # 1		D.01 - Page 93		
To reclass the MDS/Care Plan Services the appropriate line of the cost report				
Marcum 07	Contracted Service - MDS/Care PLan Services		11,440.00	
670850.000	Purchased Services			11,440.00
Total			11,440.00	11,440.00
Reclassifying Journal Entries JE # 2		D.01 - Page 90		
To reclass the bladder scanner leased equipment to page 22, line 6e				
Marcum 08	Bladder Scanner Lease		2,550.00	
670700.000	Equipment Rental			2,550.00
Total			2,550.00	2,550.00
Reclassifying Journal Entries JE # 3		D.01 - Page 85		
To reclass Misc. Benefits				
710400.000	Uniform Expense		1,125.00	
Marcum 06	Nursing Home Week		720.00	
730260.000	Employee Benefit - Misc			1,845.00
Total			1,845.00	1,845.00
Reclassifying Journal Entries JE # 4		D.01 - Page 87		
To reclass subscriptions from the dues line				
Marcum 01	Chamber of Commerce		420.00	
Marcum 02	Subscriptions		6,222.00	
730810.000	Dues & Subscriptions			6,642.00
Total			6,642.00	6,642.00
Reclassifying Journal Entries JE # 5		D.01 - Page 90		
To reclass copier maintenance from the lease expense line				
Marcum 04	Copier Maintenance		6,175.00	
730740.000	Copier Equipment			6,175.00
Total			6,175.00	6,175.00
Reclassifying Journal Entries JE # 6		N.02		
To reclass cable TV from purchased services account				
Marcum 03	Cable TV		16,352.00	
730850.000	Purchased Services			16,352.00
Total			16,352.00	16,352.00



Workpaper Index: 400.2
 Prepared By:
 Reviewed By:
 Workpaper Date: 1/3/2017
 Run Date: 1/3/2017

Provider Name: Eastern Connecticut Health Systems, Inc.
 Provider Number: 10488
 Period Ended: 9/30/16

Name of Workpaper: VHCL CKLST

VEHICLE COMPLIANCE CHECKLIST

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

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

Conclusion: