

STATE OF NEW YORK
PUBLIC HEALTH AND HEALTH PLANNING COUNCIL

STANDING COMMITTEES

July 21, 2011
10:15 a.m.

Albany Marriott
189 Wolf Road
Albany, New York 12205

I. COMMITTEE ON CODES, REGULATIONS AND LEGISLATION

10:15 a.m.

Dr. John Palmer, Vice Chair

For Discussion

Sections 405.8 and 751.10 (New York Patient Occurrence Reporting and Tracking System (NYPORTS))

Committee Exhibit #1

II. COMMITTEE ON PUBLIC HEALTH

10:30 a.m. - 11:30 a.m.

Dr. Jo Ivey Boufford, Chair

III. COMMITTEE ON HEALTH PLANNING

11:30 – 12:30 p.m.

A. Health Planning Agenda

Dr. John Ruge, Chair

B. Regional Health Planning Activities

Fran Weisberg, Director, Finger Lakes Health Systems Agency

Jeffrey Kraut, Senior Vice President Strategy North Shore Long Island Jewish Health System
Associate Dean for Strategic Planning Hofstra North Shore LIJ School of
Medicine

C. Request for Stroke Center Designation

Committee Exhibit #2

Applicant

Auburn Memorial Hospital

IV. COMMITTEE ON ESTABLISHMENT AND PROJECT REVIEW

1:15 p.m.

Jeffrey Kraut, Chair

A. Applications for Construction of Health Care Facilities

Cardiac Services - Construction

Committee Exhibit #3

	<u>Number</u>	<u>Applicant/Facility</u>
1.	102412 C	Buffalo General Hospital – Kaleida Health (Cattaraugus County)
2.	102404 C	Olean General Hospital (Cattaraugus County)

Ambulatory Surgery Center - Construction

Committee Exhibit #4

	<u>Number</u>	<u>Applicant/Facility</u>
1.	111109 C	Eastern Niagara Hospital – Lockport Division d/b/a Eastern Niagara Ambulatory Surgery Center (Niagara County)

Transitional Care Units - Construction

Committee Exhibit #5

1.	102368 T	Rome Memorial Hospital, Inc. (Oneida County)
2.	102369 T	New York Hospital Medical Center of Queens (Queens County)
3.	102370 T	Good Samaritan Hospital of Suffern (Rockland County)

B. Applications for Establishment and Construction of Health Care Facilities/Agencies

Acute Care Services – Establish/Construct

Committee Exhibit #6

	<u>Number</u>	<u>Applicant/Facility</u>
1.	111388 E	Riverside Health Care System, Inc. (Westchester County)

Ambulatory Surgery Center - Establish/Construct

Committee Exhibit #7

	<u>Number</u>	<u>Applicant/Facility</u>
1.	111076 B	QEASC, LLC (Queens County)
2.	111165 B	Queens Boulevard GI, LLC (Queens County)
3.	111196 B	Syracuse Surgery Center, LLC (Onondaga County)

Diagnostic and Treatment Centers - Establish/Construct

Committee Exhibit #8

	<u>Number</u>	<u>Applicant/Facility</u>
1.	081059 B	Menorah Campus Health Services, Inc. (Erie County)
2.	102159 B	Parcare Community Health Network (Kings County)
3.	102147 B	Premium Health (Kings County)
4.	111183 E	Airport Imaging, LLC d/b/a Hudson Valley Imaging (Orange County)
5.	111220 B	Healthcare Partners of Saratoga, LTD (Saratoga County)

Dialysis Services - Establish/Construct

Committee Exhibit #9

	<u>Number</u>	<u>Applicant/Facility</u>
1.	092072 B	Mohawk Valley Dialysis Center, Inc. (Montgomery County)

Hospice – Establish/Construct

Committee Exhibit #10

	<u>Number</u>	<u>Applicant/Facility</u>
1.	102454 E	Compassionate Care Hospice of New York, Inc. (Bronx County)

Residential Health Care Facilities - Establish/Construct

Committee Exhibit #11

<u>Number</u>	<u>Applicant/Facility</u>
1. 092035 E	Park Avenue Operating Co., LLC d/b/a Park Avenue Extended Care Facility (Nassau County)
2. 092037 E	Nassau Operating Co., LLC d/b/a Nassau Extended Care Facility (Nassau County)
3. 092038 E	Townhouse Operating Co., LLC d/b/a Townhouse Center for Rehabilitation and Nursing (Nassau County)
4. 092041 E	Throgs Neck Operating Co., LLC d/b/a Throgs Neck Extended Care Facility (Bronx County)
5. 092077 E	Bayview Nursing and Rehabilitation Center (Nassau County)
6. 111132 E	Amerifalls, LLC d/b/a Niagara Rehabilitation and Nursing Center (Niagara County)
7. 111170 E	JOPAL, Bronx, LLC (Bronx County)
8. 111347 E	CPRNC, LLC d/b/a Central Park Rehabilitation and Nursing Center (Onondaga County)

Certified Home Health Agencies – Establish/Construct

Committee Exhibit #12

<u>Number</u>	<u>Applicant/Facility</u>
1. 071074 E	Excellent Home Care Services, LLC (Kings County)

C. Certificates

Certificate of Dissolution

Committee Exhibit #13

<u>Applicant</u>
1. MTC Senior Housing, Inc.

D. Home Health Agency Licensures

Home Health Agency Licensures

Committee Exhibit #14

<u>Number</u>	<u>Applicant/Facility</u>
1708 L	Jules Home HealthCare, Inc. (Bronx, Westchester, Kings, New York and Queens Counties)
1731 L	Tradition, LLC (Bronx, Richmond, Kings, New York and Queens Counties)
1849 L	Caring Hands Home Care Services, Inc. (New York, Kings, Bronx, Queens, Richmond, and Nassau Counties)
1892 L	1 st Aide Home Care, Inc. (New York, Kings, Bronx, Queens, and Richmond Counties)
1918 L	Caring Touch Homecare, Inc. (Bronx, Queens, Kings, Richmond, Nassau and New York Counties)
1931 L	JARME Home and Healthcare Services Corporation (Kings, Queens, Bronx, Westchester, and Richmond Counties)
1990 L	Meadowbrook Terrace, Inc. (Jefferson County)
1966 L	Chautauqua County Department of Health (Chautauqua County)
2024 L	Schuyler County Public Health Department (Schuyler County)
2025 L	Lewis County Public Health Licensed Home Care Service Agency (Lewis County)
1924 L	Signature Care, LLC (Bronx, New York, Kings, Queens, Nassau and Richmond Counties)

- 1580 L Direct Home Care, Inc.
(Bronx, Queens, Kings, New York and Richmond Counties)
- 1737 L Reliable Choice Home Health Care, Inc.
(Nassau, Queens and Suffolk Counties)
- 1806 L Elite Home Services, LLC
(New York, Bronx, Kings, Richmond, Queens and Westchester Counties)
- 1916 L ADJ Wisdom Home Care, Inc.
(Bronx, Queens, Kings, Richmond, Nassau and New York Counties)
- 1930 L Maplewood Home Care, LLC d/b/a Maplewood Home Care
(Monroe, Livingston, Wayne, Orleans, and Ontario Counties)
- 1942 L Glorious Home Care Agency
(Bronx, Richmond, Kings, Westchester, New York, and Queens)
- 1948 L Liberty Resources, Inc.
(Broome, Cortland, Lewis, Onondaga, Tioga, Cayuga, Herkimer, Madison, Oswego, Tompkins, Chenango, Jefferson, Oneida, St. Lawrence, Dutchess, Rockland, Westchester, Orange, Sullivan, Putman, and Ulster Counties)
- 1884 L Crestwood Health Care Center, Inc. d/b/a Elderwood Assisted Living at Crestwood
(Niagara County)
- 1910 L Heathwood Health Care Center, Inc. d/b/a Elderwood Assisted Living at Heathwood
(Erie County)
- 1981 L Elderwood Assisted Living at Riverwood, Inc.
(Erie County)
- 1908 L Greater Harlem Nursing Home and Rehabilitation Center, Inc., d/b/a Greater Harlem Licensed Home Care Services Agency
(Bronx, New York, Kings, Queens, Richmond and Westchester Counties)

- 1722-L AZA Home Health Care, LLC
(Bronx, Queens, Kings, Richmond, Nassau and
New York Counties)
- 1974-L Light 101, Inc.
(New York, Westchester, Kings, Richmond,
Queens, and Bronx Counties)
- 1926-L Doral Investor's Group, LLC d/b/a House Calls
Home Care
(Bronx, Richmond, Kings, Westchester, New York
and Queens Counties)

**New York State Department of Health
Public Health and Health Planning Council**

July/August 2011

ATTACHMENTS

Cardiac Services - Construction

Committee Exhibit #3

<u>Number</u>	<u>Applicant/Facility</u>
1. 102412 C	Buffalo General Hospital – Kaleida Health (Cattaraugus County)
2. 102404 C	Olean General Hospital (Cattaraugus County)

KALEIDA HEALTH
 Consolidated Balance Sheets
 December 31, 2010 and 2009
 (Dollars in thousands)

Assets	2010	2009
Current assets:		
Cash and cash equivalents	\$ 60,122	70,050
Investments	148,795	149,803
Accounts receivable:		
Patient, less estimated allowance for doubtful accounts of \$35,494 in 2010 and \$40,527 in 2009	151,456	138,430
Other	8,291	7,748
Inventories	23,419	23,364
Prepaid expenses and other current assets	10,668	8,939
Total current assets	402,751	398,334
Assets limited as to use:		
Designated under debt and lease agreements	50,831	50,685
Designated under self-insurance programs	138,592	128,758
Board designated and donor restricted	85,741	81,489
Other	1,380	1,589
	276,544	262,521
Property and equipment, less accumulated depreciation and amortization	351,188	282,379
Receivable for insurance recoveries	7,809	7,678
Grants receivable	47,143	54,987
Deferred financing costs, net	12,933	14,045
Other	6,321	4,955
Total assets	\$ 1,104,689	1,024,899

BFA Attachment A (cont.)

Liabilities and Net Assets	2010	2009
Current liabilities:		
Accounts payable and other accrued expenses	\$ 91,615	76,718
Accrued payroll and related expenses	54,216	50,079
Line of credit	10,000	6,000
Estimated third-party payor settlements	27,499	41,283
Current portion of long-term debt	18,889	18,678
Other current liabilities	4,427	5,543
Total current liabilities	<u>206,646</u>	<u>198,301</u>
Long-term debt, less current portion:	226,544	216,153
Construction costs payable	11,696	5,083
Estimated self-insurance reserves	160,516	153,821
Asset retirement obligations	10,685	10,217
Other long-term liabilities	179,776	162,703
Total liabilities	<u>795,863</u>	<u>746,278</u>
Commitments and contingencies		
Net assets:		
Unrestricted	180,453	143,864
Temporarily restricted	112,973	115,208
Permanently restricted	15,400	19,549
Total net assets	<u>308,826</u>	<u>278,621</u>
Total liabilities and net assets	<u>\$ 1,104,689</u>	<u>1,024,899</u>

KALEIDA HEALTH

Consolidated Statements of Operations and Changes in Net Assets

Years ended December 31, 2010 and 2009

(Dollars in thousands)

	<u>2010</u>	<u>2009</u>
Operating revenue:		
Net patient service revenue :	\$ 1,180,088	1,145,164
Other operating revenue	17,982	19,035
Net assets released from restrictions for operations	7,703	9,373
Total operating revenue	<u>1,205,773</u>	<u>1,173,572</u>
Operating expenses:		
Salaries and benefits	668,426	632,609
Purchased services, supplies, and other	433,440	424,644
Depreciation and amortization	52,718	59,717
Provision for bad debts	19,759	29,441
Interest	12,662	12,983
Total operating expenses	<u>1,187,005</u>	<u>1,159,394</u>
Income from operations	<u>18,768</u>	<u>14,178</u>
Other income (losses):		
Investment income	12,339	8,700
Net realized losses on sales of investments	(189)	(6,870)
Net change in unrealized gains and losses on investments	14,917	41,312
Loss on impairment and disposal of assets	(3,409)	(20,394)
Total other income, net	<u>23,658</u>	<u>22,748</u>
Excess of revenue over expenses	<u>\$ 42,426</u>	<u>36,926</u>

Kaleida Health

Combined Balance Sheet

(Dollars in Thousands)

	April 30, 2011	December 31, 2010	Change from Prior Year End
Assets			
Current assets:			
Cash and cash equivalents	\$ 37,195	\$ 60,122	\$ (22,927)
Current investments	160,158	148,795	11,363
Accounts receivable	153,423	151,456	1,967
Prepaid expenses, inventories and other assets	46,736	42,378	4,358
Total Current Assets	397,512	402,751	(5,239)
Assets whose use is limited:			
Designated under Self-Insurance Programs	143,848	138,592	5,256
Designated under Debt Agreements	46,448	50,831	(4,383)
Board Designated and Donor Restricted	89,607	85,741	3,866
Other	1,297	1,380	(83)
	281,200	276,544	4,656
Property and equipment, net	384,491	351,188	33,303
Grant Receivable	37,562	47,143	(9,581)
Deferred financing costs	12,558	12,933	(375)
Other assets	14,623	14,130	493
Total Assets	\$ 1,127,946	\$ 1,104,689	\$ 23,257
Liabilities and net assets			
Current portion of long-term debt	\$ 17,575	\$ 18,889	\$ (1,314)
Line of credit	10,000	10,000	-
Accounts payable	97,185	91,615	5,570
Other accrued expenses	75,503	86,142	(10,639)
Total Current Liabilities	200,263	206,646	(6,383)
Long-term debt	227,507	226,544	963
Estimated Self Insurance Reserves	165,036	160,516	4,520
Other liabilities	214,292	202,157	12,135
	606,835	589,217	17,618
Total Liabilities	807,098	795,863	11,235
Net assets			
Unrestricted net assets	197,081	180,453	16,628
Temporarily restricted net assets	108,367	112,973	(4,606)
Permanently restricted net assets	15,400	15,400	-
Total Net Assets	320,848	308,826	12,022
Total Liabilities and Net Assets	\$ 1,127,946	\$ 1,104,689	\$ 23,257

Kaleida Health

Consolidated Statement of Operations
Year-To-Date April 30, 2011

(Dollars in Thousands)

	Actual	Budget	Variance	Prior Year
Operating Revenues				
Patient Revenue				
Inpatient Services	\$ 566,657	\$579,054	\$ (12,397)	\$552,088
Outpatient Services	313,221	313,378	(157)	305,240
Gross Patient Revenue	<u>879,878</u>	<u>\$892,432</u>	<u>(12,554)</u>	<u>857,328</u>
Less:				
Contractual Allowances	476,015	481,874	5,860	464,398
Charity Care	6,451	6,440	(12)	3,076
Total Contractual Allowances & Charity Care	<u>482,466</u>	<u>488,314</u>	<u>5,848</u>	<u>467,474</u>
Net Patient Revenue	<u>397,412</u>	<u>\$404,118</u>	<u>(6,706)</u>	<u>389,854</u>
Operating Investment Interest & Dividend Income	706	894	(188)	790
Other Operating Revenue	7,240	6,854	386	13,984
Total Operating Revenue	<u>405,358</u>	<u>\$411,866</u>	<u>(6,508)</u>	<u>404,628</u>
Operating Expenses				
Salary/Wages/Contract Labor	177,262	178,246	984	166,227
Employee Benefits	57,521	56,686	(835)	50,991
Physician Fees	27,334	27,683	350	27,208
Purchased Services	16,241	15,946	(295)	16,183
Med & Non-Med Supplies	76,834	73,189	(3,645)	72,955
Other Expenses	18,730	19,065	335	23,087
Utilities	4,507	4,613	106	4,892
Insurance Expense	8,071	8,040	(31)	7,804
Depreciation & Amortization	19,846	19,880	34	20,525
Interest	3,677	3,743	66	4,290
Bad Debt	5,475	5,427	(48)	6,335
Total Operating Expenses	<u>415,499</u>	<u>412,519</u>	<u>(2,980)</u>	<u>400,497</u>
Income (Loss) from Operations	<u>\$ (10,141)</u>	<u>\$ (653)</u>	<u>\$ (9,488)</u>	<u>\$ 4,131</u>
Non Operating Gains (Losses)				
Minority Interest	(262)	(252)	(10)	(309)
Interest and Dividends	1,017	899	119	850
Realized Gains (Losses)	6,720	1,798	4,922	526
Unrealized Gains (Losses)	7,639	-	7,639	9,431
Non Operating Gains (Losses), Net	<u>15,115</u>	<u>2,445</u>	<u>12,670</u>	<u>10,498</u>
Excess of Revenues Over Expenses	<u>\$ 4,974</u>	<u>\$ 1,792</u>	<u>\$ 3,182</u>	<u>\$ 14,629</u>

OLEAN GENERAL HOSPITAL

Balance Sheets

December 31,	2010	2009
Assets		
Current assets:		
Cash and cash equivalents	\$ 12,023,720	\$ 14,329,216
Accounts receivable, net of estimated uncollectibles of \$3,884,000 and \$3,601,000	6,546,889	6,501,404
Other receivables	1,417,226	259,876
Supplies	1,782,708	1,716,546
Prepaid expenses	1,519,183	1,307,442
	<u>23,289,726</u>	<u>24,114,484</u>
Property and equipment, net	51,618,804	51,999,505
Investments	30,059,008	13,741,322
Assets held by others	21,945,803	21,013,330
Other assets, net	1,895,183	1,853,812
	<u>\$ 128,808,524</u>	<u>\$ 112,722,453</u>
Liabilities and Net Assets		
Current liabilities:		
Current portion of long-term debt	\$ 3,340,823	\$ 1,181,845
Accounts payable	4,718,756	4,313,798
Accrued salaries and benefits	3,808,527	3,799,360
Other accrued expenses	1,615,796	1,820,241
Estimated third-party payor settlements	2,842,834	3,126,954
	<u>16,326,736</u>	<u>14,242,198</u>
Long-term debt	22,680,075	14,729,021
Accrued sick time	787,000	764,820
Accrued pension liability	11,630,120	10,194,725
Net assets:		
Unrestricted	50,185,038	46,425,760
Temporarily restricted	17,199,878	16,752,155
Permanently restricted	9,999,677	9,613,774
	<u>77,384,593</u>	<u>72,791,689</u>
	<u>\$ 128,808,524</u>	<u>\$ 112,722,453</u>

OLEAN GENERAL HOSPITAL

Statements of Operations

For the years ended December 31,	2010	2009
Unrestricted revenue:		
Net patient service revenue	\$ 93,531,482	\$ 92,036,418
Other revenue	3,728,266	3,767,769
Total unrestricted revenue	<u>97,259,748</u>	<u>95,804,187</u>
Expenses:		
Salaries	39,142,777	37,829,817
Employee benefits	11,694,578	11,481,235
Purchased services	10,590,172	10,032,062
Supplies	14,994,923	14,795,383
Other	7,019,253	7,224,540
Medical malpractice costs	905,546	797,667
Depreciation and amortization	6,645,417	6,116,878
Interest	1,329,532	1,035,724
Provision for bad debts	3,863,130	3,840,042
Total expenses	<u>96,185,328</u>	<u>93,153,348</u>
Income from operations	1,074,420	2,650,839
Other income:		
Investment income	233,078	73,108
Contributions and other, net	326,646	190,249
Total other income, net	<u>559,724</u>	<u>263,357</u>
Excess of revenue over expenses	1,634,144	2,914,196
Change in unrealized gains on investments	754,628	1,124,820
Pension liability adjustment	(754,902)	(543,610)
Net assets released from restrictions	<u>2,125,408</u>	<u>1,411,173</u>
Change in unrestricted net assets	<u>\$ 3,759,278</u>	<u>\$ 4,906,579</u>

Olean General Hospital
Balance Sheets
May 31, 2011 and December 31, 2010

	May-11	December-10
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 11,327,337	\$ 12,023,720
Patient Accounts Receivable, net	8,352,061	6,546,889
Other Receivables	1,260,578	1,095,021
Due from Bradford Regional Medical Center	355,581	322,205
Supplies	1,824,991	1,782,708
Prepaid and other	1,522,780	1,519,722
	<u>24,643,328</u>	<u>23,290,264</u>
Property and equipment, net	52,967,167	51,618,804
Investments	30,645,438	30,059,008
Assets held by others	20,817,425	21,945,803
Other assets	1,883,631	1,895,183
	<u>\$ 130,956,989</u>	<u>\$ 128,809,062</u>
 LIABILITIES & NET ASSETS		
Current Liabilities:		
Current portion of long-term debt	\$ 3,340,823	\$ 3,340,823
Accounts payable	5,534,601	4,718,756
Accrued salaries and benefits	4,465,807	3,455,258
Other accrued expenses	1,994,679	1,673,774
Estimated third party payor settlements	2,336,911	2,842,834
	<u>17,672,821</u>	<u>16,031,445</u>
Long-term debt	21,168,108	22,680,075
Accrued pension	12,133,853	11,925,950
Accrued sick time	787,000	787,000
 Net Assets:		
Unrestricted	52,829,188	51,018,663
Temporarily restricted	16,752,180	16,752,180
Permanently restricted	9,613,749	9,613,749
	<u>79,195,117</u>	<u>77,384,592</u>
	<u>\$ 130,956,989</u>	<u>\$ 128,809,062</u>

**New York State Department of Health
Public Health and Health Planning Council**

July/August 2011

ATTACHMENTS

Ambulatory Surgery Center - Construction

Committee Exhibit #4

<u>Number</u>	<u>Applicant/Facility</u>
1. 111109 C	Eastern Niagara Hospital – Lockport Division d/b/a Eastern Niagara Ambulatory Surgery Center (Niagara County)

EASTERN NIAGARA HOSPITAL

Balance Sheets

December 31,	2009	2008
Assets		
Current assets:		
Cash	\$ 4,219,832	\$ 2,680,985
Short-term investments - Board designated for future operations	3,441,430	856,042
Accounts receivable, net of estimated uncollectibles of \$3,378,000 and \$3,088,000	6,055,045	5,791,649
Grants receivable	-	3,000,000
Other receivables	57,037	215,858
Supplies	1,236,365	1,340,289
Prepaid expenses	416,271	473,222
	<u>15,425,980</u>	<u>14,358,045</u>
Property and equipment, net	15,640,499	13,935,118
Assets limited as to use	124,092	1,801,479
Advances to related parties, net	1,505,049	1,495,222
Other assets, net	86,376	127,646
	<u>\$ 32,781,996</u>	<u>\$ 31,717,510</u>
Liabilities and Net Assets		
Current liabilities:		
Current portion of long-term debt	\$ 2,096,170	\$ 3,041,729
Accounts payable	2,330,779	3,174,352
Accrued expenses	4,056,269	3,464,297
Deferred revenue	200,000	200,000
Estimated third-party payor settlements	3,844,599	3,837,088
	<u>12,527,817</u>	<u>13,717,466</u>
Long-term debt	3,943,215	8,152,111
Accrued pension liability	8,406,090	8,146,549
Accrued postretirement health care liability	5,191,000	5,539,796
Net assets:		
Unrestricted	2,586,958	(3,965,328)
Temporarily restricted	1,916	1,916
Permanently restricted	125,000	125,000
	<u>2,713,874</u>	<u>(3,838,412)</u>
	<u>\$ 32,781,996</u>	<u>\$ 31,717,510</u>

EASTERN NIAGARA HOSPITAL

Statements of Operations

For the years ended December 31,

2009

2008

Unrestricted net assets:

Revenue:

Net patient service revenue	\$ 56,477,910	\$ 55,618,148
Other revenue	8,376,158	4,895,947
Total revenue	<u>64,854,068</u>	<u>60,514,095</u>

Expenses:

Salaries and wages	28,196,884	27,234,141
Employee benefits	9,784,496	8,292,366
Other supplies and services	17,079,793	17,298,550
Interest	424,315	766,400
Depreciation and amortization	2,515,113	2,112,063
Provision for bad debts includes NYS bad debt and charity care pools	1,297,433	1,697,498
Total expenses	<u>59,298,034</u>	<u>57,401,018</u>

Income from operations

5,556,034 3,113,077

Other income:

Contributions	215,820	306,978
Investment earnings and other	114,452	121,411
Total other income	<u>330,272</u>	<u>428,389</u>

Excess of revenue over expenses

\$ 5,886,306 \$ 3,541,466

EASTERN NIAGARA HOSPITAL

Statements of Changes in Net Assets

For the years ended December 31,	2009	2008
Unrestricted net assets:		
Excess of revenue over expenses	\$ 5,886,306	\$ 3,541,466
Net assets released from restrictions used for property and equipment purchases or employee education	-	1,111
Contributed property and equipment	-	825,000
Pension liability adjustment	949,118	(6,567,119)
Postretirement health care liability adjustment ((283,138)	(987,120)
Increase (decrease) in unrestricted net assets	<u>6,552,286</u>	<u>(3,186,662)</u>
Temporarily restricted net assets:		
Net assets released from restrictions	-	(1,111)
Increase (decrease) in net assets	<u>6,552,286</u>	<u>(3,187,773)</u>
Net assets - beginning	<u>(3,838,412)</u>	<u>(650,639)</u>
Net assets - ending	<u>\$ 2,713,874</u>	<u>\$ (3,838,412)</u>

EASTERN NIAGARA HOSPITAL, INC.

Balance Sheets

December 31,	2010	2009
Assets		
Current assets:		
Cash	\$ 2,410,265	\$ 4,219,832
Short-term investments - Board designated for future operations (1,367,031	3,441,430
Accounts receivable, net of estimated uncollectibles		
of \$2,838,000 and \$3,378,000	7,006,218	6,055,045
Other receivables	14,629	57,037
Supplies	1,263,701	1,236,365
Prepaid expenses	648,257	416,271
	<u>12,710,101</u>	<u>15,425,980</u>
Property and equipment, net	17,279,311	15,640,499
Assets limited as to use	375,577	124,092
Advances to related parties, net	1,905,097	1,505,049
Other assets, net	45,140	86,376
	<u>\$ 32,315,226</u>	<u>\$ 32,781,996</u>
Liabilities and Net Assets		
Current liabilities:		
Current portion of long-term debt	\$ 1,879,290	\$ 2,096,170
Accounts payable	3,022,530	2,330,779
Accrued expenses	3,993,443	4,056,269
Deferred revenue	-	200,000
Estimated third-party payor settlements	3,388,344	3,844,599
	<u>12,283,607</u>	<u>12,527,817</u>
Long-term debt	2,525,062	3,943,215
Accrued pension liability	9,232,214	8,406,090
Accrued postretirement health care liability	6,057,000	5,191,000
Net assets:		
Unrestricted	2,090,427	2,586,958
Temporarily restricted	1,916	1,916
Permanently restricted	125,000	125,000
	<u>2,217,343</u>	<u>2,713,874</u>
	<u>\$ 32,315,226</u>	<u>\$ 32,781,996</u>

EASTERN NIAGARA HOSPITAL, INC.

Statements of Operations

For the years ended December 31,	2010	2009
Unrestricted net assets:		
Revenue:		
Net patient service revenue	\$ 60,699,631	\$ 56,477,910
Other revenue	2,682,193	8,376,158
Total revenue	<u>63,381,824</u>	<u>64,854,068</u>
Expenses:		
Salaries and wages	28,873,364	28,196,884
Employee benefits	10,471,537	9,784,496
Other supplies and services	18,628,367	17,079,793
Interest	301,643	424,315
Depreciation and amortization	2,451,132	2,515,113
Provision for bad debts - includes NYS bad debt and charity care pools	2,383,758	1,297,433
Total expenses	<u>63,109,801</u>	<u>59,298,034</u>
Income from operations	272,023	5,556,034
Other income:		
Contributions	75,257	215,820
Investment earnings and other	40,441	114,452
Total other income	<u>115,698</u>	<u>330,272</u>
Excess of revenue over expenses	\$ 387,721	\$ 5,886,306

EASTERN NIAGARA HOSPITAL, INC.

Statements of Changes in Net Assets

For the years ended December 31,	2010	2009
Unrestricted net assets:		
Excess of revenue over expenses	\$ 387,721	\$ 5,886,306
Pension liability adjustment	268,833	949,118
Postretirement health care liability adjustment	(1,153,085)	(283,138)
Change in unrestricted net assets	(496,531)	6,552,286
Change in net assets	(496,531)	6,552,286
Net assets - beginning	2,713,874	(3,838,412)
Net assets - ending	\$ 2,217,343	\$ 2,713,874

See accompanying notes.

**State of New York
Public Health and Health Planning Council**

July/August 2011

ATTACHMENTS

Transitional Care Units - Construction

Committee Exhibit #5

1. 102368 T Rome Memorial Hospital, Inc.
(Oneida County)
2. 102369 T New York Hospital Medical Center of Queens
(Queens County)
3. 102370 T Good Samaritan Hospital of Suffern
(Rockland County)

ROME MEMORIAL HOSPITAL, INC. AND AFFILIATES

Consolidated Balance Sheets

December 31, 2010 and 2009

<u>Assets</u>	<u>2010</u>	<u>2009</u>
Current assets:		
Cash and cash equivalents	\$ 3,161,603	218,619
Patient accounts receivable, net of allowance for doubtful accounts of approximately \$6,755,000 in 2010 and \$23,151,000 in 2009	12,075,709	11,914,457
Inventories	2,003,585	1,644,358
Prepaid expenses and other current assets	1,000,184	878,927
Due from related entities	629,598	915,380
Total current assets	<u>18,870,679</u>	<u>15,571,741</u>
Assets limited as to use	2,274,926	2,456,924
Interest in net assets of Rome Hospital Foundation, Inc.	867,547	801,917
Property and equipment, net	41,340,981	39,592,250
Other long-term assets	772,459	508,112
Due from related entities, net of current portion	-	442,962
Total assets	<u>\$ 64,126,592</u>	<u>59,373,906</u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Line of credit and short-term borrowings	4,410,000	1,275,000
Current portion of capital lease obligations	762,131	951,796
Current portion of long-term debt	1,197,104	755,605
Accounts payable	5,433,597	5,474,910
Accrued payroll and other liabilities	4,945,967	4,420,204
Accrued compensated absences	2,093,283	1,958,424
Advances from third-party payors	441,000	458,000
Estimated third-party payor settlements, net	219,283	490,913
Total current liabilities	<u>19,502,365</u>	<u>15,784,852</u>
Capital lease obligations, net of current portion	1,511,937	2,274,068
Long-term debt, net of current portion	17,757,343	16,259,620
Due to related entities	2,959,722	2,858,665
Other liabilities	556,928	530,203
Total liabilities	<u>42,288,295</u>	<u>37,707,408</u>
Net assets:		
Unrestricted	21,213,756	21,074,893
Temporarily restricted	40,490	12,024
Permanently restricted	584,051	579,581
Total net assets	<u>21,838,297</u>	<u>21,666,498</u>
Commitments and contingencies:		
Total liabilities and net assets	<u>\$ 64,126,592</u>	<u>59,373,906</u>

ROME MEMORIAL HOSPITAL, INC. AND AFFILIATES

Consolidated Statements of Operations

Years ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Unrestricted revenue and other support:		
Net patient service revenue	\$ 94,354,274	87,856,949
Other operating revenue and support	<u>736,181</u>	<u>1,320,936</u>
Total unrestricted revenue and other support	<u>95,090,455</u>	<u>89,177,885</u>
Expenses:		
Salaries and wages	46,177,135	42,167,770
Employee benefits	10,877,270	9,979,629
Other operating expenses	26,712,322	26,602,237
Depreciation and amortization	4,341,276	4,005,785
Interest	820,326	690,922
Provision for bad debts	6,481,484	6,134,330
New York State cash receipts assessment	<u>525,589</u>	<u>517,290</u>
Total expenses	<u>95,880,402</u>	<u>90,097,963</u>
Operating loss	<u>(789,947)</u>	<u>(920,078)</u>
Other income:		
Investment income	318,184	640,334
Other	<u>188,201</u>	<u>112,977</u>
Total other income	<u>506,385</u>	<u>753,311</u>
Deficiency of revenue over expenses	(283,562)	(166,767)
Donations of capital equipment	133,725	140,983
Change in unrestricted interest in Rome Hospital Foundation, Inc.	33,358	23,247
Grants and contributions for purchases of capital equipment	<u>255,342</u>	<u>63,716</u>
Increase in unrestricted net assets	<u>\$ 138,863</u>	<u>61,179</u>

ROME MEMORIAL HOSPITAL, INC. AND AFFILIATES

Consolidated Statements of Changes in Net Assets

Years ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Unrestricted net assets:		
Deficiency of revenue over expenses	\$ (283,562)	(166,767)
Donations of capital equipment	133,725	140,983
Change in unrestricted interest in Rome Hospital Foundation, Inc.	33,358	23,247
Grants and contributions for purchases of capital equipment	<u>255,342</u>	<u>63,716</u>
Increase in unrestricted net assets	<u>138,863</u>	<u>61,179</u>
Temporarily restricted net assets:		
Contributions	664	5,695
Change in temporarily restricted interest in Rome Hospital Foundation, Inc.	<u>27,802</u>	<u>(1,865)</u>
Increase in temporarily restricted net assets	<u>28,466</u>	<u>3,830</u>
Permanently restricted net assets:		
Change in permanently restricted interest in Rome Hospital Foundation, Inc.	<u>4,470</u>	<u>249,643</u>
Increase in permanently restricted net assets	<u>4,470</u>	<u>249,643</u>
Increase in net assets	171,799	314,652
Net assets at beginning of year	<u>21,666,498</u>	<u>21,351,846</u>
Net assets at end of year	<u>\$ 21,838,297</u>	<u>21,666,498</u>

The New York Hospital Medical Center of Queens

Consolidated Statements of Financial Position

	December 31	
	2010	2009
<i>(In Thousands)</i>		
Assets		
Current assets:		
Cash and cash equivalents	\$ 5,195	\$ 4,856
Short-term investments	62,200	56,200
Patient care receivables, less allowance for uncollectibles (2010 – \$22,278; 2009 – \$22,832)	56,486	55,926
Assets limited as to use – current portion	3,872	2,801
Other current assets	14,293	10,097
Total current assets	142,046	129,880
Assets limited as to use:		
Self-insurance fund	66,233	58,432
Collateral account	2,885	2,883
Construction escrow funds	2,618	2,614
Pooled investments managed by New York-Presbyterian Fund, Inc.	16,371	14,340
Funds held under debt agreements	817	201
Depreciation reserve fund under bond sinking fund agreement	10,424	8,655
Total assets limited as to use	99,348	87,125
Less assets limited as to use – current portion	3,872	2,801
Assets limited as to use – noncurrent portion	95,476	84,324
Property, buildings and equipment – net	320,858	284,234
Other noncurrent assets	16,650	16,283
Total assets	\$ 575,030	\$ 514,721

BFA Attachment A (cont.)

	December 31	
	2010	2009
	<i>(In Thousands)</i>	
Liabilities and net assets		
Current liabilities:		
Current portion of long-term debt	\$ 7,602	\$ 5,097
Accounts payable and accrued expenses	60,015	54,874
Accrued salaries and related liabilities	17,269	15,640
Current portion of estimated self-insurance and other professional liabilities	2,285	2,084
Due to related organizations, net	1,313	837
Current portion of postretirement benefit liabilities	986	623
Other current liabilities	7,228	7,965
Total current liabilities	<u>96,698</u>	<u>87,120</u>
Long-term debt, less current portion	207,058	161,512
Estimated self-insurance and other professional liabilities, less current portion	75,525	72,780
Accrued pension and postretirement liabilities	42,441	38,658
Other noncurrent liabilities	81,535	85,389
Total liabilities	<u>503,257</u>	<u>445,459</u>
Commitments and contingencies		
Net assets:		
Unrestricted	64,064	62,181
Temporarily restricted	884	806
Permanently restricted	6,825	6,275
Total net assets	<u>71,773</u>	<u>69,262</u>
Total liabilities and net assets	<u>\$ 575,030</u>	<u>\$ 514,721</u>

The New York Hospital Medical Center of Queens

Consolidated Statements of Operations

	Year Ended December 31	
	2010	2009
	<i>(In Thousands)</i>	
Revenue, gains and other support		
Net patient service revenue	\$ 614,738	\$ 574,516
Other revenue	28,371	26,099
Total revenue, gains and other support	<u>643,109</u>	<u>600,615</u>
Operating expenses		
Salaries and wages	294,312	277,104
Employee benefits	80,523	66,405
Supplies and other expenses	227,790	226,868
Interest and amortization of financing fees	11,444	3,930
Depreciation and leasehold improvement amortization	25,227	21,502
Total operating expenses	<u>639,296</u>	<u>595,809</u>
Excess of revenue, gains and other support over operating expenses before change in estimate related to faculty practice accounts receivable	3,813	4,806
Change in estimate related to faculty practice accounts receivable	8,500	—
Excess of revenues, gains and other support over operating expenses	<u>12,313</u>	<u>4,806</u>
Other changes in unrestricted net assets		
Net assets released from restrictions for the purchase of fixed assets	28	191
Change in pension and postretirement benefit liabilities to be recognized in future periods	(10,458)	5,590
Change in unrestricted net assets	<u>\$ 1,883</u>	<u>\$ 10,587</u>

The New York Hospital Medical Center of Queens
Statements of Financial Position

Assets							
Current assets:							
Cash and cash equivalents	\$ 5,577	\$ 4,439				\$ 7,602	
Short term investments	51,000	62,230				59,573	
Patient care receivables, less allowance for uncollectibles (2011 - \$25,881; 2010 - \$23,978)	60,472	58,528				17,262	
Assets limited as to use - current	3,051	3,872				2,285	
Other current assets	13,322	12,404				1,313	
						6,892	
Total current assets	<u>135,422</u>	<u>141,403</u>				<u>95,913</u>	
Assets limited as to use:							
Self-insurance fund	70,747	66,223				207,943	
Pooled investments at New York Presbyterian Fund, Inc.	17,616	16,371				78,919	
Construction Escrow	3,454	3,234				16,192	
Letter of Credit Escrow	2,887	2,885				23,707	
Depreciation reserve fund under bond sinking fund agreement	10,841	10,423				81,505	
Primary Care Development Corp deb. service fund	347	201				499,918	
	<u>105,892</u>	<u>99,347</u>				<u>502,439</u>	
Less assets limited as to use - current portion	(5,051)	(3,372)					
Total assets limited as to use - noncurrent portion	<u>100,841</u>	<u>95,975</u>					
Property, buildings and equipment - net	316,619	320,684				66,210	
West Wing Project	4,614	-				902	
Other noncurrent assets	16,359	16,551				6,825	
						73,937	
Total assets	<u>\$ 573,855</u>	<u>\$ 574,303</u>				<u>\$ 573,855</u>	<u>\$ 574,303</u>
Liabilities and net assets							
Current liabilities:							
Current portion of long term debt							
Account payable and accrued expenses							
Accrued salaries and related liabilities							
Current portion of professional liability							
Current portion of post retirement liability							
Due to related organizations							
Other current liabilities							
Total current liabilities						<u>91,452</u>	
Long term deb., less current portion							
Professional liabilities, less current portion							
Accrued pension liability							
Accrued postretirement liability							
Other noncurrent liabilities							
Total liabilities						<u>499,918</u>	
Net assets:							
Unrestricted							
Temporarily restricted							
Permanently restricted							
Total liabilities and net assets						<u>\$ 573,855</u>	<u>\$ 574,303</u>

The New York Hospital Medical Center of Queens
 Statement of Operations
 May 31, 2011
 (In Thousands)

	Month of May		Year-to-date May 31, 2011		May 2010		May 2009	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Operating revenue	\$ 35,348	\$ 39,685	\$ 88,868	\$ 192,926	\$ 36,688		181,289	
Net inpatient revenue	12,770	12,704	62,412	62,735	9,355		44,080	
Net outpatient revenue	2,476	2,270	11,507	11,246	5,635		26,917	
Other revenue	51,594	54,659	152,787	266,907	51,678		252,286	
Total revenue, gain, and other support								
Operating expenses	31,478	31,821	151,312	154,693	30,144		147,645	
Salaries and related benefits	17,450	18,477	90,280	91,392	18,389		86,741	
Supplies and other expenses	2,234	2,234	11,168	11,172	2,014		10,070	
Depreciation	985	989	4,902	4,945	958		4,622	
Interest	921	936	4,555	4,569	904		4,390	
Bad debt	53,068	54,457	262,217	266,771	52,409		253,472	
Total operating expenses	(1,474)	202	570	136	(731)		(1,185)	
Income from operations	712	-	1,485	-	(777)		(237)	
Net change in unrealized gains and losses on investments								
Increase in unrestricted net assets	\$ (762)	\$ 202	\$ 2,055	\$ 136	\$ (1,508)		\$ (1,420)	
Investment Income	347	332	2,436	1,656	6		900	

BON SECOURS CHARITY HEALTH SYSTEM, INC.

Consolidated Balance Sheets

December 31, 2009 and 2008

Assets	2009	2008
Current assets:		
Cash and cash equivalents	\$ 4,888,092	6,550,577
Accounts receivable, net:		
Patient and third-party payors	52,032,875	51,159,178
Others	263,315	810,491
Total accounts receivable, net	52,296,190	51,969,669
Investments	1,401,734	1,053,480
Inventories	6,422,676	7,651,935
Prepaid expenses and other current assets	4,564,427	9,107,662
Total current assets	69,573,119	76,333,323
Assets limited or restricted as to use	22,716,206	21,420,176
Property, plant, and equipment, net	116,018,033	116,784,762
Other assets, net	8,454,939	4,519,845
Total assets	\$ 216,762,297	219,058,106
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 5,635,836	5,749,976
Accrued salaries, wages, and benefits	27,258,086	24,586,580
Other accrued expenses	13,964,603	19,476,567
Total current liabilities	46,858,525	49,813,073
Other long-term liabilities	20,781,248	22,058,363
Due to affiliate, net	127,307,950	122,755,682
Total liabilities	194,947,723	194,627,118
Net assets:		
Unrestricted	15,689,702	18,849,754
Temporarily restricted	5,501,425	4,957,787
Permanently restricted	623,447	623,447
Total net assets	21,814,574	24,430,988
Total liabilities and net assets	\$ 216,762,297	219,058,106

BON SECOURS CLARITY HEALTH SYSTEM, INC.

Consolidated Statements of Operations and
Changes in Net Assets

Years ended December 31, 2009 and 2008

	2009	2008
Revenues:		
Net patient service revenue	\$ 429,229,141	423,558,447
Other revenue	2,050,297	4,953,143
Net assets released from restrictions for operations	169,310	452,992
Total revenues	<u>431,448,748</u>	<u>428,964,582</u>
Expenses:		
Salaries, wages, and benefits	221,829,336	220,093,156
Supplies	62,597,295	63,616,405
Purchased services and other	99,271,192	102,414,706
Provision for bad debts, net	25,335,468	36,198,920
Depreciation and amortization	16,211,208	14,595,093
Interest	10,057,655	10,156,552
Total expenses	<u>435,302,154</u>	<u>447,074,832</u>
Loss from operations	<u>(3,853,406)</u>	<u>(18,110,250)</u>
Nonoperating income (loss), net:		
Investment income (loss)	1,382,608	(1,080,354)
Other gains and losses, net	(149,647)	(575,450)
Nonoperating income (loss), net	<u>1,232,961</u>	<u>(1,655,804)</u>
Deficiency of revenues over expenses	<u>(2,620,445)</u>	<u>(19,766,054)</u>
Other changes in net assets:		
Transfers to affiliate	(100,000)	(250,000)
Net assets released from restrictions for purchase of property, plant, and equipment	317,825	740,874
Grant for capital expenditures	(857,877)	1,730,545
Pension-related changes other than net periodic benefit cost	100,445	(1,131,733)
Transfer of pension obligation to affiliate	—	2,660,257
Decrease in unrestricted net assets	<u>(3,160,052)</u>	<u>(16,016,111)</u>
Temporarily restricted net assets:		
Contributions	1,030,773	1,180,903
Released from restrictions for operations	(169,310)	(452,992)
Released from restrictions for purchase of property, plant, and equipment	(317,825)	(740,874)
Increase (decrease) in temporarily restricted net assets	<u>543,638</u>	<u>(12,963)</u>
Decrease in net assets	<u>(2,616,414)</u>	<u>(16,029,074)</u>
Net assets at beginning of year	<u>24,430,988</u>	<u>40,460,062</u>
Net assets at end of year	<u>\$ 21,814,574</u>	<u>24,430,988</u>



BON SECOURS HEALTH SYSTEM

BS NY CHARITY HEALTH SYSTEM

Consolidated Balance Sheet

For the Period Ending: December 31, 2010

	Current Month 12/31/2010	Prior Month 11/30/2010	Prior Year 12/31/2009	Audited 08/31/2010
ASSETS				
Current Assets				
Cash & Cash Equivalents	\$ 2,778,434	\$ 2,867,115	\$ 5,859,377	\$ 3,261,705
Accounts Receivable, Net:				
Gross Patient & 3rd Party Pay Allowances	195,084,903	198,365,760	185,490,786	179,349,425
Other Pat & 3rd Party Payor	(138,618,638)	(141,457,882)	(133,457,911)	(125,767,146)
Other Net	490,721	159,624	263,316	83,902
Net Accounts Receivable	56,956,986	57,067,501	52,296,190	53,666,181
Investments Limited As to Use	-	-	-	-
Inventories	6,460,181	6,529,991	6,422,675	6,298,063
Assets Held for Sale	-	-	-	-
Assets Held in Trust for Others	25,795	26,153	-	-
Prepaid Expenses	1,968,905	2,326,586	2,269,931	1,996,082
Other Current Assets	197,785	196,315	200,600	196,078
Due From Affiliates	-	-	-	-
Total Current Assets	68,388,087	69,013,661	67,048,773	65,418,110
Inv Ltd to Use, less CP				
Board Designated Funds	17,940,959	17,828,305	18,019,601	18,147,154
Other:				
Self Insurance Funds	244,370	244,370	243,984	244,370
Bond Funds	-	-	-	-
Restricted Funds	4,723,797	4,705,701	4,844,248	5,407,362
Other Funds	-	67,258	-	-
Property Plant & Equip	110,484,810	109,355,861	116,018,033	110,681,082
Due From Affiliates, LT	-	-	-	-
Deferred Fin Costs & Other LT Assets	10,998,661	8,379,182	8,454,938	10,909,773
Total Assets	\$ 212,780,684	\$ 209,594,338	\$ 214,629,577	\$ 210,807,850
LIABILITIES				
Current Liabilities:				
Current portion of LTD	\$ 859,246	\$ 323,034	\$ 247,233	\$ 301,051
Accounts Payable	5,131,597	8,377,733	5,635,905	14,118,019
Accr Salaries, Wages & Benefits	24,741,243	23,114,090	27,258,085	27,322,018
Other Accrued Expenses	17,470,539	15,682,813	13,094,087	12,729,111
Due to Affiliates	87,177	87,177	6,624,392	87,177
Total Current Liabilities	48,289,802	47,584,847	52,859,701	54,557,376
Long Tem Debt, Net CPLTD	82,252,806	81,196,022	81,500,308	81,284,789
Minimum Pension Liability	-	-	-	-
Due to Affiliates, LT	74,950,864	71,305,884	50,829,522	69,283,890
Other LTL & Deferred Credits	14,800,574	16,128,254	19,557,545	16,581,956
Total Liabilities	220,294,047	216,215,007	204,747,076	210,707,999
NET ASSETS:				
Unrestricted - System	(12,757,834)	(11,799,465)	3,976,523	(5,856,663)
Unrestricted - Noncontrolling Interest	-	-	-	-
Total Unrestricted Net Assets	(12,757,834)	(11,799,465)	3,976,523	(5,856,663)
Restricted Net Assets	5,244,471	5,178,796	5,905,980	5,956,515
Total Net Assets	(7,513,363)	(6,620,669)	9,882,502	99,852
Total Liabilities & Net Assets	\$ 212,780,684	\$ 209,594,338	\$ 214,629,577	\$ 210,807,851



BON SECOURS HEALTH SYSTEM

**BS NY CHARITY HEALTH SYSTEM
Total Facility**

Statement of Revenue & Expense
For the Period Ending: December 31, 2010
Actual to Budget Var with Last Fiscal Year Actual

	MONTH - TO - DATE						LY MTB
	OCT ACTUAL	NOV ACTUAL	DEC ACTUAL	DEC BUDGET	MTD VAR	MTD VAR %	
REVENUE :							
INPATIENT SERVICE REVENUE	75,479	66,604	79,709	71,438	8,272	11.58%	80,550
OUTPATIENT SERVICE REVENUE	90,271	90,390	93,888	93,222	10,665	12.82%	93,377
GROSS PATIENT SERVICE REVENUE	165,751	156,994	173,597	164,660	18,937	12.24%	163,927
DEDUCTIONS FROM REVENUE :							
LESS: CONTRACTUALS	123,928	118,528	126,954	107,991	(18,963)	(17.55%)	121,132
CHARITY CARE	4,712	5,887	6,139	5,719	(420)	(7.35%)	6,751
OTHER DEDUCTIONS	1,916	2,129	3,841	3,172	(669)	(21.09%)	1,482
TOTAL DEDUCTIONS	130,556	126,545	136,935	116,992	(20,052)	(17.16%)	129,476
NET PATIENT SERVICE REVENUE	35,195	32,449	36,662	37,778	(1,115)	(2.95%)	34,521
OTHER OPERATING REVENUE	250	254	616	382	234	61.27%	(73)
TOTAL OPERATING REVENUE	35,445	32,703	37,278	38,160	(881)	(2.31%)	34,448
OPERATING EXPENSES :							
SALARIES & WAGES	14,427	13,572	14,498	15,001	503	3.35%	14,511
FRINGE BENEFITS	4,976	4,245	4,317	4,898	581	11.86%	3,778
CONTRACTED LABOR	866	976	1,018	1,005	(12)	(1.23%)	1,090
PURCHASED SERVICES	3,599	4,212	4,197	3,716	(481)	(12.96%)	3,721
CORPORATE DUES	659	659	659	659	-	-	654
SUPPLIES	4,793	4,676	4,879	5,080	182	3.59%	5,196
PHYSICIAN FEES	1,160	1,108	1,357	1,157	(200)	(17.28%)	1,484
RENTS, UTILITIES & OTHER	3,136	3,097	3,237	3,102	(136)	(4.37%)	2,986
PROVISION FOR BAD DEBT	1,839	506	1,353	2,018	665	32.96%	(343)
DEPRECIATION	1,353	1,371	1,302	1,566	264	16.88%	1,984
TOTAL OPERATING EXPENSES	36,807	34,422	36,816	38,182	1,365	3.58%	34,920
INCOME FROM OPERATIONS BEFORE INTEREST	(1,362)	(1,719)	462	(22)	484	(2,171.03%)	(471)
INTEREST	669	659	1,162	670	(492)	(73.48%)	802
INCOME FROM OPERATIONS	(2,022)	(2,378)	(701)	(692)	(8)	1.20%	(1,273)
OPERATING EBIDA	(10)	(348)	1,763	1,544	220	14.23%	1,493
NON OPERATING GAINS (LOSSES) :							
MELLON INVESTMENT INCOME	83	13	113	11	102	931.07%	68
INVESTMENT INCOME	18	(62)	57	49	8	15.95%	400
OTHER NON-OPERATING INCOME	177	(47)	572	139	433	312.44%	77
NON OPERATING EXPENSES	249	61	136	-	(136)	-	104
NON OPERATING GAINS (LOSSES)	28	(167)	606	199	407	204.80%	311
NET INCOME BEFORE MINORITY INTEREST	(1,994)	(2,535)	(95)	(493)	399	(80.82%)	(882)
MINORITY INTEREST	-	-	-	-	-	-	-
EXCESS / DEFICIT OF REVENUES OVER EXPENSES	(1,994)	(2,535)	(95)	(493)	399	(80.82%)	(882)
FUND BALANCE ROLL-FORWARD (TOTAL FACILITY) :							
UNRESTRICTED NET ASSETS BEGINNING OF PERIOD	(1,330)	(2,887)	(4,199)	-	-	-	(1,361)
EXCESS / DEFICIT OF REVENUES OVER EXPENSES	(1,994)	(2,535)	(95)	-	-	-	(882)
OTHER CHANGES IN UNRESTRICTED NET ASSETS	437	(521)	(964)	-	-	-	(360)
TOTAL CHANGE IN UNRESTRICTED NET ASSETS	(1,557)	(3,066)	(959)	-	-	-	(1,242)
UNRESTRICTED NET ASSETS END OF PERIOD	(2,887)	(5,943)	(5,158)	-	-	-	(2,644)

	YEAR - TO - DATE					
	DEC ACTUAL	DEC BUDGET	YTD VAR	YTD VAR %	LY YTD	
REVENUE :						
INPATIENT SERVICE REVENUE	296,349	276,351	18,998	6.87%	316,234	
OUTPATIENT SERVICE REVENUE	365,649	330,502	35,147	10.63%	329,933	
GROSS PATIENT SERVICE REVENUE	660,998	606,853	54,145	8.92%	645,255	
DEDUCTIONS FROM REVENUE :						
LESS: CONTRACTUALS	489,344	432,200	(57,144)	(13.22%)	477,423	
CHARITY CARE	22,141	22,245	105	0.47%	22,141	
OTHER DEDUCTIONS	9,816	9,271	(545)	(5.88%)	5,141	
TOTAL DEDUCTIONS	521,301	463,717	(57,584)	(12.42%)	505,723	
NET PATIENT SERVICE REVENUE	139,697	143,137	(3,440)	(2.40%)	139,695	
OTHER OPERATING REVENUE	1,330	1,527	(197)	(12.92%)	890	
TOTAL OPERATING REVENUE	141,027	144,664	(3,637)	(2.51%)	140,395	
OPERATING EXPENSES :						
SALARIES & WAGES	56,306	55,280	(1,026)	(1.86%)	57,036	
FRINGE BENEFITS	16,820	18,141	1,321	7.25%	16,903	
CONTRACTED LABOR	3,936	3,968	32	0.81%	3,695	
PURCHASED SERVICES	15,857	14,628	(1,229)	(8.40%)	12,637	
CORPORATE DUES	2,637	2,637	-	-	2,585	
SUPPLIES	19,461	19,461	(31)	(0.16%)	19,951	
PHYSICIAN FEES	4,701	4,630	(71)	(1.54%)	5,017	
RENTS, UTILITIES & OTHER	12,219	13,061	842	6.45%	11,336	
PROVISION FOR BAD DEBT	6,456	7,859	1,403	17.85%	4,971	
DEPRECIATION	5,377	5,599	222	3.97%	5,906	
TOTAL OPERATING EXPENSES	143,800	145,264	1,464	1.01%	140,017	
INCOME FROM OPERATIONS BEFORE INTEREST	(2,772)	(600)	(2,173)	362.44%	378	
INTEREST	3,140	2,660	(480)	(17.18%)	3,194	
INCOME FROM OPERATIONS	(5,913)	(3,279)	(2,633)	80.30%	(2,816)	
OPERATING EBIDA	2,604	5,000	(2,395)	(47.91%)	6	
NON OPERATING GAINS (LOSSES) :						
MELLON INVESTMENT INCOME	387	44	343	784.96%	216	
INVESTMENT INCOME	18	197	(179)	(90.66%)	429	
OTHER NON-OPERATING INCOME	716	555	162	29.17%	1,384	
NON OPERATING EXPENSES	501	-	(501)	-	389	
NON OPERATING GAINS (LOSSES)	620	795	(175)	(22.02%)	1,641	
NET INCOME BEFORE MINORITY INTEREST	(5,293)	(2,484)	(2,809)	113.05%	(1,175)	
MINORITY INTEREST	-	-	-	-	-	
EXCESS / DEFICIT OF REVENUES OVER EXPENSES	(5,293)	(2,484)	(2,809)	113.05%	(1,175)	
FUND BALANCE ROLL-FORWARD (TOTAL FACILITY) :						
UNRESTRICTED NET ASSETS BEGINNING OF PERIOD	-	-	-	-	-	
EXCESS / DEFICIT OF REVENUES OVER EXPENSES	(5,293)	-	-	-	(1,175)	
OTHER CHANGES IN UNRESTRICTED NET ASSETS	(1,608)	-	-	-	(1,429)	
TOTAL CHANGE IN UNRESTRICTED NET ASSETS	(6,901)	-	-	-	(2,644)	
UNRESTRICTED NET ASSETS END OF PERIOD	(6,901)	-	-	-	(2,644)	

**New York State Department of Health
Public Health and Health Planning Council**

July/August 2011

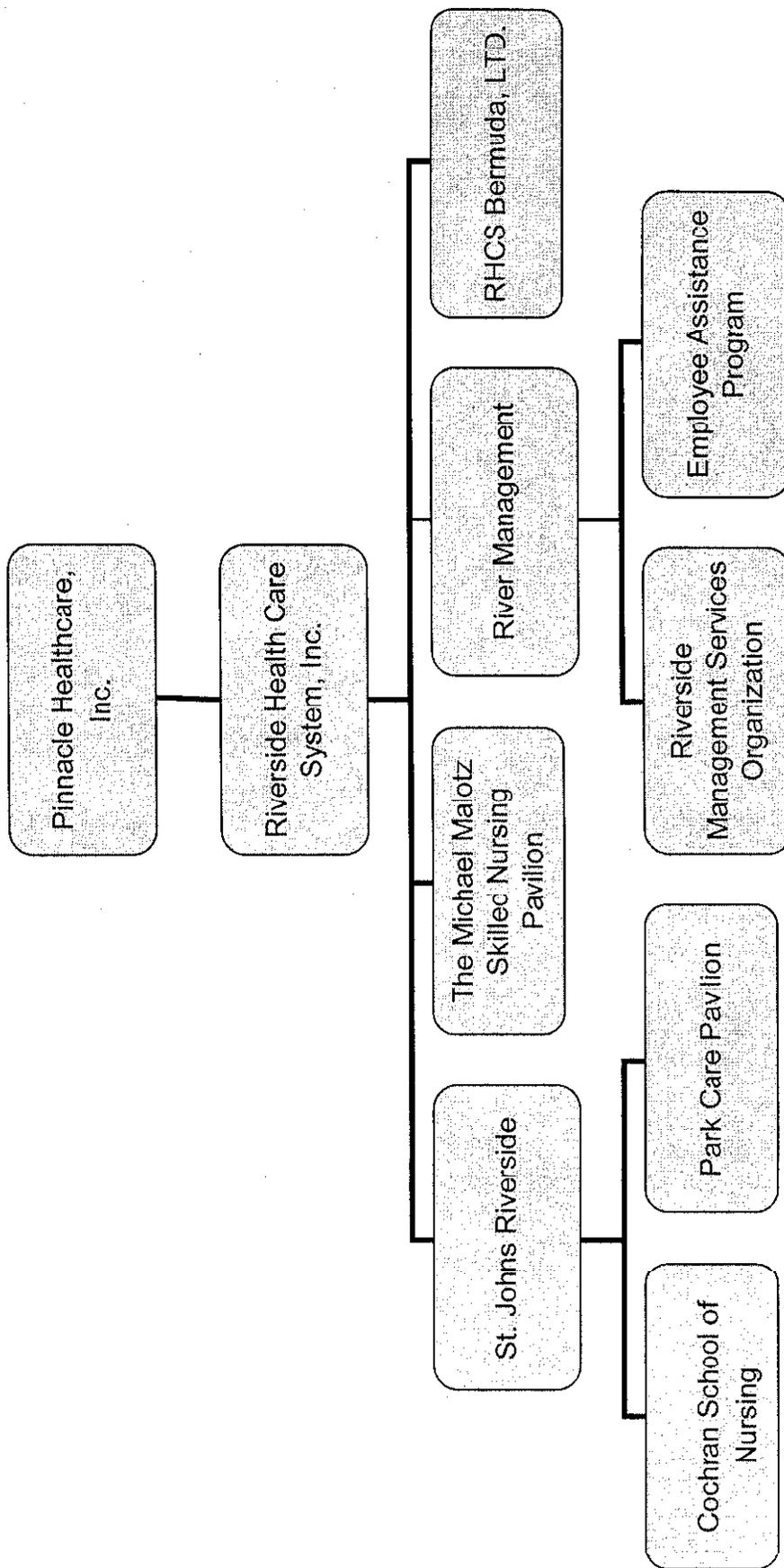
ATTACHMENT

Acute Care Services – Establish/Construct

Committee Exhibit #6

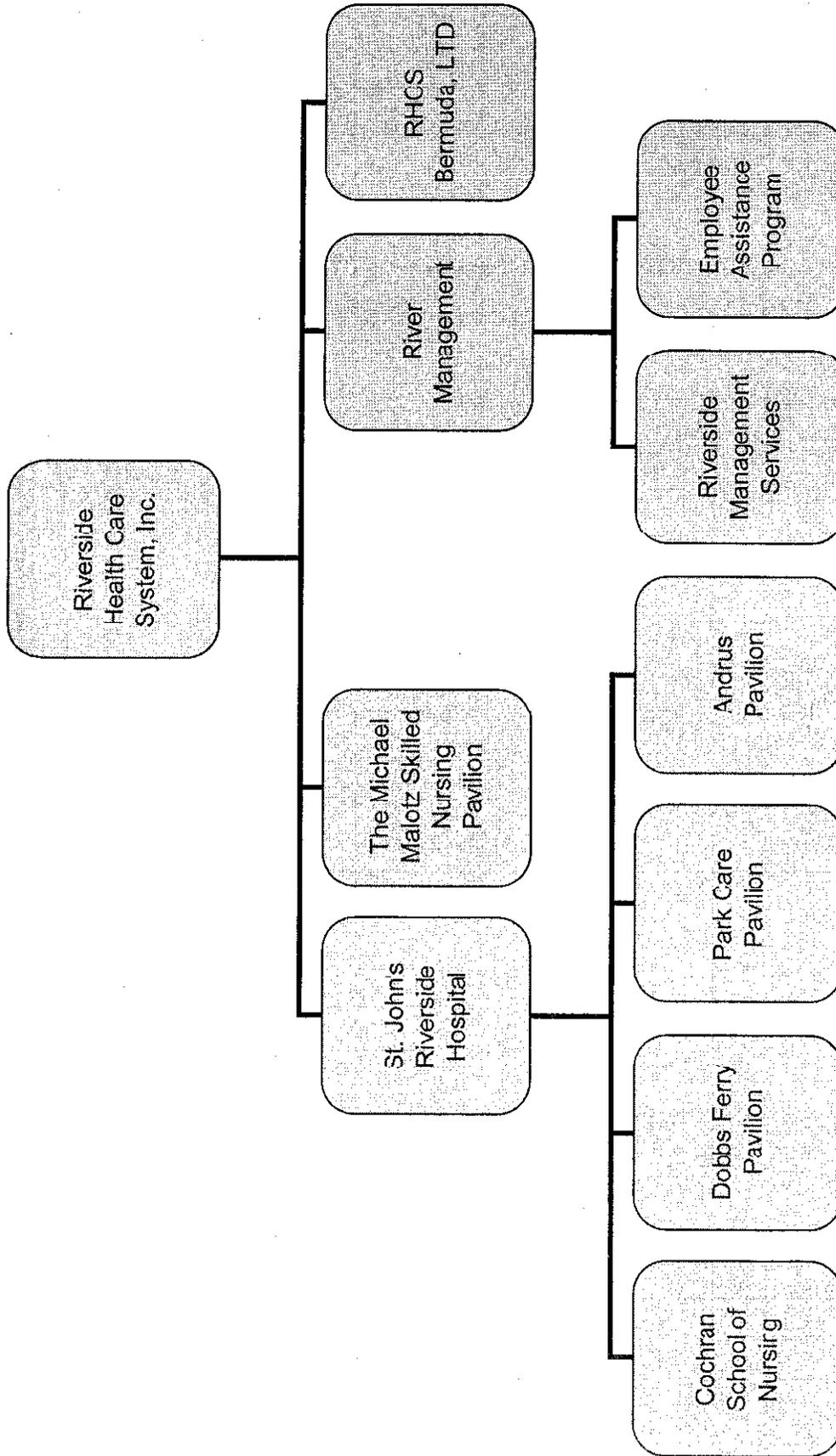
<u>Number</u>	<u>Applicant/Facility</u>
1. 111388 E	Riverside Health Care System, Inc. (Westchester County)

Riverside Health Care System, Inc.



*Before withdrawal from Pinnacle Healthcare, Inc.

Riverside Health Care System, Inc



Riverside Health Care System Inc.
Consolidating Balance Sheet as of December 31, 2010

	SJRH & Dobbis	VAL LANE &	SJR Medical PC	MMSNP	RHCS Eemuda	River Mgmt	RHCS	RMSO	EAP	Dec-10 TOTAL	Dec-09 TOTAL
Assets											
Current Assets											
Cash and cash equivalents	\$ 7,385,652		616,303			22,878	98,248	4,884	3,776	\$ 8,132,241	\$ 7,443,439
Investments	7,894,117			2,429,606						10,323,723	7,119,238
Accounts receivable, net of allowances for doubtful accounts	17,326,373		3,084,325							20,587,139	19,287,293
Assets limited as to use, current portion	7,437,022		310,184							7,747,206	7,752,269
Assets held for sale											
Other current assets	9,762,895		276,394	433			87,928	1,000	1,000	10,133,250	7,193,196
Due from third party payors	2,396,773		628,357							3,025,130	\$,226,524
Investment in captive							472,000			472,000	472,000
Due from affiliates	2,434,646			1,475,623						3,913,469	2,989,436
Total current assets	54,637,878		4,916,763	3,905,662	22,878	658,176	176,244	10,557		64,323,158	57,483,395
Due from affiliates, net of current portion	5,597,332									5,597,332	\$,886,387
Assets limited as to use, net of current portion	8,977,287		5,038,147							14,015,434	12,420,069
Pledges receivable, net	1,745,568									1,745,568	3,711,206
Property, plant and equipment net	46,869,556		9,001,001				28,370	2,562		55,901,389	55,504,288
Other noncurrent assets, net	1,548,798						19,725	2,625		1,571,148	2,210,076
Total assets	\$ 119,377,219		18,955,311	3,905,662	22,878	658,176	224,339	15,244	\$ 137,215,421	\$ 143,153,429	\$ 137,215,421
Liabilities and Net Assets											
Current Liabilities											
Current portion of long term debt	\$ 2,919,380		310,184							\$ 3,229,564	\$ 3,296,960
Accounts payable and accrued expenses	18,212,321		1,179,387	347,884			100	69,344	58,967	19,863,003	21,455,863
Accrued salaries and wages payable	9,334,300		584,561							9,918,951	9,301,633
Accrued benefit costs	591,490									591,490	750,721
Due to third party payors, net	4,477,226		379,178							4,853,404	4,909,171
Reserved for claims	4,448,341		208,332	4,098,821						4,099,821	4,094,226
Other liabilities	6,374,753									4,659,973	3,331,064
Reimbursable Advance										6,374,753	6,393,007
Due to affiliates	1,475,623		1,824,354							3,300,177	2,401,620
Total current liabilities	47,833,514		4,486,486	4,446,705			100	69,344	58,967	56,893,126	55,834,265
Long term debt, net of current portion	27,861,250		12,269,365							40,131,215	42,338,301
Due to affiliates, net of current portion			5,459,700					747,923		6,207,623	6,474,203
Deferred member support											
Due to third party payors, net of current portion											
Other noncurrent liabilities	12,471,456									12,471,456	1,763,646
Accrued benefit cost	51,577,261									51,577,261	55,845,982
Total liabilities	139,743,461		22,216,161	4,446,705			100	817,267	58,967	167,282,661	172,356,397
Net Assets											
Unrestricted	(26,596,276)		(3,260,350)	(2,865,043)	22,878	658,076	(592,928)	(43,723)		(32,677,266)	(41,067,118)
Temporarily restricted	4,100,397									4,100,397	6,324,505
Permanently restricted	2,129,637									2,129,637	5,129,637
Share capital				120,000						120,000	120,000
Contributed surplus				2,204,000						2,204,000	352,000
Total net assets	(20,366,242)		(3,260,350)	(541,043)	22,878	658,076	(592,928)	(43,723)		(24,123,232)	(35,140,976)
Total liabilities and net assets	\$ 119,377,219		18,955,311	3,905,662	22,878	658,176	224,339	15,244	\$ 143,153,429	\$ 143,153,429	\$ 137,215,421

Riverside Health Care System Inc.
Consolidating Statement of Operations as of December 31, 2010

	SJRH & DOBBS VAL LANE	MMSNP	RHCS Bermuda	River Mgmt	RHCS	RMSO	EAP	Dec-10 TOTAL	Dec-09 TOTAL
Unrestricted revenues, gains, and other support:									
Net patient service revenue	\$ 226,839,001	13,592,296	-	-	-	1,698,158	153,770	\$ 242,283,225	\$ 224,956,198
Net client billing fees	-	-	-	-	-	-	-	-	-
Net premiums earned	-	-	1,334,236	-	-	-	-	1,334,236	904,557
Other revenue	13,474,667	42,582	2,036	27	46	-	-	13,519,358	15,166,302
Investment return	1,132,719	-	-	-	-	-	-	1,132,719	1,312,270
Member support	-	-	-	-	-	-	-	-	-
Net assets released from restrictions	854,274	-	-	-	-	-	-	854,274	1,018,570
Total revenues, gains, and other support	242,300,661	13,634,878	1,336,272	27	46	1,698,158	153,770	259,123,812	243,357,897
Expenses:									
Salaries and wages	103,661,258	6,550,446	-	-	-	1,349,256	106,652	111,667,612	111,615,187
Employee benefits	41,699,938	2,303,759	-	-	-	113,647	-	44,117,344	42,377,488
Supplies and other expenses	63,351,472	2,579,911	103,291	-	200	237,508	44,373	66,316,755	73,287,741
Cash assessment	-	517,981	-	-	-	-	-	517,981	525,957
Change in reserves	-	-	(177,265)	-	-	-	-	(177,265)	(144,925)
Losses incurred	-	-	2,390,495	-	-	-	-	2,390,495	2,943,340
Fees, taxes, assessments	-	-	-	-	-	-	-	-	52,679
Interest	2,333,534	950,442	-	-	-	5,212	-	3,289,188	3,310,862
Provision for bad debts, net	16,777,392	580,000	-	-	-	-	-	17,357,392	13,625,660
Depreciation and amortization	8,311,825	940,186	-	-	-	1,020	-	9,253,031	3,811,409
Total expenses	236,135,419	14,422,725	2,316,521	-	200	1,705,643	51,025	254,732,533	253,405,398
Gain (loss) from operations	6,165,242	(787,847)	(980,249)	27	(154)	(3,485)	2,745	4,391,279	(10,047,501)
Other changes:									
Contributions and other income	-	45,935	-	-	-	-	-	45,935	64,582
Transfer to affiliate-Bermuda	(1,847,000)	-	-	-	-	-	-	(1,847,000)	-
Net assets released from restrictions used for purchases of property, plant and equipment	2,557,563	-	-	-	-	-	-	2,557,563	1,159,929
Net Assets assumed	-	-	-	-	-	-	-	-	-
Grant for purchases of property, plant, and equipment	210,000	-	-	-	-	-	-	210,000	488,607
Pension-related changes other than net periodic benefit	6,032,074	-	-	-	-	-	-	6,032,074	3,680,303
Net change in unrestricted net assets	\$ 13,117,879	(741,912)	(980,249)	27	(154)	(3,485)	2,745	\$ 11,389,952	\$ (4,654,079)

**New York State Department of Health
Public Health and Health Planning Council**

July/August 2011

ATTACHMENT

Ambulatory Surgery Center - Establish/Construct

Committee Exhibit #7

<u>Number</u>	<u>Applicant/Facility</u>
1. 111076 B	QEASC, LLC (Queens County)
2. 111165 B	Queens Boulevard GI, LLC (Queens County)
3. 111196 B	Syracuse Surgery Center, LLC (Onondaga County)

BFA Attachment B

Balance Sheet

	<u>Opening</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
ASSETS				
Current Assets:				
Cash and Investments.....	\$342,535	\$167,296	\$2,019,483	\$3,646,445
A/R less Contract Allow.....	0	543,533	570,710	599,245
Total Current Assets.....	342,535	710,831	2,590,192	4,245,691
Property, Plant and Equipment.....				
Equipment and leasehold improvements	2,062,465	2,062,466	2,062,466	2,062,466
Less: Depreciation		-251,646	-503,292	-754,938
	<u>2,062,465</u>	<u>1,810,819</u>	<u>1,559,173</u>	<u>1,307,527</u>
Other Assets				
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS.....	<u>\$2,405,000</u>	<u>\$2,521,650</u>	<u>\$4,149,365</u>	<u>\$5,553,218</u>
LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts payable		60,000	65,000	70,000
Current portion of LT Debt	-	336,442	353,990	370,252
Total Current Liabilities	<u>0</u>	<u>396,442</u>	<u>418,990</u>	<u>187,715</u>
Long Term Debt (net of current)				
Construction Equipment Loan	1855000	1,518,558	1,164,568	794,316
Total Liabilities	<u>1,855,000</u>	<u>396,442</u>	<u>418,990</u>	<u>187,715</u>
Members Equity	550,000	2,125,208	3,730,375	5,365,503
	<u>2,405,000</u>	<u>2,521,650</u>	<u>4,149,365</u>	<u>5,553,218</u>

ESTABLISHMENT CHECKLIST FOR AMBULATORY CARE SITE

APPLICATION: CON 111076 QEASC, LLC

NATURE OF APPLICATION:

XX

PRIMARY CARE
SPECIALTY
Single-Specialty
Gastroenterology

AUSPICE:

XX

NON PROFIT
PROPRIETARY
PUBLIC
- Limited Liability Company

AFFILIATIONS: None

UNIT COST:

YEAR ONE

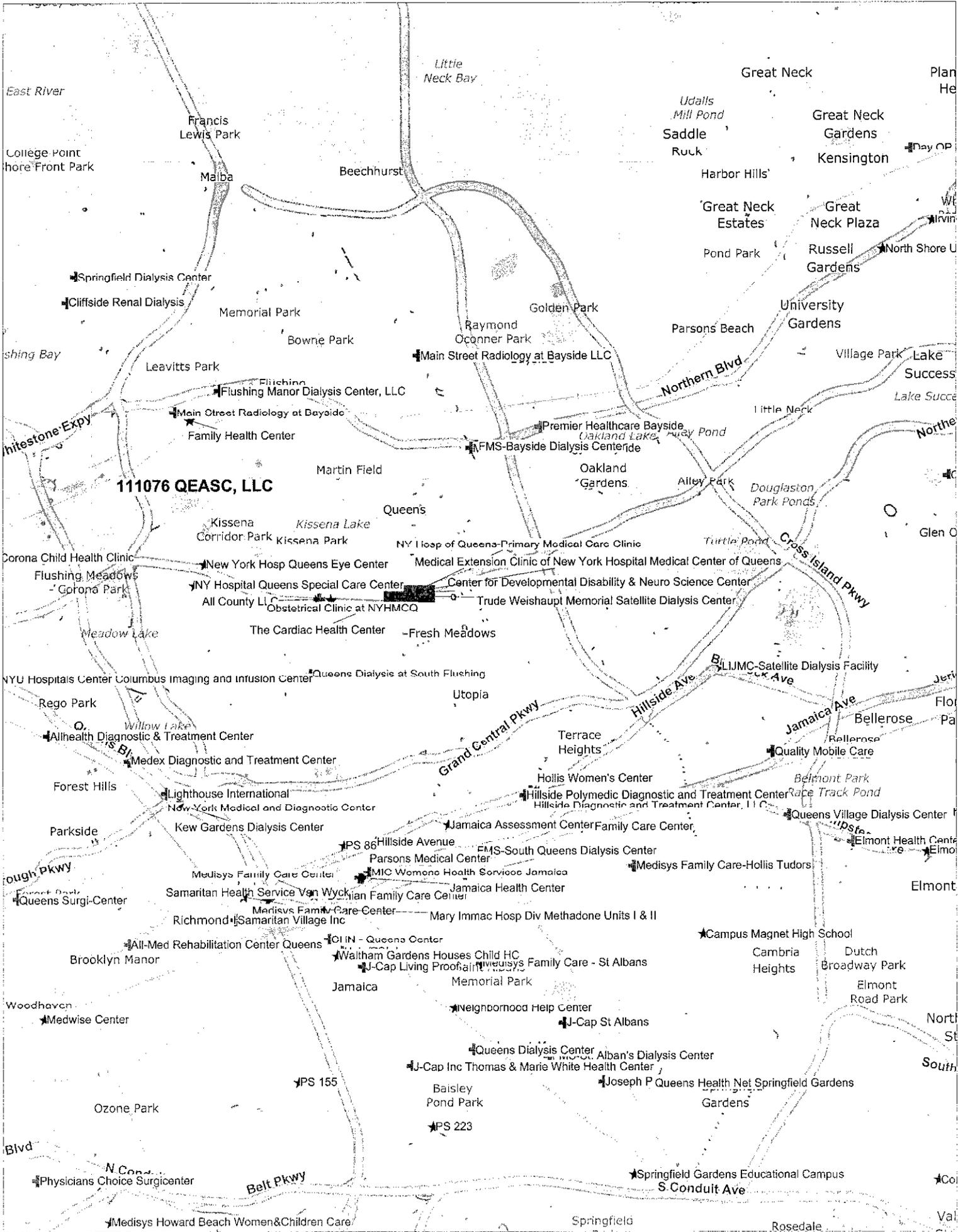
YEAR THREE

OPERATING	\$ 219.13	\$ 225.35
CAPITAL	\$ 63.11	\$ 52.53
TOTAL	\$ 282.24	\$ 277.88

PAYOR SOURCE:

YEAR ONE

MEDICAID FFS	1.43%
MEDICAID-MC	14.47%
MEDICARE-FFS	19.85%
MEDICARE-MC	1.44%
COMMERCIAL-MC	60.21%
PRIVATE PAY	.10%
CHARITY	2.50%



111076 QEASC, LLC

East River

College Point
Fore Front Park

Francis
Lewis Park

Malba

Beechhurst

Little
Neck Bay

Great Neck

Udalls
Mill Pond

Saddle
Rock

Great Neck
Gardens

Plan
He

Day OP

Harbor Hills

Great Neck
Plaza

W
Irvin

'Great Neck
Estates'

Great Neck
Gardens

North Shore U

Pond Park

Russell
Gardens

Springfield Dialysis Center

Cliffside Renal Dialysis

Memorial Park

Bowne Park

Main Street Radiology at Bayside LLC

Golden Park

Raymond
O'Conner Park

Parsons Beach

University
Gardens

Flushing Bay

Leavitts Park

Flushing
Manor Dialysis Center, LLC

Main Street Radiology at Bayside

Premier Healthcare Bayside
Oakland Lake, Bay Pond

Northern Blvd

Village Park

Lake

Success

Lake Succ

Whitestone Expy

Family Health Center

FMS-Bayside Dialysis Center

Little Neck

Northe

Martin Field

Oakland
Gardens

Alley Park

Douglaston
Park Ponds

Glen O

111076 QEASC, LLC

Kissena
Corridor Park

Kissena Lake
Kissena Park

Queens

NY 11 Loop of Queens-Primary Medical Care Clinic
Medical Extension Clinic of New York Hospital Medical Center of Queens

Turtle Pond

Cross Island Pkwy

Corona Child Health Clinic

New York Hosp Queens Eye Center

Center for Developmental Disability & Neuro Science Center

Flushing Meadows
Corona Park

NY Hospital Queens Special Care Center

Trude Weishaupt Memorial Satellite Dialysis Center

Meadow Lake

All County LLC
Obstetrical Clinic at NYHMCQ

The Cardiac Health Center

Fresh Meadows

NYU Hospitals Center Columbus Imaging and Infusion Center

Queens Dialysis at South Flushing

Rego Park

Grand Central Pkwy

Allhealth Diagnostic & Treatment Center

Medex Diagnostic and Treatment Center

Forest Hills

Lighthouse International

New York Medical and Diagnostic Center

Kew Gardens Dialysis Center

Hollis Women's Center

Hillside Polymedic Diagnostic and Treatment Center

Hillside Diagnostic and Treatment Center, LLC

Queens Village Dialysis Center

Parkside

Medisys Family Care Center

PS 86 Hillside Avenue

FMS-South Queens Dialysis Center

Elmont Health Center

Woodhaven

Medwise Center

Samaritan Health Service Van Wyck

Parsons Medical Center

IMC Women's Health Services Jamaica

Medisys Family Care-Hollis Tudors

Richmond Samaritan Village Inc

Parsons Family Care Center

Jamaica Health Center

Mary Immac Hosp Div Methadone Units I & II

All-Med Rehabilitation Center Queens

CLIN - Queens Center

Waltham Gardens Houses Child HC

J-Cap Living Proofal Medisys Family Care - St Albans

Jamaica

Neighborhood Help Center

J-Cap St Albans

Campus Magnet High School

Cambria
Heights

Dutch
Broadway Park

Elmont
Road Park

North
St

South

Ozone Park

PS 155

J-Cap Inc Thomas & Marie White Health Center

Baisley
Pond Park

PS 223

Queens Dialysis Center

Alban's Dialysis Center

Joseph P Queens Health Net Springfield Gardens

Gardens

Blvd

Physicians Choice Surgicenter

Belt Pkwy

Springfield Gardens Educational Campus

S. Conduit Ave

Medisys Howard Beach Women&Children Care

Springfield

Rosedale

Val

BFA Attachment B

Pro Forma Balance Sheet
Queens Boulevard GI, LLC

ASSETS

	Opening Day
Current Assets	
Cash and Investments	\$200,000
A/R Less Contract Allow	\$0
Total Current Assets	<u>\$200,000</u>
Property, Plant And Equipment	
Equipment and leasehold Improvements	\$1,769,545
Net PPE	<u>\$1,769,545</u>
Other Assets	<u>\$0</u>
TOTAL ASSETS	<u>\$1,969,545</u>

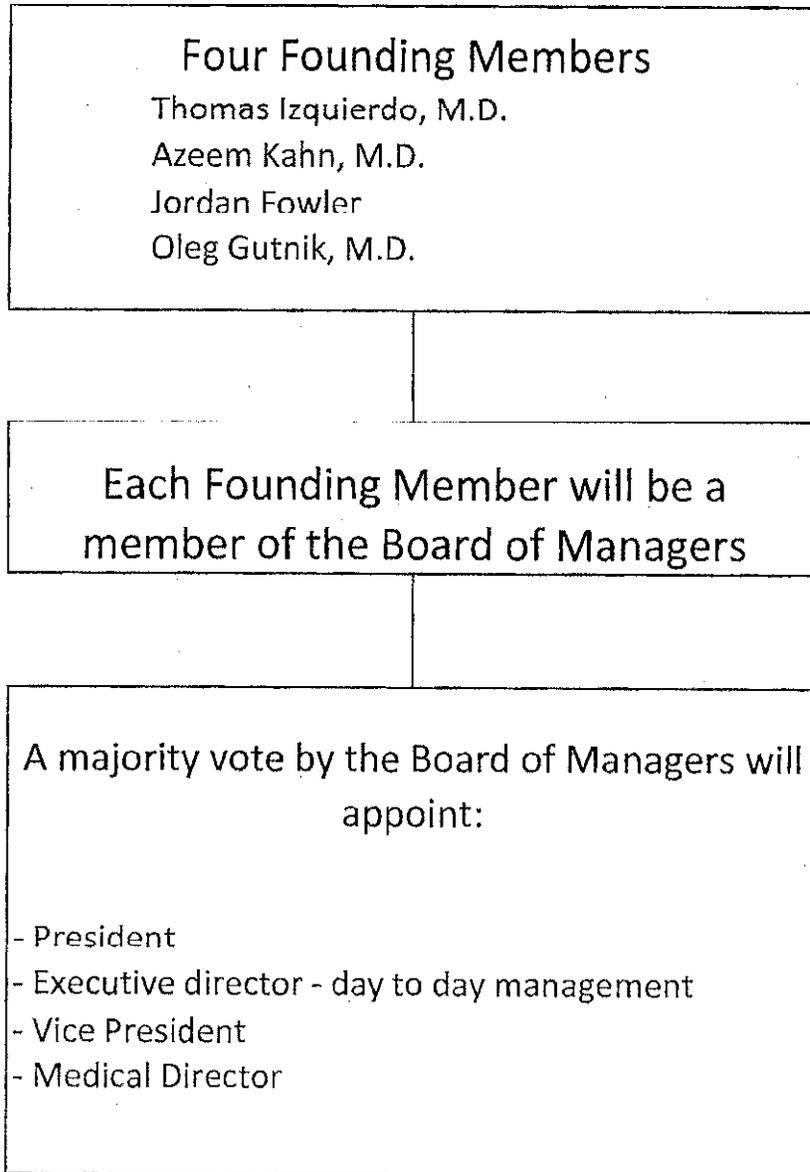
LIABILITIES AND NET ASSETS

Liabilities

Accounts Payable	\$0
Current Portion of LT Debt	\$0
Total Current Liabilities	<u>\$0</u>
Long Term Debt (Net of Current)	
Construction/Equipment Loan	\$1,590,000
Total Liabilities	<u>\$1,590,000</u>
Member's Equity	\$379,545
Total Liabilities and Member's Equity	<u>\$1,969,545</u>

Organizational Chart

Queens Boulevard ASC, LLC



DIGESTIVE DISEASE DIAGNOSTIC & TREATMENT CENTER, LLC
Balance Sheet
As of December 31, 2010

	Dec 31, 10
ASSETS	
Current Assets	
Checking/Savings	
10299 · TD Bank	
10300 · Checking 425-5861308	1,294.63
Total 10299 · TD Bank	1,294.63
23300 · Petty Cash	2,902.15
10000 · Chase	
10100 · Checking-5559	56,811.25
Total 10000 · Chase	56,811.25
Total Checking/Savings	61,008.03
Accounts Receivable	
11000 · Accounts Receivable	
1100Z · Revenue billed not collected	
11003 · Allowance for Uncollected Rev.	-1,979,036.00
11002 · Revenue Billed not collected - Other	2,898,680.06
Total 11002 · Revenue Billed not collected	919,644.06
Total 11000 · Accounts Receivable	919,644.06
Total Accounts Receivable	919,644.06
Total Current Assets	980,652.09
Fixed Assets	
12000 · Fixed Assets	
12144 · Medical Software	
12500 · Caris Diagnostics	
12550 · Caris Diagnostics A/D	-29,669.00
12500 · Caris Diagnostics - Other	120,704.00
Total 12500 · Caris Diagnostics	91,035.00
Total 12144 · Medical Software	91,035.00
12145 · Office Improvements	
12146 · Office Improvements A/D	-61.49
12145 · Office Improvements - Other	8,222.00
Total 12145 · Office Improvements	8,160.51
12140 · Medical Equipment	
12600 · Endochoice	
12650 · Endochoice A/D	-8,511.29
12600 · Endochoice - Other	36,579.00
Total 12600 · Endochoice	28,067.71
12700 · Henry Schein	
12750 · HenrySchein A/D	-19,959.90
12700 · Henry Schein - Other	69,859.65
Total 12700 · Henry Schein	49,899.75
12800 · Mar Cor Purification	
12850 · Mar Cor Purification A/D	-2,884.80
12800 · Mar Cor Purification - Other	10,096.79
Total 12800 · Mar Cor Purification	7,211.99
12900 · Minntech	
12950 · Minntech A/D	-9,785.15
12900 · Minntech - Other	34,248.00
Total 12900 · Minntech	24,462.85

DIGESTIVE DISEASE DIAGNOSTIC & TREATMENT CENTER, LLC
Balance Sheet
As of December 31, 2010

	Dec 31, 10
13000 · Olympus America Inc	
13100 · Olympus America Inc A/D	-17,805.26
13000 · Olympus America Inc - Other	124,030.83
Total 13000 · Olympus America Inc	106,831.57
13150 · Surgical Connections Inc	
13200 · Surgical Connections Inc A/D	-5,379.17
13150 · Surgical Connections Inc - Other	18,827.11
Total 13150 · Surgical Connections Inc	13,447.94
13250 · Cardiac Equipment Services Inc	
13300 · Cardiac Equipment Services A/D	-1,214.43
13250 · Cardiac Equipment Services Inc - Other	6,391.00
Total 13250 · Cardiac Equipment Services Inc	5,176.57
13550 · Medical Equipment-ZG	
13600 · Medical Equipment-ZG A/D	-11,428.57
13550 · Medical Equipment-ZG - Other	40,000.00
Total 13550 · Medical Equipment-ZG	28,571.43
Total 12140 · Medical Equipment	263,669.81
12100 · Architect Fees	
12150 · Architect Fees A/A	-7,600.35
12100 · Architect Fees - Other	23,964.54
Total 12100 · Architect Fees	16,364.19
12200 · Computer Equipment	
12250 · Computer Equipment A/D	-24,200.71
12200 · Computer Equipment - Other	60,501.77
Total 12200 · Computer Equipment	36,301.06
12300 · Digital Telephone System	
12350 · Digital Telephone System A/D	-2,273.91
12300 · Digital Telephone System - Other	7,958.70
Total 12300 · Digital Telephone System	5,684.79
12400 · Furniture	
12450 · Furniture A/D	-5,378.79
12400 · Furniture - Other	18,825.82
Total 12400 · Furniture	13,447.03
13350 · Organization Cost	
13400 · Organization Cost A/A	-660.70
13350 · Organization Cost - Other	2,633.50
Total 13350 · Organization Cost	1,972.80
16550 · George Percy McGown	
16650 · George Percy McGown A/D	-113.49
16550 · George Percy McGown - Other	794.42
Total 16550 · George Percy McGown	680.93
Total 12000 · Fixed Assets	437,316.12
Total Fixed Assets	437,316.12
Other Assets	
18750 · Prepaid Expenses	33,051.17
Total Other Assets	33,051.17
TOTAL ASSETS	1,451,019.38

DIGESTIVE DISEASE DIAGNOSTIC & TREATMENT CENTER, LLC
Balance Sheet
As of December 31, 2010

Dec 31, 10

LIABILITIES & EQUITY		Dec 31, 10
Liabilities		
Current Liabilities		
Accounts Payable		
20000 - Accounts Payable		
Accrued Payroll	17,982.67	
SoftOrigins Inc.	250.00	
ADP	76.05	
Ave P Condo Managers Inc.	131.48	
Boston Scientific Corporation	975.52	
Cardiac Equipment Services, Inc	2,781.00	
Carie Diagnostic	31,607.00	
Catherine du Toit	118.75	
Cicero Consulting Associates	1,757.20	
Empire Billing Inc	2,000.00	
Endochoice	388.11	
Henry Schein	2,527.40	
Kem Medical Products Corp.	198.15	
Maksin & Maksin CPAs, PLLC	4,000.00	
Medical IT Pros	472.50	
Omnicare MSO, LLC	1,788.96	
Universal Services Corp.	2,325.00	
Total 20000 - Accounts Payable	69,469.69	
Total Accounts Payable	69,469.69	
Other Current Liabilities		
16000 - Loans & Line of Credit		
16351 - TD Bank LOC 11346429001	569,688.96	
16150 - Lease Draw Loan#5002	0.02	
16350 - Oleg Gutnik	7,000.00	
Total 16000 - Loans & Line of Credit	576,688.98	
Total Other Current Liabilities	576,688.98	
Total Current Liabilities	646,158.67	
Total Liabilities	646,158.67	
Equity		
30150 - Partner's 1 Eq. - Oleg Gutnik		
30151 - Contributions	45,500.00	
30152 - Draws	-115,156.37	
Total 30150 - Partner's 1 Eq. - Oleg Gutnik	-69,656.37	
30155 - Partner's 2 Eq. - Zhanna Gutnik		
30156 - Contributions	4,500.00	
30157 - Draws	-14,905.03	
Total 30155 - Partner's 2 Eq. - Zhanna Gutnik	-10,405.03	
30160 - Partner's 3 Eq. - Jordan Fowler		
30161 - Contributions	10,000.00	
30162 - Draws	-5,650.00	
Total 30160 - Partner's 3 Eq. - Jordan Fowler	4,150.00	
30165 - Partner's 4 Eq. - LJ Ottaviana		
30166 - Contributions	45,000.00	
30167 - Draws	-7,425.00	
Total 30165 - Partner's 4 Eq. - LJ Ottaviana	37,575.00	
30170 - Partner's 5 Eq. - Dr. Danny Chu		
30171 - Contributions	15,000.00	
30172 - Draws	-7,425.00	
Total 30170 - Partner's 5 Eq. - Dr. Danny Chu	37,575.00	

DIGESTIVE DISEASE DIAGNOSTIC & TREATMENT CENTER, LLC

Balance Sheet

As of December 31, 2010

	Dec 31, 10
30175 · Partner's 6 Eq. - Dr. Mark Chu	
30176 · Contributions	45,000.00
30177 · Draws	7,125.00
Total 30175 · Partner's 6 Eq. - Dr. Mark Chu	37,575.00
30180 · Partner's 7 Eq. - A. Shapsis	
30181 · Contributions	45,000.00
30182 · Draws	-7,425.00
Total 30180 · Partner's 7 Eq. - A. Shapsis	37,575.00
32000 · Retained Earnings	-174,609.73
Net Income	906,081.84
Total Equity	804,860.71
TOTAL LIABILITIES & EQUITY	1,451,019.38

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DIGESTIVE DISEASE DIAGNOSTIC & TREATMENT CENTER, LLC
Profit & Loss
 January through December 2010

	Jan - Dec 10
Ordinary Income/Expense	
Income	
14170 · Revenue Billed not collected	
14175 · Allowance for Uncollected Rev.	-1,985,733.87
14170 · Revenue Billed not collected - Other	2,898,680.06
Total 14170 · Revenue Billed not collected	912,946.19
14150 · Patient Fee Refunds	-7,000.00
14200 · Revenue	
14250 · Patient Fees	
1199 National Benefit Fund	1,250.00
Aetna	109,714.17
Ahold Financial Services Inc	0.00
Amalgamated Nat'l Health Fund	1,316.81
APWU Health Plan	5,626.95
CCM	5,800.93
Cigna Health Care	17,842.50
EBCBS	708,394.88
Emblem Health	8,750.00
Fidelis Care	8,266.53
GHI	150,732.73
Great-West Healthcare	3,000.00
Health First	14,614.73
Health Net	7,016.11
HDA Homecare Welfare Fund	1,501.21
HIP	35,051.95
Magnacare	1,573.86
Medicare	53,768.02
NY District Council Carpenters	2,032.22
Oxford	13,539.82
Principal Life Insurance	8,580.00
Self Pay	3,975.14
The Empire Plan	47,194.11
United Health Care	77,347.21
Total 14250 · Patient Fees	1,286,889.88
Total 14200 · Revenue	1,286,889.88
Total Income	2,192,830.07
Expense	
68550 · Meals & Entertainment	
68551 · Meals	2,789.82
Total 68550 · Meals & Entertainment	2,789.82
67650 · Maintenance	
67251 · Condo Maintenance	657.40
Total 67650 · Maintenance	657.40
19650 · Office Parties	87.08
19750 · Credit Cards Charges	
19758 · Interest Charge	13.45
19765 · Late Fee	39.00
Total 19750 · Credit Cards Charges	52.45
19805 · Gifts	3,750.00
65000 · Donations	550.00
64000 · Inspections	192.50
66400 · Payroll Expenses	
66500 · ADP Fees	995.30
Total 66400 · Payroll Expenses	995.30
62050 · Conferences	850.00
19200 · Books	429.00

DIGESTIVE DISEASE DIAGNOSTIC & TREATMENT CENTER, LLC
Profit & Loss
 January through December 2010

	Jan - Dec 10
19300 · Cleaning Expense	
19350 · Janitorial Expense	14,105.37
19400 · Laundry	6,247.41
Total 19300 · Cleaning Expense	20,352.78
19600 · Equipment Lease	3,680.64
19700 · Equipment Rental	21,560.24
19900 · Licenses & Permits	16,106.38
22000 · Medical Waste	1,277.67
23000 · Office Expense	
23100 · General	3,677.08
23150 · Shredding	75.13
Total 23000 · Office Expense	3,752.21
23400 · Postage and Delivery	1,711.83
23500 · Professional Services	
23756 · Anesthesia Services	1,800.00
23560 · Billing	20,364.01
23760 · Translations	7.90
23550 · Accounting	35,500.00
23600 · Architect Fees	1,680.00
23650 · Consulting	216,709.21
23700 · IT Services / Data Security	6,500.16
23750 · Legal	7,454.50
Total 23500 · Professional Services	290,015.78
18000 · Gross Wages	
18441 · Accrued Wages 2010	17,982.67
18440 · Yevgeniya Lapitskaya	1,360.15
18302 · Carlisa Delpeche	2,151.93
18304 · Clodolfo Escodero	6,961.14
18307 · Ellen Torchinsky	10,298.10
18301 · Etienne Consolacion	684.46
18300 · Karina Sadkova	51,711.60
18308 · Linda Villar	365.00
18303 · Janine Berger	944.80
18100 · Mary Fair Haul	2,198.00
18306 · Sin Song Phong	4,830.02
18200 · Svetlana Rahum	81,423.02
18250 · Szilvia Ros	3,424.84
18150 · Valentyna Mirko	91,500.01
18305 · Yan Lin	1,150.00
18309 · Ying Ying Wu	4,667.70
Total 18000 · Gross Wages	281,673.44
26000 · Sanitation	326.14
27000 · Securities Expense	
27100 · Fire Safety Systems & Alarm	4,979.97
Total 27000 · Securities Expense	4,979.97
28000 · Supplies	
28100 · Medical	107,662.71
28150 · Office	4,669.01
Total 28000 · Supplies	112,331.72

DIGESTIVE DISEASE DIAGNOSTIC & TREATMENT CENTER, LLC
Profit & Loss
 January through December 2010

	Jan - Dec 10
15000 · Outside Services	
15100 · Contract Labor	
15651 · Petrone Associates LLC	700.00
15150 · Patricia A. Gil	1,060.00
15200 · Diane E. Donnelly	580.00
15250 · Clodulfo Escudero	5,725.44
15300 · Ellen Torchinsky	3,829.17
15350 · Seng P. Gin	2,310.00
15400 · Yan Lin	1,846.35
15450 · Marcia Benton	1,040.00
15500 · Ath Chan	175.00
15550 · Catherine du Toit	1,287.50
Total 15100 · Contract Labor	18,553.46
Total 15000 · Outside Services	18,553.46
60000 · Advertising and Promotion	4,063.53
60200 · Automobile Expense	
60350 · Parking	128.00
Total 60200 · Automobile Expense	128.00
60400 · Service Charges	
60500 · Bank Service Charges	
60560 · Chase Lock Box	3,095.56
60570 · Service Charges	72.80
Total 60500 · Bank Service Charges	3,168.36
Total 60400 · Service Charges	3,168.36
62000 · Continuing Education	339.40
62500 · Dues and Subscription	189.00
63300 · Insurance Expense	
63350 · Disability	275.92
63450 · Health	29,148.18
63550 · Liability	12,030.88
63650 · Workers Compensation	10,233.40
Total 63300 · Insurance Expense	52,597.38
67100 · Rent Expense	193,222.34
67200 · Repairs	
67250 · Equipment Repairs	15,098.85
Total 67200 · Repairs	15,098.85
68100 · Telephone Expense	
68150 · Cable/Internet	1,221.00
68200 · Telephone	7,959.46
Total 68100 · Telephone Expense	9,180.46
68400 · Travel Expense	
68450 · Travel	136.85
68650 · Patient's Transportation	5,697.86
Total 68400 · Travel Expense	5,834.71
68600 · Utilities	
68700 · Gas & Electric	24,949.76
Total 68600 · Utilities	24,949.76
Total Expense	1,096,049.60
Net Ordinary Income	1,096,786.47
Other Income/Expense	
Other Income	
70510 · Income Adjustment	51.66
Total Other Income	51.66

DIGESTIVE DISEASE DIAGNOSTIC & TREATMENT CENTER, LLC
Profit & Loss
 January through December 2010

	Jan - Dec 10
Other Expense	
61200 · Taxes - Payroll	
66200 · MCTMT TAX	531.44
66250 · SUI	1,333.73
66150 · FUTA	449.51
66100 · FICA/Medicare	22,082.47
Total 61200 · Taxes - Payroll	24,397.15
28200 · Taxes	
28300 · State	25.00
Total 28200 · Taxes	25.00
62450 · Amortization Expense	5,174.05
62400 · Depreciation Expense	138,665.96
63400 · Interest Expense	
63749 · Chase LOC #5002	8,140.19
63751 · TD Bank LOC 11316129001	2,274.99
63800 · Loan Interest	3,553.87
63750 · Line of Credit Interest #5001	9,525.08
Total 63400 · Interest Expense	23,494.13
Total Other Expense	191,756.29
Net Other Income	-191,704.63
Net Income	905,081.84

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ESTABLISHMENT CHECKLIST FOR AMBULATORY CARE SITES

APPLICATION: 111165-E Queens Boulevard GI, LLC

NATURE OF APPLICATION:

 X

PRIMARY CARE
SPECIALTY
IF SPECIALTY – TYPE:
Endoscopy and
Colonoscopy services

AUSPICE:

 X

NON PROFIT
PROPRIETARY
Limited Liability Company
PUBLIC

AFFILIATIONS:

UNIT COST:

YEAR ONE

YEAR THREE

OPERATING
CAPITAL

\$254.13
\$107.51

\$279.60
\$86.93

TOTAL

\$361.64

\$366.53

PAYOR SOURCE:

Years 1 and 3

MEDICAID Fee For Service	7.80%
MEDICAID Managed Care	18.09%
MEDICARE Fee For Service	4.90%
MEDICARE Managed Care	.12%
COMMERCIAL Managed Care	66.59%
CLARITY CARE	2.50%

BFA Attachment B

Pro Forma Balance Sheet Of
Syracuse Surgery Center

ASSETS:

Cash	\$178,726
Leasehold Improvements	1,826,003
Moveable Equipment	<u>268,000</u>
TOTAL ASSETS	\$2,272,729

LIABILITIES:

Bank Loan	\$1,316,000
Equipment Loan	268,000
Workign Capital Loan	<u>89,363</u>
TOTAL LIABILITIES	\$1,673,363

NET ASSETS	\$599,366
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**BFA Attachment C
ESTABLISHMENT CHECKLIST FOR AMBULATORY CARE SITES**

APPLICATION: CON#111196
Syracuse Surgery Center

NATURE OF APPLICATION: PRIMARY CARE
X SPECIALTY
IF SPECIALTY – TYPE: Amb Surgery

AUSPICE: NON PROFIT
X PROPRIETARY
 PUBLIC

AFFILIATIONS: NA

UNIT COST:	<u>YEAR ONE</u>	<u>YEAR THREE</u>
OPERATING	\$398.77	\$399.11
CAPITAL	<u>149.20</u>	<u>133.28</u>
TOTAL	\$547.97	\$532.39

PAYOR SOURCE:	<u>YEAR ONE</u>	<u>YEAR THREE</u>
MEDICAID-M/C	NA	2.00%
MEDICAID-FFS	2.00%	2.00%
MEDICARE-MC	NA	NA
MEDICARE-FFS	38.00%	37.98%
COMMERCIAL FFS	50.00%	50.04%
COMMERCIAL MC	6.00%	6.00%
CHARITY CARE	4.00%	3.98%

Summary of Detailed Budget

YEAR ONE

	<u>Expenses</u>	<u>Procedures</u>	<u>Cost Per Procedure</u>
Operating	\$757,669	1,900	\$398.77
Capital	<u>283,477</u>	1,900	<u>149.20</u>
Total Expenses	1,041,146	1,900	\$547.97

YEAR THREE

	<u>Expenses</u>	<u>Procedures</u>	<u>Cost Per Procedure</u>
Operating	\$803,810	2,014	\$399.11
Capital	<u>268,442</u>	2,014	<u>133.28</u>
Total Expenses	\$1,072,252	2,014	\$532.39

**New York State Department of Health
Public Health and Health Planning Council**

July/August 2011

ATTACHMENTS

Diagnostic and Treatment Centers - Establish/Construct

Committee Exhibit #8

<u>Number</u>	<u>Applicant/Facility</u>
1. 081059 B	Menorah Campus Health Services, Inc. (Erie County)
2. 102159 B	Parcare Community Health Network (Kings County)
3. 102147 B	Premium Health (Kings County)
4. 111183 E	Airport Imaging, LLC d/b/a Hudson Valley Imaging (Orange County)
5. 111220 B	Healthcare Partners of Saratoga, LTD (Saratoga County)

MENORAH CAMPUS, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

December 31,

ASSETS	2009	2008
Current assets:		
Cash and cash equivalents	\$ 4,740,594	\$ 4,801,329
Accounts receivable, net	2,736,097	2,750,638
Inventories	73,362	74,254
Prepaid expenses and other assets	400,422	264,087
Pledges and bequests receivable – current	204,372	214,264
Assets whose use is limited – current	<u>1,194,246</u>	<u>1,482,021</u>
Total current assets	9,349,093	9,586,593
Assets whose use is limited:		
Cash and cash equivalents	8,774,333	9,158,573
Investments	7,903,271	8,874,266
Pledges and bequests receivable, net	1,143,712	1,137,674
Property and equipment, net	51,117,837	43,441,342
Deferred financing costs, net	<u>1,190,548</u>	<u>1,252,067</u>
Total assets	<u>\$ 79,478,794</u>	<u>\$ 73,450,515</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses:		
Trade payables	\$ 3,041,500	\$ 2,314,752
Construction payables	944,959	361,318
Accrued compensation and related taxes	820,452	1,004,423
Estimated amounts due to third-party payors	742,197	379,143
Deferred revenue	97,858	126,799
Current portion of long-term debt	<u>1,120,896</u>	<u>971,449</u>
Total current liabilities	6,767,862	5,957,884
Long-term debt	50,117,433	44,872,955
Refundable advance	4,494,320	4,494,320
Other long-term liabilities	1,391,102	1,118,943
Net assets:		
Unrestricted	13,671,622	13,999,811
Temporarily restricted	1,228,035	1,204,220
Permanently restricted	<u>1,808,420</u>	<u>1,802,382</u>
Total liabilities and net assets	<u>16,708,077</u>	<u>17,006,413</u>
Total liabilities and net assets	<u>\$ 79,478,794</u>	<u>\$ 73,450,515</u>

MENORAH CAMPUS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Years Ended December 31,

	<u>2009</u>	<u>2008</u>
Unrestricted net assets:		
Revenue and other support:		
Net resident and client service revenue	\$ 37,314,834	\$ 38,198,861
Other operating revenue	766,221	688,128
Net assets released from restrictions and used for operations	62,658	30,677
Investment income	<u>2,884</u>	<u>19,263</u>
Total revenue and other support	<u>38,146,597</u>	<u>38,936,929</u>
Operating expenses:		
Nursing administration	748,538	728,503
Nursing services	11,133,138	11,612,375
Other professional services	2,920,571	3,063,500
General services	11,020,252	11,272,062
Administrative services	7,935,258	7,070,846
Depreciation and amortization	2,502,001	2,819,285
Interest	<u>2,816,957</u>	<u>3,053,864</u>
Total operating expenses	<u>39,076,715</u>	<u>39,620,435</u>
Loss from operations	(930,118)	(683,506)
Nonoperating revenue:		
Unrestricted donations, bequests, and grants	28,143	1,029,443
Investment income from assets whose use is limited	<u>267,666</u>	<u>302,537</u>
	<u>295,809</u>	<u>1,331,980</u>
(Loss) income from operations and nonoperating revenue	(634,309)	648,474
Net unrealized gains (losses) on investments	274,999	(227,104)
Net assets released from restrictions for capital purposes	-	100,912
Change in unrestricted net assets related to pension plan	<u>31,121</u>	<u>(518,655)</u>
(Decrease) increase in unrestricted net assets	(328,189)	3,627
Temporarily restricted net assets:		
Contributions	86,473	4,868
Net assets released from restrictions and used for capital acquisitions	-	(100,912)
Net assets released from restrictions and used for operations	<u>(62,658)</u>	<u>(30,677)</u>
Increase (decrease) in temporarily restricted net assets	23,815	(126,721)
Permanently restricted net assets:		
Contributions	-	2,403
Adjustments to pledges receivable	-	(80,000)
Present value adjustments	<u>6,038</u>	<u>48,760</u>
(Decrease) increase in permanently restricted net assets	6,038	(28,837)
Decrease in net assets	(298,336)	(151,931)
Net assets - beginning of year	<u>17,006,413</u>	<u>17,158,344</u>
Net assets - end of year	<u>\$ 16,708,077</u>	<u>\$ 17,006,413</u>

MENORAH CAMPUS, INC. AND SUBSIDIARIES

CONSOLIDATING BALANCE SHEET 12/31/2010

PRELIMINARY

12/31/2010

Menorah
Campus Inc. and
and Subsidiaries

ASSETS

Current assets:

Cash and cash equivalents	6,893,497
Accounts receivable, less allowance for doubtful accounts	2,325,767
Inventories	79,259
Pledges and bequests receivable-current	198,333
Prepaid expenses and other assets	387,145
Assets whose use is limited - current:	1,387,478
Due from (to) affiliate	-
Total current assets	<u>11,271,479</u>

Assets whose use is limited:

Cash and cash equivalents	8,219,005
Investments	7,712,283

Pledges and bequests receivable, net	1,054,587
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Property and equipment:

Land	2,731,537
Land improvements	2,622,006
Buildings	63,106,789
Construction in progress	794,120
Fixed equipment	18,294,263
Major moveable equipment	<u>8,614,648</u>

Less accumulated depreciation	<u>(46,210,475)</u>
	49,952,888

Deferred financing costs, net	1,842,068
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Total assets	80,052,310
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BFA Attachment B (cont.)

LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable and accrued expenses	
Trade payables and accrued expenses	4,150,622
Construction Payable	348,189
Accrued compensation and related taxes	659,152
Note payable	
Estimated amounts due/(from) to third-party payors	1,053,199
Due to (from) affiliates	-
Deferred Revenue short term	-
Demand note payable	
Current portion of long-term debt	<u>1,501,281</u>
Total current liabilities	<u>7,712,443</u>
Long-term debt, less current portion	49,718,370
Refundable advance	4,867,232
Other long-term liabilities	1,959,914
Net assets:	
Unrestricted	12,814,898
Temporarily restricted	1,211,721
Permanently restricted	<u>1,767,732</u>
	<u>15,794,351</u>
Total liabilities and net assets	80,052,310

MENORAH CAMPUS, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended December 31, 2010

PRELIMINARY

	Menorah Campus Inc. and and Subsidiaries
Unrestricted net assets:	
Revenue and other support:	
Net resident and client service revenue	37,715,195
Other operating revenue	643,375
Net assets released from restrictions and used for operations	113,075
Investment Income	2,802
Total revenue and other support	<u>38,474,447</u>
Operating expenses:	
Nursing administration	776,342
Nursing services	10,999,276
Other professional services	2,791,628
General services	11,434,192
Administrative services	8,171,281
Depreciation and amortization	2,880,502
Interest	2,657,756
Total operating expenses	<u>39,710,977</u>
Income (loss) from operations	(1,236,530)
Nonoperating revenue:	
Unrestricted donations and bequests	26,222
Interest and investment income from assets whose use is limited	355,347
	<u>381,569</u>
Income (loss) from operations and nonoperating revenues	(854,961)
Net Assets Released from restrictions	-
Change in unrestricted net assets related to pension plan	16,001
Net unrealized gains/(losses) on investments	<u>(17,763)</u>
Change in unrestricted net assets	(856,723)
Temporarily restricted net assets:	
Contributions, net	96,761

BFA Attachment B. (cont.)

Net asset whose use was restricted for capital acquisition	-
Net assets released from restrictions and used for operations	(50,059)
Net assets released from restrictions and used for capital acquisitions	(63,016)
Change in temporarily restricted net assets	<u>(16,314)</u>
Permanently restricted net assets:	
Contributions, net	22,281
Adjustments to pledges Receivable	(75,000)
Present Value Adjustment	12,030
Change in permanently restricted net assets	<u>(40,689)</u>
Change in net assets	(838,726)
Net assets at beginning of year	16,708,077
Net assets at end of year	15,794,351

Pro Forma
OPENING DAY BALANCE SHEET

BFA Attachment C

Menorah Campus Health Services, Inc.

ASSETS

Cash	\$145,210
Total Assets	<u>\$145,210</u>

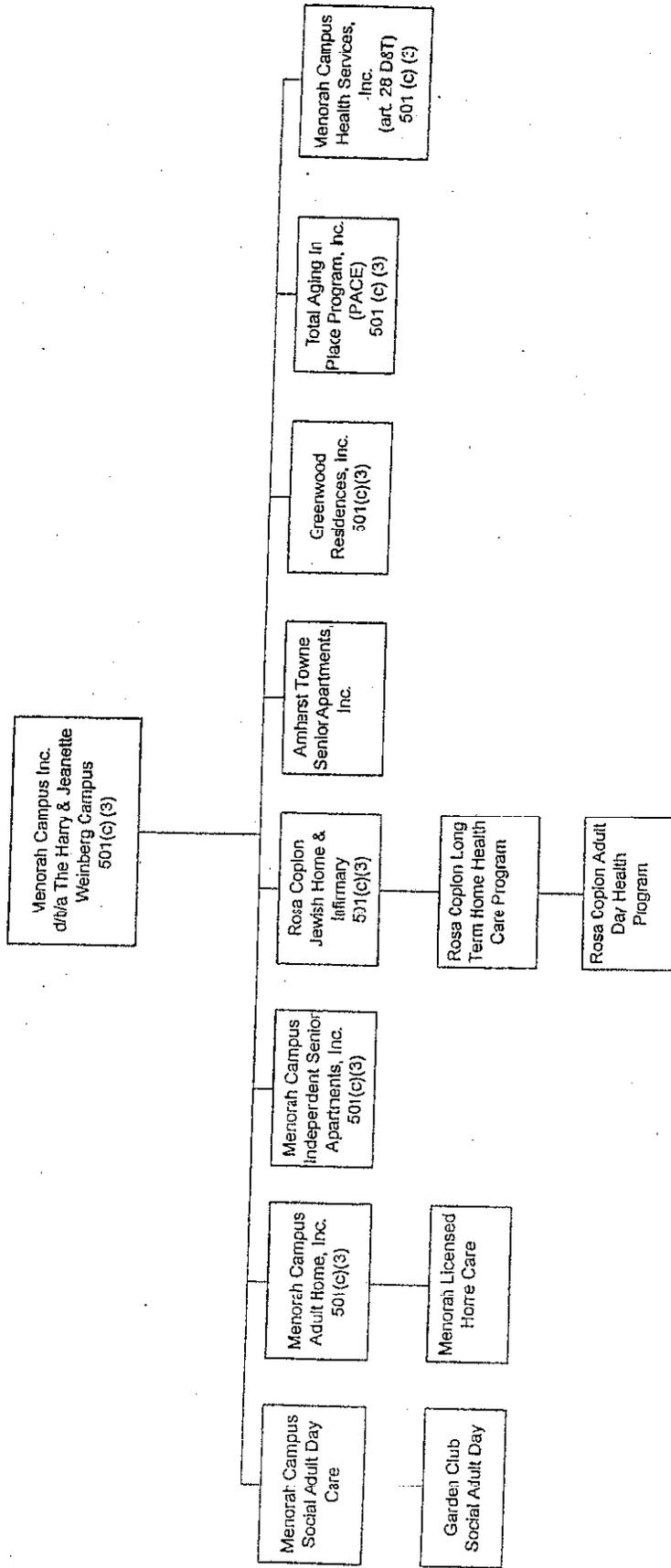
LIABILITIES

Total Liabilities	<u>\$0</u>
-------------------	------------

MEMBER EQUITY

	<u><u>\$145,210</u></u>
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ORGANIZATION'S LEGAL STRUCTURE



**ESTABLISHMENT CHECKLIST FOR AMBULATORY CARE SITES
Attachment E**

APPLICATION: Menorah Campus Health Services, Inc. (081059)

NATURE OF APPLICATION:

 PRIMARY CARE
 X SPECIALTY
 IF SPECIALTY – TYPE: PACE

AUSPICE:

 X NON PROFIT
 PROPRIETARY
 Limited Liability Company
 PUBLIC

AFFILIATIONS:

UNIT COST:

	<u>YEAR ONE</u>	<u>YEAR THREE</u>
OPERATING CAPITAL	\$48.59 <u>4.79</u>	\$47.41 <u>4.18</u>
TOTAL	\$53.38	\$51.59

PAYOR SOURCE:

*It should be noted that the DTC will be paid a flat fee based on a provider service agreement between the PACE and DTC. Below is the payor mix that the PACE program will receive in order to pay the DTC service provider.

	<u>YEAR ONE</u>	<u>YEAR THREE</u>
MEDICAID-FFS	.80%	.77%
MEDICAID-Managed Care	61.27%	62.10%
MEDICARE-FFS	31.75%	31.07%
MEDICARE-Managed Care	3.09%	3.03%
COMMERCIAL	3.09%	3.03%

Niagara

Erie

BHFP Attachment:
Map CON # 081059
Menorah Campus Health Services, Inc.

Menorah Campus Health Services, Inc.

- Ambulatory Surgery Center of Western New York, LLC
- Millard Fillmore Surgery Center, LLC
- Eye Health Associates Inc New York, LLC
- Buffalo Surgery Center, LLC
- Comprehensive Dialysis Center of Western New York, Inc
- Planned Parenthood of Western NY, Inc
- Daniel Squire Oral D & T Center
- Cleveland Dialysis Center
- Aspire of Western New York, Inc
- Buffalo Ambulatory Surgery Center
- Horizon Human Services
- Buffalo Womenservices, LLC
- Hemophilia Center of Western New York, Inc
- Community Health Center of Buffalo, Inc
- Gates Circle Dialysis Center
- Community Action Organization of Erie County, Inc
- Paul Bulger Vision Rehabilitation Clinic, Inc
- North Street Counseling Clinic
- AIDS Community Services of WNY, Inc
- Buffalo Hearing and Speech Center Inc
- Jesse ENash Health Center
- Union Occupational Health Center
- Center for Ambulatory Surgery, LLC
- Baker Victory Healthcare Center
- Sterling Surgical Center, LLC

Pro Forma Balance Sheet of
ParCare Community Health Network

ASSETS

Cash	\$436,612
Equipment	1,200,000
Other Fixed Assets	<u>22,625</u>
TOTAL ASSETS	<u>\$1,659,237</u>

LIABILITIES

Current Liabilities	\$0
Long Term Liabilities	
Capital Loan - Bank	\$20,362
Working Capital Loan	<u>189,324</u>
TOTAL LIABILITIES	<u>\$209,686</u>

Net Assets	<u><u>\$1,449,551</u></u>
------------	---------------------------

**Attachment C
ESTABLISHMENT CHECKLIST FOR AMBULATORY CARE SITES**

APPLICATION: ParCare Community health Network, Inc. (102159-E)

NATURE OF APPLICATION: X PRIMARY CARE
 SPECIALTY
 IF SPECIALTY – TYPE: Ambulatory

AUSPICE: X NON PROFIT
 PROPRIETARY
 Limited Liability Company
 PUBLIC

UNIT COST:	<u>YEAR ONE</u>	<u>YEAR THREE</u>
Outpatient:		
OPERATING	\$2,257,190	\$2,378,214
CAPITAL	<u>239,496</u>	<u>241,460</u>
TOTAL	\$2,496,686	\$2,619,674
Cost Per Visit	\$73.20	\$ 73.10

PAYOR SOURCE:

Outpatient	<u>YEAR ONE & THREE</u>
Medicaid Fee-for-Service	11%
Medicaid Managed Care	59%
Medicare Fee-for-Service	11%
Medicare Managed Care	1%
Commercial Fee-for-Service	9%
Private Pay	5%
Charity Care	2%
Other	2%

**ParCare Community Health Network
Project 102159**

BFA Attachment D

First Year Budgets

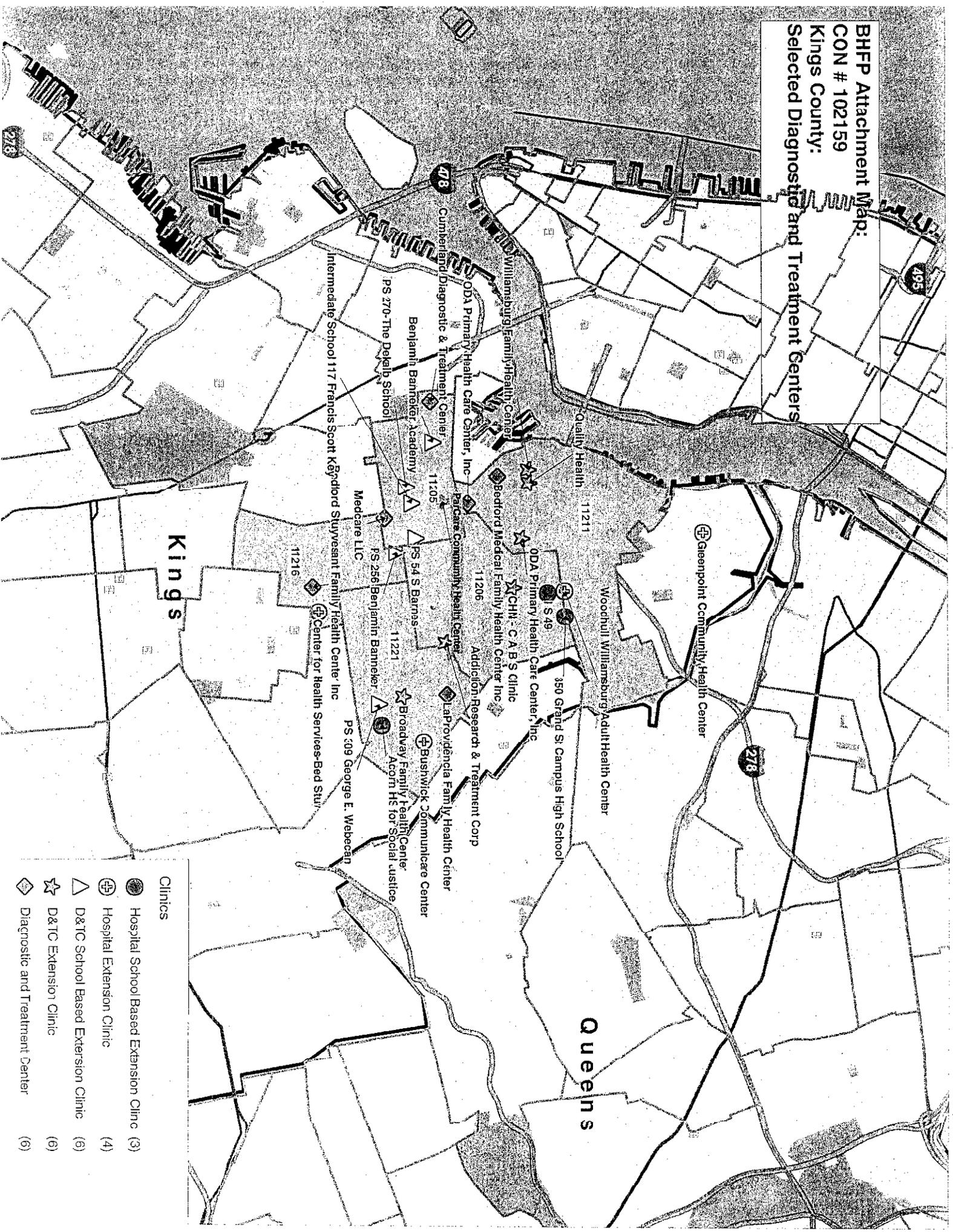
**Average Cost
Per Visit**

Operating	\$2,257,190	34,109	\$66.18
Capital	<u>\$230,406</u>	34,100	<u>\$7.02</u>
Total	\$2,496,686	34,109	\$73.20

Third Year Budgets

Operating	\$2,378,214	35,836	\$66.36
Capital	<u>\$241,460</u>	35,836	\$6.74
Total	\$2,619,674	35,836	\$73.10

**BHFP Attachment Map:
 CON # 102159
 Kings County:
 Selected Diagnostic and Treatment Centers**



Clinics

-  Hospital School Based Extension Clinic (3)
-  Hospital Extension Clinic (4)
-  D&TC School Based Extension Clinic (6)
-  D&TC Extension Clinic (6)
-  Diagnostic and Treatment Center (6)

Premium Health, Inc.
102147

PRO FORMA BALANCE SHEET

ASSETS

Cash	\$284,326
Equipment	\$449,024
Building/Construction	<u>\$809,422</u>

TOTAL ASSETS **\$1,542,772**

LIABILITIES

Mortgage	\$1,130,600
Working Capital Loan	<u>\$142,103</u>
TOTAL LIABILITIES	\$1,272,763

Net Assets **\$270,000**

TOTAL LIABILITIES AND

Net Assets **\$1,542,772**

Premium Health, Inc.
Project 102147

BFA Attachment D

Average Cost

First Year Budgets

Operating	\$1,097,802	9,150	\$119.98
Capital	<u>\$414,238</u>	9,150	<u>\$45.27</u>
Total	\$1,512,040	9,150	\$165.25

Third Year Budgets

Operating	\$1,288,661	10,500	\$122.73
Capital	<u>\$417,297</u>	10,500	<u>\$39.74</u>
Total	\$1,705,958	10,500	\$162.47

111183-E Airport Imaging, LLC d/b/a Hudson Valley Imaging
LIST OF MEMBERS OF HUDSON VALLEY DIAGNOSTIC IMAGING, PLLC (HVDI)

Member Name	DOH Approved % Interest in HVDI	Purchase Price	Receipt of Purchase Price	Ownership % First Phase	Purchase Price Paid	Receipt of Purchase Price	Ownership % Second Phase	Purchase Price Paid	Receipt of Purchase Price	Ownership % Third Phase	Purchase Price Paid	Receipt of Purchase Price	Proposed % interest of Each member in HVDI	Proposed % Interest in Airport Imaging, Inc.
Lisa A. Fisher, M.D.	50%	\$40,000	\$83,183.32	21.04%	\$83,183.32	\$83,183.32	16.66666668%	\$93,073.50	\$93,073.50	13.7931034482760%	\$93,073.50	\$93,073.50	13.7931034482760%	8.28%
Adel Ramsey Abadir, M.D.	50%	\$50,000	\$104,058.23	26.32%	\$104,058.23	\$104,058.23	20.8333333333%	\$116,341.37	\$116,341.37	17.2413793103448%	\$116,341.37	\$116,341.37	17.2413793103448%	10.34%
John A. Markisz, M.D.					\$395,358		20.8333333333%			17.2413793103448%			17.2413793103448%	10.34%
Chris D. Donikyan, M.D.								\$558,441		17.2413793103448%			17.2413793103448%	10.34%
Joseph Racanelli, M.D.	50%	\$45,000	\$104,058.23	26.32%	\$104,058.23	\$104,058.23	20.8333333333%	\$116,341.37	\$116,341.37	17.2413793103448%	\$116,341.37	\$116,341.37	17.2413793103448%	10.34%
Clifford D. Barker, M.D.	50%	\$45,000	\$104,058.23	26.32%	\$104,058.23	\$104,058.23	20.8333333333%	\$116,341.37	\$116,341.37	17.2413793103448%	\$116,341.37	\$116,341.37	17.2413793103448%	10.34%
	<u>100%</u>			<u>100%</u>			<u>100%</u>			<u>100%</u>			<u>100%</u>	<u>60%</u>
		<u>\$90,000</u>	<u>\$395,358.00</u>			<u>\$395,358.00</u>		<u>\$558,441.00</u>	<u>\$558,441.00</u>					

Hudson Valley Diagnostic Imaging, PLLC
Statements of Assets, Liabilities and Members' Capital - Income Tax Basis
As of December 31,

	<u>2010</u>	<u>2009</u>
ASSETS		
CURRENT ASSETS		
1 Cash	\$ 22,612.01	\$ 8,930.90
2 Due from Airport Imaging, LLC	0.00	40.00
3 Total Current Assets	<u>22,612.01</u>	<u>8,970.90</u>
OTHER ASSETS		
4 Investment in Airport Imaging, LLC	<u>758,182.00</u>	<u>658,097.00</u>
5 TOTAL ASSETS	<u>\$ 780,794.01</u>	<u>\$ 667,067.90</u>
LIABILITIES AND MEMBERS' CAPITAL		
6 LIABILITIES	0.00	0.00
MEMBERS' CAPITAL		
7 Members' Capital - Beginning	667,067.90	374,118.31
8 Withdrawals	(220,000.00)	(272,192.00)
9 Net Profit	<u>333,726.11</u>	<u>565,141.59</u>
10 Net Members' Capital	780,794.01	667,067.90
11 TOTAL LIABILITIES AND MEMBERS' CAPITAL	<u>\$ 780,794.01</u>	<u>\$ 667,067.90</u>

Hudson Valley Diagnostic Imaging, PLLC
Statements of Revenues and Expenses - Income Tax Basis
For the Twelve Months Ended December 31,

	<u>2010</u>		<u>2009</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
REVENUE				
1 Fee Income	\$ 7,074.80	100.00%	\$ 1,006,688.76	100.00%
OPERATING EXPENSES				
2 Legal Fees	5,091.00	71.96%	0.00	0.00%
3 Accounting Fees	6,325.00	89.40%	8,325.00	0.83%
4 Total Professional Fees	<u>11,416.00</u>	<u>161.36%</u>	<u>8,325.00</u>	<u>0.83%</u>
5 Technical Component - Airport Imaging	256.00	3.62%	839,732.75	83.42%
6 Professional Fees - West Hudson	64.02	0.90%	154,404.39	15.34%
7 Bank Service Charge	102.27	1.45%	306.48	0.03%
8 Credit Card Fees	95.40	1.35%	1,967.88	0.20%
9 Collection Expense	0.00	0.00%	1,039.67	0.10%
10 Office Expense	0.00	0.00%	9.00	0.00%
11 NYS LLC Filing Fees	<u>3,000.00</u>	<u>42.40%</u>	<u>3,000.00</u>	<u>0.30%</u>
12 Total Operating Expenses	<u>14,933.69</u>	<u>211.08%</u>	<u>1,008,785.17</u>	<u>100.21%</u>
13 LOSS FROM OPERATIONS	(7,858.89)	(111.08)%	(2,096.41)	(0.21)%
OTHER INCOME (EXPENSES)				
14 Interest Income	150.00	2.12%	0.00	0.00%
15 Management Fees - RAPC	(310,500.00)	(4,388.82)%	(242,500.00)	(24.09)%
16 Outside Income - Airport Imaging	<u>651,935.00</u>	<u>9,214.89%</u>	<u>809,738.00</u>	<u>80.44%</u>
17 Net Other Income	<u>341,585.00</u>	<u>4,828.19%</u>	<u>567,238.00</u>	<u>56.35%</u>
18 NET PROFIT	<u>\$ 333,726.11</u>	<u>4,717.11%</u>	<u>\$ 565,141.59</u>	<u>56.14%</u>

Airport Imaging, LLC
Statements of Assets, Liabilities and Members' Capital - Income Tax Basis
As of December 31,

	2010	2009
ASSETS		
CURRENT ASSETS		
1 Cash in Banks	\$ 586,565.33	\$ 622,555.73
FIXED ASSETS		
2 Leaschold Improvements	900,698.84	900,698.84
3 Furniture & Fixtures	214,860.98	214,860.98
4 Machinery & Equipment	4,372,303.14	3,504,136.53
5 Computer Software	884,800.99	884,800.99
6 Total Fixed Assets	6,372,663.95	5,504,497.34
7 Less: Accumulated Depreciation	4,294,843.83	3,597,681.38
8 Net Fixed Assets	2,077,820.12	1,906,815.96
OTHER ASSETS		
9 Security Deposits	27,240.70	27,240.70
10 TOTAL ASSETS	<u>\$ 2,691,626.15</u>	<u>\$ 2,556,612.39</u>
LIABILITIES AND MEMBERS' CAPITAL		
CURRENT LIABILITIES		
11 Loan Payable - Fixed Assets	\$ 0.00	\$ 9,933.98
12 Due to Hudson Valley Diagnostic Imaging	0.00	40.00
13 Due to St. Luke's Cornwall Hospital	177,354.30	253,740.89
14 Payroll Withholdings Payable	300.00	4,398.99
15 Current Portion of Long-Term Debt	534,823.88	651,331.08
16 Total Current Liabilities	712,478.18	919,444.94
LONG-TERM DEBT		
17 Capital Leases Payable - Philips	789,874.32	471,879.38
18 Capital Lease Payable - Mar Cap	42,376.75	202,699.66
19 Notes Payable - M&T Bank	408,550.22	507,557.74
20 Sub-Total	1,240,801.29	1,182,136.78
21 Less: Current Portion	534,823.88	651,331.08
22 Total Long-Term Debt	705,977.41	530,805.70
23 TOTAL LIABILITIES	1,418,455.59	1,450,250.64
MEMBERS' CAPITAL		
24 Members' Capital - Beginning	1,106,361.75	626,798.42
25 Net Profit	1,086,808.81	1,349,563.33
26 Withdrawals	(920,000.00)	(870,000.00)
27 Members' Capital	1,273,170.56	1,106,361.75
28 TOTAL LIABILITIES AND MEMBERS' CAPITAL	<u>\$ 2,691,626.15</u>	<u>\$ 2,556,612.39</u>

Airport Imaging, LLC
Statements of Revenues & Expenses - Income Tax Basis
For the Twelve Months Ended December 31,

	<u>2010</u>		<u>2009</u>		<u>Variance</u>
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	
REVENUE					
1 Fee Income - Global	\$ 9,014,197.04	125.14%	\$ 8,991,167.59	122.01%	\$ 23,029.45
2 Professional Component - W Hudson Imaging	<u>(1,811,031.72)</u>	<u>(25.14)%</u>	<u>(1,622,098.84)</u>	<u>(22.01)%</u>	<u>(188,932.88)</u>
3 Fee Income Technical Component	7,203,165.32	100.00%	7,369,068.75	100.00%	(165,903.43)
OPERATING EXPENSES					
4 Salaries & Wages - Office	816,411.26	11.33%	862,753.16	11.71%	(46,342.20)
5 Salaries & Wages - Medical	1,107,078.90	15.37%	1,068,854.67	14.50%	38,224.23
6 Transcription Expense	<u>2,478.00</u>	<u>0.03%</u>	<u>708.00</u>	<u>0.01%</u>	<u>1,770.00</u>
7 Total Salaries	1,925,968.16	26.74%	1,932,316.13	26.22%	(6,347.97)
8 Employee Medical Benefits	292,024.08	4.05%	183,335.61	2.49%	108,688.47
9 Employee Life Insurance	1,048.32	0.01%	998.40	0.01%	49.92
10 Retirement Plan Contribution	67,361.19	0.94%	62,652.40	0.85%	4,708.79
11 Payroll Taxes	171,357.10	2.38%	164,929.78	2.24%	6,427.32
12 Disability Expense	<u>1,851.28</u>	<u>0.03%</u>	<u>1,830.77</u>	<u>0.02%</u>	<u>20.51</u>
13 Total Employee Benefits	533,641.97	7.41%	413,746.96	5.61%	119,895.01
14 Total Salaries & Employee Benefits	2,459,610.13	34.15%	2,346,063.09	31.84%	113,547.04
15 Legal Fees	0.00	0.00%	155.43	0.00%	(155.43)
16 Accounting Fees	38,200.00	0.53%	32,400.00	0.44%	5,800.00
17 401(k)/Flexible Spending Administration	<u>2,734.00</u>	<u>0.04%</u>	<u>2,085.55</u>	<u>0.03%</u>	<u>668.45</u>
18 Total Professional Fees	40,934.00	0.57%	34,640.98	0.47%	6,313.02
19 Rent	520,847.16	7.23%	493,843.40	6.70%	27,004.06
20 Heat, Light & Power	111,217.71	1.54%	105,372.78	1.43%	5,844.93
21 Cleaning	37,573.43	0.52%	34,621.63	0.47%	2,951.80
22 Repairs & Maintenance	<u>13,228.96</u>	<u>0.18%</u>	<u>12,627.78</u>	<u>0.17%</u>	<u>601.18</u>
23 Total Occupancy Expense	682,867.56	9.48%	646,465.59	8.77%	36,401.97
24 Physicist Fees	13,530.00	0.19%	10,980.00	0.15%	2,550.00
25 Outside Medical Services (PET)	409,365.02	5.68%	393,275.95	5.34%	16,089.07
26 Advertising & Promotion	100,251.40	1.39%	112,778.28	1.53%	(12,526.88)
27 Billing Costs	83,050.65	1.15%	98,818.04	1.34%	(15,767.39)
28 Auto Expense	5,107.41	0.07%	6,570.67	0.09%	(1,463.26)
29 Bank Service Charge	3,932.28	0.05%	1,472.18	0.02%	2,460.10
30 Credit Card Fees	4,575.30	0.06%	2,320.92	0.03%	2,254.38
31 Collection Expense	2,349.17	0.03%	0.00	0.00%	2,349.17
32 Computer Expense	149,852.52	2.08%	148,926.82	2.02%	925.70
33 Contributions	6,045.00	0.08%	5,600.00	0.08%	445.00
34 Depreciation Expense	697,162.45	9.68%	770,454.31	10.46%	(73,291.86)
35 Reference Materials	453.85	0.01%	2,938.46	0.04%	(2,484.61)
36 Dues & Subscriptions	400.00	0.01%	877.10	0.01%	(477.10)
37 Licences, Fees & Permits	17,175.00	0.24%	6,240.00	0.09%	10,835.00

Airport Imaging, LLC
Statements of Revenues & Expenses - Income Tax Basis
For the Twelve Months Ended December 31,

	<u>2010</u>		<u>2009</u>		<u>Variance</u>
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	
38 Meals & Entertainment	708.62	0.01%	170.78	0.00%	537.84
39 Insurance	41,367.83	0.57%	53,229.21	0.72%	(11,861.38)
40 Malpractice Insurance	1,026.00	0.01%	1,129.00	0.02%	(103.00)
41 Interest Expense	92,987.40	1.29%	110,122.48	1.49%	(17,135.08)
42 Office Expense	52,127.08	0.72%	49,595.53	0.67%	2,531.55
43 Payroll Service Fees	29,418.45	0.41%	23,676.36	0.32%	5,742.09
44 Postage & Delivery	23,299.40	0.32%	18,250.70	0.25%	5,048.70
45 Equipment Rental	61,672.58	0.86%	44,395.98	0.60%	17,276.60
46 Equipment Repairs & Service Contracts	727,794.95	10.10%	712,081.42	9.66%	15,713.53
47 Medical, Radiation & X-Ray Supplies	306,867.08	4.26%	308,295.50	4.18%	(1,428.42)
48 Radiation Monitoring	2,523.01	0.04%	2,561.04	0.03%	(38.03)
49 Laboratory Fees	3,016.15	0.04%	0.00	0.00%	3,016.15
50 Patient Gowns, Linens	43,674.39	0.61%	47,589.89	0.65%	(3,915.50)
51 Uniforms	115.87	0.00%	24.95	0.00%	90.92
52 Telephone	24,193.16	0.34%	22,895.02	0.31%	1,298.14
53 Travel & Education	12,254.68	0.17%	21,243.56	0.29%	(8,988.88)
54 NYS LLC Filing Fees	3,000.00	0.04%	3,000.00	0.04%	0.00
55 NY Sales Tax Expense	13,878.12	0.19%	12,721.61	0.17%	1,156.51
56 Total Operating Expenses	<u>6,116,606.51</u>	<u>84.92%</u>	<u>6,019,505.42</u>	<u>81.69%</u>	<u>97,101.09</u>
57 PROFIT FROM OPERATIONS	1,086,558.81	15.08%	1,349,563.33	18.31%	(263,004.52)
OTHER INCOME					
58 Interest Income	<u>250.00</u>	<u>0.00%</u>	<u>0.00</u>	<u>0.00%</u>	<u>(250.00)</u>
59 NET PROFIT	<u>\$ 1,086,808.81</u>	<u>15.09%</u>	<u>\$ 1,349,563.33</u>	<u>18.31%</u>	<u>\$ (262,754.52)</u>

St. Luke's Cornwall Hospital and Subsidiary

Consolidated Statements of Financial Position

	December 31	
	2010	2009
Assets		
Current assets:		
Cash and cash equivalents	\$ 3,074,430	\$ 3,133,457
Patient accounts receivable, net of allowance for doubtful accounts of \$5,724,971 in 2010 and \$6,462,755 in 2009	22,747,424	22,288,775
Other receivables	4,272,530	3,210,938
Current portion of assets limited as to use	35,034,130	31,537,723
Inventory	3,054,464	3,269,896
Current portion of estimated third-party payor settlements	3,947,894	1,453,200
Prepaid expenses and other current assets	1,393,666	1,012,621
Total current assets	73,524,538	65,906,610
Interest in net assets of St. Luke's Cornwall Health System Foundation, Inc.	2,343,287	3,334,590
Assets limited as to use, net of current portion	3,060,380	3,808,487
Property, plant, and equipment, net	102,043,884	94,594,458
Deferred financing costs and other assets	5,335,519	5,347,069
Total assets	\$ 186,307,608	\$ 172,991,214
Liabilities and net assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 27,240,574	\$ 26,555,392
Current portion of long-term debt	4,875,346	2,070,346
Other current liabilities	780,050	626,232
Total current liabilities	32,895,970	29,251,970
Accrued retirement benefits	11,132,876	14,575,241
Long-term debt, net of current portion	64,598,785	66,764,523
Estimated third-party payor settlements, net of current portion	4,266,431	3,217,131
Interest rate swap agreements	3,039,762	2,012,949
Other liabilities	4,602,293	4,259,404
Total liabilities	120,536,117	120,081,218
Commitments and contingencies		
Net assets:		
Unrestricted	62,704,304	48,886,028
Temporarily restricted	2,391,600	3,348,381
Permanently restricted	675,587	675,587
Total net assets	65,771,491	52,909,996
Total liabilities and net assets	\$ 186,307,608	\$ 172,991,214

St. Luke's Cornwall Hospital and Subsidiary

Consolidated Statements of Operations

	Year Ended December 31	
	2010	2009
Revenue and other support		
Net patient service revenue	\$ 170,751,295	\$ 163,824,188
Other revenue :	7,069,695	5,953,697
Total revenue and other support	<u>177,820,990</u>	<u>169,777,885</u>
Operating expenses		
Salaries and wages	76,843,813	73,676,171
Employee benefits	27,765,463	26,770,481
Supplies and other	55,920,029	48,646,246
Provision for bad debts	4,787,870	4,570,422
Depreciation and amortization	9,906,241	9,933,455
Insurance	3,620,290	3,566,984
Interest	2,571,629	2,370,088
Professional fees	2,404,212	2,601,837
Rent	1,239,601	1,187,166
Total operating expenses	<u>185,059,148</u>	<u>173,322,850</u>
Loss from operations	(7,238,158)	(3,544,965)
Non-operating gains, net	16,487,980	6,214,826
Net change in unrealized gains and losses on investments	1,992,347	5,866,613
Change in value of interest rate swap agreements	(1,026,813)	1,641,550
Excess of revenue over expenses	<u>10,215,356</u>	<u>10,178,024</u>
Other changes in unrestricted net assets		
Change in pension liability to be recognized in future periods	3,602,920	4,191,939
Net increase in unrestricted net assets	<u>\$ 13,818,276</u>	<u>\$ 14,369,963</u>

ESTABLISHMENT CHECKLIST FOR AMBULATORY CARE SITES

APPLICATION: 111183-E Airport Imaging, LLC d/b/a Hudson Valley Imaging

NATURE OF APPLICATION:	PRIMARY CARE
	SPECIALTY
	<input checked="" type="checkbox"/> IF SPECIALTY – TYPE
	Radiology - Diagnostic

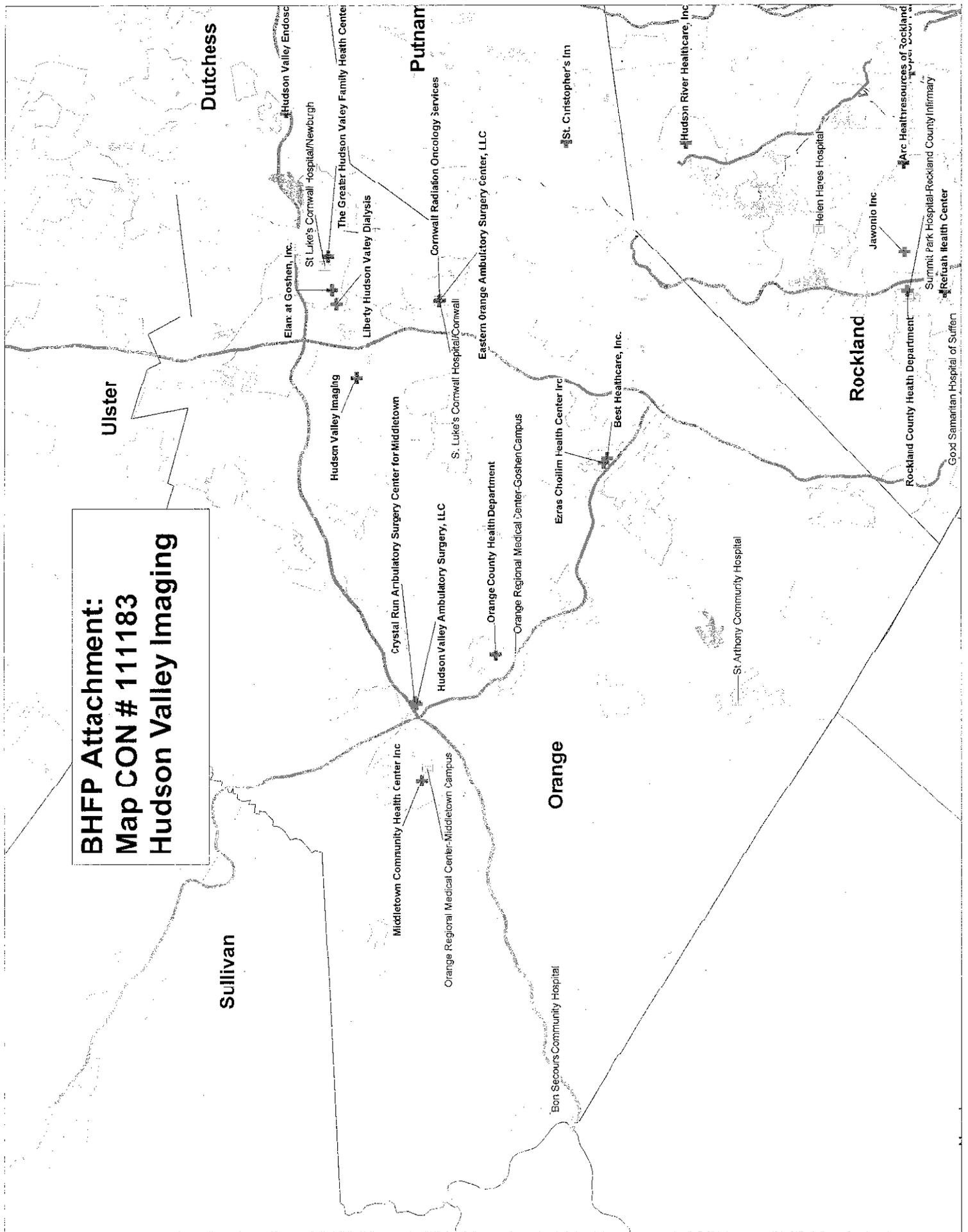
AUSPICE:	NON PROFIT
	<input checked="" type="checkbox"/> PROPRIETARY
	PUBLIC

AFFILIATIONS: St. Luke's Cornwall Hospital

UNIT COST:	<u>YEAR ONE AND THREE</u>
OPERATING	\$118.70
CAPITAL	<u>32.94</u>
TOTAL	\$151.64

PAYOR SOURCE:	<u>YEAR ONE AND THREE</u>
MEDICAID-M/C	1.44%
MEDICAID-FFS	3.05%
MEDICARE-M/C	0.38%
MEDICARE-FFS	32.45%
COMMERCIAL-M/C	31.73%
COMMERCIAL-FFS	8.12%
CHARITY CARE	6.30%
PRIVATE PAY/OTHER	16.53%

**BHFP Attachment:
Map CON # 111183
Hudson Valley Imaging**



THE SARATOGA HOSPITAL

Balance Sheets

December 31, 2009 and 2008

Assets	2009	2008
Current assets:		
Cash and cash equivalents	\$ 34,410,862	22,353,302
Investments	21,854,493	16,632,853
Accounts receivable:		
Patient care	29,327,334	27,504,591
Other	846,341	695,656
	<u>30,173,675</u>	<u>28,200,247</u>
Less estimated uncollectibles	6,212,000	4,513,000
	<u>23,961,675</u>	<u>23,687,247</u>
Inventories	4,097,600	3,752,982
Accrued interest income	55,196	107,676
Prepaid expenses	2,275,796	1,912,119
Funds held by trustee	1,271,829	467,765
Total current assets	<u>87,927,451</u>	<u>68,913,944</u>
Assets whose use is limited		
By third party payors	—	1,000,319
By donors	5,162,352	6,141,238
By board designation	702,458	407,819
	<u>5,864,810</u>	<u>7,549,376</u>
By debt agreements	8,521,238	22,201,896
	<u>14,386,048</u>	<u>29,751,272</u>
Other assets:		
Interest in net assets of Saratoga Care Foundation	3,572,801	1,529,781
Unamortized financing expenses, net	3,372,343	3,569,003
Loans receivable, net of current portion	222,729	357,050
Long-term investments	227,048	218,116
Land held for investment	15,001	15,001
	<u>7,409,922</u>	<u>5,688,951</u>
Property, plant, and equipment		
Property, plant, and equipment	200,551,399	177,722,314
Less accumulated depreciation and amortization	105,996,566	97,892,887
	<u>94,554,833</u>	<u>79,829,427</u>
	<u>\$ 204,278,254</u>	<u>184,183,594</u>

BFA Attachment A (cont.)

	2009	2008
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued expenses	\$ 8,300,477	5,219,050
Accrued salaries, wages, and related items	10,687,755	9,158,014
Accrued interest payable	216,652	224,157
Estimated third-party settlements	3,270,000	1,650,000
Current portion of bonds and installment contract payable	2,396,469	2,476,025
Current portion of bank loan	728,063	690,387
Current portion of capital lease obligations	358,196	210,440
Total current liabilities	<u>25,957,612</u>	<u>19,628,073</u>
Bonds and installment contract payable, net of current portion	64,884,893	67,536,101
Bank loan, net of current portion	6,067,029	6,795,412
Capital lease obligations, net of current portion	822,525	163,751
Construction costs payable	911,395	2,304,578
Other long-term liabilities	<u>2,456,233</u>	<u>1,835,672</u>
	<u>101,099,687</u>	<u>98,263,587</u>
Commitments and contingencies		
Net assets:		
Unrestricted	94,478,327	78,248,988
Temporarily restricted	8,134,738	7,105,517
Permanently restricted	<u>565,502</u>	<u>565,502</u>
	<u>103,178,567</u>	<u>85,920,007</u>
	<u>\$ 204,278,254</u>	<u>184,183,594</u>

THE SARATOGA HOSPITAL

Statements of Operations

Years ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Operating revenue:		
Net patient service revenue	\$ 181,030,754	159,219,877
Other revenue	2,612,640	1,993,867
Net assets released from restrictions	151,329	202,374
Total operating revenue	<u>183,794,723</u>	<u>161,416,118</u>
Operating expenses:		
Salaries and wages	74,208,409	65,904,036
Employee benefits	16,727,176	14,620,431
Supplies and other	61,284,192	54,220,077
Provision for bad debts	8,450,790	6,821,889
Depreciation and amortization	10,256,326	8,978,273
Interest	2,999,939	2,613,053
Total operating expenses	<u>173,926,832</u>	<u>153,157,759</u>
Operating margin	<u>9,867,891</u>	<u>8,258,359</u>
Nonoperating income (losses):		
Net investment income (losses)	4,439,160	(6,152,598)
Gifts, bequests, and other	5,005	327,853
Loss on disposal of fixed assets	(80,627)	(286,132)
Total nonoperating income (losses), net	<u>4,363,538</u>	<u>(6,110,877)</u>
Excess of revenue over expenses	14,231,429	2,147,482
Net assets released from restrictions used for purchase of property and equipment	2,735,330	620,024
Distribution to Saratoga Care, Inc.	(737,420)	(450,000)
Increase in unrestricted net assets	<u>\$ 16,229,339</u>	<u>2,317,506</u>

BFA Attachmnet B (cont.)

The Saratoga Hospital
Statements Of Operations
December 31, 2010

-----Month-----					-----Year To Date-----				
2010	Budget	Variance	%	2009	2010	Budget	Variance	%	2009
Actual				Actual	Actual				Actual
\$15,924,545	\$16,054,050	(129,505)	-0.8%	\$14,300,020	\$192,492,647	\$197,219,273	(\$4,726,626)	-2.4%	\$181,030,757
247,367	198,953	48,414	24.3%	227,865	2,507,939	2,398,019	109,890	4.6%	2,612,641
70,792	140,000	(69,208)		139,447	138,669	140,000	(1,331)		151,328
16,242,704	16,393,053	(150,299)	-0.9%	14,667,332	195,139,255	199,757,322	(4,618,067)	-2.3%	180,794,726
					<u>Unrestricted revenue, gains and other support:</u>				
					Net patient service revenue				
					Other revenue				
					Net assets released				
					Total revenues, gains and other support				
					<u>Expenses:</u>				
					Salaries and wages				
					Employee benefits				
					Supplies and other				
					Provision for bad debts				
					Depreciation and amortization				
					Interest				
					Total expenses				
6,342,849	7,357,814	(1,014,965)	13.6%	6,721,182	76,644,052	79,523,818	(2,879,796)	3.6%	74,208,408
1,755,212	1,635,488	(119,724)	-7.3%	1,334,137	18,485,039	17,942,088	(542,971)	-3.1%	16,727,177
6,266,585	6,249,237	(17,348)	-0.3%	5,459,349	67,057,790	68,856,790	(1,799,000)	2.6%	61,284,192
526,626	797,482	(270,826)	34.1%	435,841	9,128,074	9,427,000	(298,926)	3.2%	8,450,790
1,038,305	991,461	(46,844)	-4.7%	812,500	11,845,115	11,788,182	(56,933)	-0.5%	10,256,325
251,111	288,676	(37,565)	13.1%	285,042	3,052,122	3,457,787	(405,665)	11.7%	2,999,941
16,180,688	17,320,128	(1,139,440)	6.6%	15,048,051	186,222,192	190,995,625	(4,773,433)	2.5%	173,826,833
62,016	(927,153)	989,141		(380,719)	8,917,063	8,761,697	155,366		5,857,893
					<u>Nonoperating revenue:</u>				
					Investment income/(loss)				
					Gifts and bequests				
					Gain/(loss) on sale of fixed assets				
					Other				
					Total other income				
947,429	125,000	822,429	657.9%	388,846	2,858,745	1,500,000	1,358,745	30.6%	4,439,164
86,000	0	86,000		0	86,000	0	86,000		0
25,000	0	25,000		(81,341)	659,174	0	659,174		(75,627)
1,058,429	125,000	933,429	746.7%	307,505	3,603,919	1,500,000	2,103,919	110.3%	4,363,537
1,120,445	(802,159)	1,922,570		(732,114)	2,520,982	10,261,687	2,229,285		14,231,430
1,103,000	0	1,103,000		2,715,330	Net assets released from restrictions used for purchase of property and equipment				
(174,236)	(62,500)	(111,736)		(158,138)	3,437,960	0	3,437,960		2,735,330
0	0	0		0	(809,781)	(750,080)	(99,781)		(737,420)
					0	0	0		0
\$2,049,209	(\$864,629)	\$2,913,834		\$2,483,978	\$-5,149,161	\$9,511,687	\$5,637,464		\$16,229,340

**ALBANY MEDICAL CENTER
AND RELATED ENTITIES**

Combined Balance Sheets

December 31, 2009 and 2008

Assets	<u>2009</u>	<u>2008</u>
Current assets:		
Cash and cash equivalents	\$ 104,402,196	73,458,284
Receivables, net:		
Patient service	92,533,802	89,448,739
Contributions	1,061,361	778,568
Other	16,355,601	21,066,418
	<u>109,950,764</u>	<u>111,293,725</u>
Inventories	10,681,025	9,706,286
Current portion of assets whose use is limited	—	1,198,806
Prepaid expenses and other current assets	6,922,094	6,416,185
Total current assets	<u>231,956,079</u>	<u>202,073,286</u>
Assets whose use is limited:		
Under bond indenture agreements	19,413,730	24,200,564
Self-insurance funds	65,006,307	57,437,008
Deferred compensation agreements	5,103,637	2,895,621
	<u>89,523,674</u>	<u>84,533,193</u>
Property and equipment, at cost, net of accumulated depreciation and amortization	277,394,232	267,629,936
Long-term investments	106,026,589	85,826,727
Other assets:		
Student loan receivables	7,538,015	7,541,529
Contributions receivable, noncurrent	1,707,943	1,500,527
Assets held in charitable trust	4,623,391	4,240,180
Other assets	5,012,561	5,535,161
	<u>18,881,910</u>	<u>18,817,997</u>
Total assets	<u>\$ 723,782,484</u>	<u>658,881,139</u>

BFA Attachment C (cont.)

Liabilities and Net Assets	2009	2008
Current liabilities:		
Current maturities of long-term debt	\$ 18,647,156	21,540,003
Accounts payable	45,838,623	40,990,490
Accrued expenses:		
Salaries and related items	27,937,086	32,286,800
Compensated absences	22,561,480	22,861,775
Deferred revenue	14,371,697	14,175,308
Other liabilities	18,694,736	7,482,309
Total current liabilities	<u>148,050,778</u>	<u>139,336,685</u>
Long-term debt, net of current maturities	153,130,555	160,237,092
Federal loan programs	5,906,610	5,884,730
Accrued pension obligation	81,372,699	91,252,765
Other liabilities, long-term	39,457,951	40,087,753
Professional liability self-insurance reserve	83,892,979	80,606,763
Total liabilities	<u>511,811,572</u>	<u>517,405,788</u>
Commitments and contingencies		
Net assets:		
Unrestricted	110,530,619	54,256,405
Temporarily restricted	49,609,038	37,240,372
Permanently restricted	51,831,255	49,978,574
	<u>211,970,912</u>	<u>141,475,351</u>
Total liabilities and net assets	<u>\$ 723,782,484</u>	<u>658,881,139</u>

**ALBANY MEDICAL CENTER
AND RELATED ENTITIES**

Combined Statements of Operations and Changes in Net Assets
Years ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Operating revenue:		
Patient service revenue, net	\$ 723,890,738	682,461,166
Tuition and fees	30,447,903	29,984,574
Federal, state, and local grants and contracts	18,469,733	16,231,560
Private gifts, grants, and contracts	6,827,982	8,609,917
Interest and dividend income	6,060,278	9,705,461
Other revenue	15,943,986	15,742,750
Net assets released from restrictions used for operations	9,744,278	8,464,558
Total operating revenue	<u>811,384,898</u>	<u>771,199,986</u>
Operating expenses:		
Salaries	370,659,668	370,739,670
Employee benefits	74,106,256	60,499,308
Supplies	162,723,801	156,371,215
Purchased services	99,729,107	91,776,634
Depreciation and amortization	41,300,324	39,182,355
Interest	7,645,230	7,855,162
Net provision for uncollectible accounts	21,707,183	28,132,163
Other expenses	11,519,211	11,667,334
Total operating expenses	<u>789,390,780</u>	<u>766,223,841</u>
Operating margin	<u>21,994,118</u>	<u>4,976,145</u>
Nonoperating (losses) gains:		
Net realized losses on sales of investments	(2,739,727)	(11,880,520)
Other, net	(3,789,241)	945,107
Total nonoperating losses, net	<u>(6,528,968)</u>	<u>(10,935,413)</u>
Excess (deficiency) of revenue over expenses	<u>\$ 15,465,150</u>	<u>(5,959,268)</u>

BFA Attachment D

ALBANY MEDICAL CENTER
BALANCE SHEETS
AS OF DECEMBER 31, 2010

	Center		Hospital		College		SCC		Foundation		Eliminations		Total	
	As of 12/31/2010	As of 1/30/2010												
Assets:														
Current Assets:														
Cash	10,994	4,554	6,006	6,006	6,184	6,184	725	697	1,319	1,319	24	218	236	23,888
Short Term Investments	8,822	25,900	41,987	41,987	10,850	10,850	7	7	7	7	7	7	7	68,341
Receivables, net	-	-	-	-	-	-	-	-	-	-	-	-	-	9,459
Current Sundry	3	-	-	-	87,757	87,757	11,310	11,310	11,310	11,310	3,644	3,644	3,644	86,563
Prepaid Expenses	28,443	91,424	24,645	24,645	4,396	4,396	112	112	112	112	2,142	1,705	1,051	98,572
Intangible Assets	187	46	24,645	24,645	5,219	4,650	112	112	112	112	110	89,200	203	2,152
Other	56	7	83	83	10,301	9,982	12,141	12,141	13,341	13,341	36	459	34	15,645
Prepaid Expenses and Other	2,158	2,357	1,818	1,818	4,138	2,099	2,234	2,234	2,189	2,189	117	352	349	11,023
Total Current Assets	52,801	80,218	74,992	74,992	178,872	212,284	178,868	39,680	53,009	41,955	6,706	14,448	5,158	230,238
Assets Where Use Unlikely:														
Under Bond Indenture	337	58	248	248	62,918	26,637	18,220	18,220	47,927	47,927	2	847	644	62,717
Self Insurance Funds	7,174	5,100	5,104	5,104	45,929	46,530	47,927	18,157	18,157	533	533	536	432	64,816
Other Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	10,535
Property, Plant & Equip., net	97,227	91,736	59,600	59,600	181,875	172,971	169,155	43,290	41,410	41,410	7,697	7,576	7,657	310,146
Investments	-	-	-	-	27,624	27,405	24,833	80,357	80,872	7,537	147	148	134	115,028
Prepaid Expenses	-	-	-	-	1,314	1,314	388	4,400	4,400	4,312	5	8	2	7,562
Construction in Progress	42,795	42,245	42,423	42,423	29,428	29,428	34,028	27,624	27,624	27,624	18,842	18,842	18,842	115,375
Intangible Assets	1,458	1,121	1,217	1,217	1,242	1,254	1,254	1,017	1,017	1,278	993	1,017	1,278	3,441
Total Assets	101,891	231,381	182,423	182,423	527,430	522,403	476,635	201,135	215,338	183,189	53,100	43,532	34,475	828,840
Liabilities & Net Assets														
Current Liabilities														
Accounts Payable	647	642	642	642	18,639	17,715	17,715	248	601	318	415	350	380	18,286
Accounts Receivable	38,270	34,560	24,158	24,158	9,694	8,666	10,280	4,671	10,648	3,833	1,355	500	328	48,872
Deferred Revenue	20,145	61,236	46,723	46,723	28,712	40,782	20,461	15,151	17,629	14,346	1,891	1,401	1,200	46,872
Other	7,232	17	7,204	7,204	-	122	-	15,151	17,629	14,346	-	1,849	-	15,889
Total Current Liabilities	92,335	104,788	86,725	86,725	56,050	107,499	89,800	39,235	57,658	31,702	1,350	1,849	421	87,889
Long Term Debt	59,868	48,808	22,875	22,875	140,350	118,873	119,275	5,641	5,902	5,907	9,584	10,710	10,350	203,740
Deferred Loan Program	36,159	61,520	60,038	60,038	-	-	-	-	-	-	-	-	-	17,652
Intangible Assets	8,712	8,284	6,047	6,047	55,041	55,761	53,232	15,986	19,444	16,882	1,082	1,114	1,022	5,849
Other Liability	8,285	8,571	8,571	8,571	28,239	28,635	29,306	1,355	1,355	1,389	13	12	11	64,278
Fed. Liability Insurance Reserve	-	-	-	-	58,080	58,437	60,189	23,188	22,852	23,391	547	542	485	82,383
Total Liabilities	231,031	231,031	184,717	184,717	376,370	366,105	352,032	109,405	127,277	109,197	14,709	15,657	14,709	528,935
Net Assets														
Unrestricted	(1,650)	(233)	(4,294)	(4,294)	131,665	138,337	107,713	5,286	(3,687)	34,761	28,654	27,552	18,470	149,858
Temporarily Restricted	-	-	-	-	15,857	10,017	13,889	43,986	44,108	49,111	275	393	346	140,761
Permanently Restricted	(1,650)	(233)	(4,294)	(4,294)	148,080	160,283	156,221	52,136	67,782	64,832	28,331	21,316	18,818	61,727
Total Net Assets	(1,650)	(233)	(4,294)	(4,294)	294,592	308,637	274,163	100,408	115,539	109,604	43,100	49,261	37,616	259,872
Total Liabilities & Net Assets	231,801	231,383	184,423	184,423	527,430	522,403	475,035	201,135	215,338	183,189	53,100	43,532	34,475	828,940

BFA Attachment D (cont.)

ALBANYMEDICAL CENTER
STATEMENT OF OPERATIONS
YEAR-TO-DATE THROUGH DECEMBER 31, 2010

	Center			Hospital			College			SCC			Foundation			Eliminations			Total			
	Actual	Budget	vs. Prior Yr.	Actual	Budget	vs. Prior Yr.	Actual	Budget	vs. Prior Yr.	Actual	Budget	vs. Prior Yr.	Actual	Budget	vs. Prior Yr.	Actual	Budget	vs. Prior Yr.	Actual	Budget	vs. Prior Yr.	
Revenues:																						
Net Inpatient Service Revenue	497,334	14,405	35,230	18,214	(4,937)	2,243	711	409	34	-	-	-	-	-	-	-	-	-	498,067	14,814	35,584	
Net Outpatient Service Revenue	155,112	(9,075)	7,121	18,214	(4,937)	2,243	31,508	840	3,711	-	-	-	-	-	-	-	-	-	166,520	(4,165)	10,652	
Net Medical Service Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Patient Service Revenue	652,446	5,330	42,351	36,428	(9,874)	4,486	32,219	1,249	4,055	-	-	-	-	-	-	-	-	-	664,587	10,649	46,236	
Tuition and Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Indirect Cost/Recovery & Grants	120,812	(285)	10,137	-	-	-	719	(312)	(28)	10,440	(10,285)	2,154	-	-	-	-	-	-	30,689	(709)	1,696	
Other Revenue	120,812	(285)	10,137	54,348	(1,735)	(808)	719	(312)	(28)	1,289	455	650	-	-	-	-	-	-	7,611	1,272		
Total Other Revenue	241,624	(285)	10,137	54,348	(1,735)	(808)	719	(312)	(28)	11,698	(10,130)	2,801	-	-	-	-	-	-	28,661	(2,181)	1,393	
Total Operating Revenues	894,070	5,045	52,488	91,776	(11,609)	6,684	33,938	937	3,827	11,698	(10,130)	2,901	-	-	-	-	-	-	693,248	(2,022)	4,781	
Expenses:																						
Salaries and Related	54,644	(1,265)	(3,831)	11,371	42	(13,388)	8,483	62	(66)	1,911	165	(77)	-	-	-	-	-	-	329,286	(3,529)	(20,533)	
Employee Benefits	11,958	(660)	1,731	17,917	1,297	28	1,118	62	(73)	30	44	15	-	-	-	-	-	-	70,002	2,487	(6,833)	
Supplies and Related	7,195	837	(413)	13,410	1,435	1,378	7,698	417	(1,103)	417	222	46	-	-	-	-	-	-	166,650	3,481	(6,833)	
Purchased Services	21,653	1,723	(1,312)	153,634	(9,257)	(3,338)	5,190	18	(12)	1,418	(143)	(284)	-	-	-	-	-	-	102,226	(3,697)	(2,033)	
Depreciation and Amortization	9,414	769	(2,635)	6,479	49	72	1,804	48	83	1	(3)	2	-	-	-	-	-	-	42,966	1,145	(1,350)	
Interest	1,313	283	(15)	5,198	16	(618)	37	37	(73)	84	9	45	-	-	-	-	-	-	6,838	2,229	1,148	
Provision for Bad Debts	-	-	-	20,715	5,165	(3,158)	298	(74)	(104)	502	106	(215)	-	-	-	-	-	-	-	28,144	6,212	(3,714)
Other Expenses	12,825	910	(1,271)	21,859	81	(1,372)	298	(74)	(104)	707	106	(215)	-	-	-	-	-	-	9,944	3,462	(2,27)	
Grants/Distributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Operating Expenses	118,192	2,697	(8,815)	671,431	4,738	(9,638)	33,495	(541)	(1,853)	12,382	(2,222)	(1,180)	-	-	-	-	-	-	609,011	13,435	(40,530)	
Total Operating Margin	2,410	2,412	34	28,233	12,883	2,814	9,442	396	1,331	(684)	2,092	1,699	-	-	-	-	-	-	30,400	17,235	12,410	
Non-Operating Gains & Losses	-	-	-	17	1,372	2,158	2	5	10	(368)	(36)	(473)	-	-	-	-	-	-	28	2,392	-2,774	
Excess (deficiency) of Revenues Over Expenses	2,410	2,412	34	28,411	13,785	4,972	9,444	401	1,361	(92)	2,056	1,388	-	-	-	-	-	-	30,630	19,627	12,184	

(\$'s in thousands)

Attachment 5A

Application 111220-B

Saratoga Hosp/AMCH
Health Care Partners of Saratoga
Balance Sheet - Revised April 2011

(\$ in Thousands)

	Year End 0	Year End 1	Year End 3
<u>Assets:</u>			
Cash	\$2,031	\$294	\$345
Accts Receivable	\$0	\$1,598	\$1,919
PPE - Capital Lease	\$3,690	\$3,107	\$1,941
Total Assets	<u>\$5,721</u>	<u>\$4,999</u>	<u>\$4,205</u>
<u>Liabilities/Net Assets:</u>			
AP/Accrued Expense	\$0	\$294	\$345
Long Term Debt	\$3,690	\$3,231	\$2,249
Net Assets	\$2,031	\$1,474	\$1,611
Total Liab/Net Assts	<u>\$5,721</u>	<u>\$4,999</u>	<u>\$4,205</u>

BFA Attachment F
ESTABLISHMENT CHECKLIST FOR AMBULATORY CARE SITES

APPLICATION: Healthcare Partners of Saratoga, LTD (111220-B)

NATURE OF APPLICATION:	<u> X </u> <u> X </u>	PRIMARY CARE SPECIALTY IF SPECIALTY – TYPE: Urgent Care/Imaging
AUSPICE:	<u> X </u> _____ _____ _____	NOT FOR PROFIT PROPRIETARY Limited Liability Company PUBLIC

COST:	<u>YEAR ONE</u>	<u>YEAR THREE</u>
Outpatient:		
OPERATING	\$ 8,362,000	\$ 9,582,000
CAPITAL	<u>1,914,000</u>	<u>1,712,000</u>
TOTAL	\$10,276,000	\$11,294,000

PAYOR SOURCE:

Outpatient	<u>YEAR ONE & THREE</u>
Medicare Fee-for-Service	16.4%
Medicare Managed Care	9.6%
Medicaid Fee-for-Service	0.9%
Medicaid Managed Care	5.8%
Commercial Fee for Service	11.1%
Commercial Managed Care	51.2%
Private Pay	2.4%
Other	2.0%

**New York State Department of Health
Public Health and Health Planning Council**

July/August 2011

ATTACHMENTS

Dialysis Services - Establish/Construct

Committee Exhibit #9

<u>Number</u>	<u>Applicant/Facility</u>
1. 092072 B	Mohawk Valley Dialysis Center, Inc. (Montgomery County)

AMERICAN RENAL HOLDINGS, INC. AND SUBSIDIARIES
 Consolidated Balance Sheets
 December 31, 2009 and 2008

	2009	2008
Assets		
Current assets:		
Cash and cash equivalents	\$ 29,179,040	\$ 29,181,575
Accounts receivable, less allowance of \$8,165,000 and \$7,833,000 at December 31, 2009 and 2008, respectively	45,654,363	38,978,885
Inventories	2,293,660	1,977,663
Prepaid expenses and other current assets	2,365,668	6,029,565
Deferred tax assets	4,845,114	3,802,775
Total current assets	<u>84,337,845</u>	<u>79,970,463</u>
Property and equipment, net	59,405,386	54,819,339
Deferred financing costs, net	1,044,003	1,877,916
Amortizable intangible assets, net	1,417,989	1,056,224
Other long-term assets	4,053,608	3,596,252
Goodwill	<u>24,198,011</u>	<u>15,761,796</u>
 Total assets	 <u>\$ 174,456,842</u>	 <u>\$ 157,081,990</u>

AMERICAN RENAL HOLDINGS, INC. AND SUBSIDIARIES

Consolidated Balance Sheets - Continued

December 31, 2009 and 2008

	2009	2008
Liabilities and Deficit		
Current liabilities:		
Accounts payable	\$ 18,159,231	\$ 17,644,284
Accrued compensation and benefits	7,170,102	7,262,362
Accrued expenses and other current liabilities	15,646,137	11,233,723
Current portion of long-term debt	14,308,680	11,555,560
Current portion of capital lease obligations	334,210	630,079
Total current liabilities	<u>55,618,360</u>	<u>48,326,008</u>
Long-term debt, less current portion	64,260,650	76,136,517
Capital lease obligations, less current portion	214,325	292,790
Other long-term liabilities	7,664,718	7,569,870
Deferred tax liabilities	4,547,780	3,613,238
Series X mandatorily redeemable preferred stock, 43,000 shares authorized: 40,500 shares issued and outstanding at December 31, 2009 and 2008	62,798,981	54,729,695
Commitments and contingencies (note P)		
Noncontrolling interests subject to put provisions	38,430,763	34,880,757
Deficit:		
Series A convertible preferred stock, which accrue dividends at 10%, \$.001 par value, 7,300,000 shares authorized, issued and outstanding (liquidation value of \$74,322,000 at December 31, 2009)	7,300	7,300
Series B convertible preferred stock, \$.001 par value, 10,700,000 shares authorized; 2,675,000 shares issued and outstanding (liquidation value of \$18,524,000 at December 31, 2009)	2,675	2,675
Common stock, \$.0005 par value, 39,982,000 shares authorized; 1,330,250 and 1,062,500 shares issued and 1,083,350 and 873,600 shares outstanding at December 31, 2009 and 2008, respectively	665	531
Additional paid-in capital	23,703,716	27,394,659
Accumulated deficit	(97,788,090)	(102,924,690)
Treasury stock, at cost, 246,900 and 188,900 common shares held at December 31, 2009 and 2008, respectively	(1,064,648)	(790,888)
Total American Renal Holdings, Inc. deficit	<u>(75,138,382)</u>	<u>(76,310,413)</u>
Noncontrolling interests not subject to put provisions	16,059,647	7,843,528
Total deficit	<u>(59,078,735)</u>	<u>(68,466,885)</u>
Total liabilities and deficit	<u>\$ 174,456,842</u>	<u>\$ 157,081,990</u>

AMERICAN RENAL HOLDINGS, INC. AND SUBSIDIARIES
 Consolidated Statements of Income
 For the years ended December 31, 2009 and 2008

	2009	2008
Net operating revenues	\$ 262,988,785	\$ 217,777,472
Operating expenses:		
Patient care costs	170,468,875	141,596,809
General and administrative	24,041,244	18,675,459
Stock-based compensation expense	1,135,281	1,481,792
Depreciation and amortization	12,127,475	9,778,124
Provision for uncollectible accounts	3,216,098	4,834,194
Total operating expenses	<u>210,988,973</u>	<u>176,366,378</u>
Operating income	51,999,812	41,411,094
Interest expense, net	<u>(14,948,008)</u>	<u>(13,728,516)</u>
Income before income taxes	37,051,804	27,682,578
Income tax expense	<u>9,524,068</u>	<u>6,860,486</u>
Net income	27,527,736	20,822,092
Less: Net income attributable to noncontrolling interests	<u>(22,391,136)</u>	<u>(17,179,239)</u>
Net income attributable to American Renal Holdings, Inc.	<u>\$ 5,136,600</u>	<u>\$ 3,642,853</u>

AMERICAN RENAL HOLDINGS INC. AND SUBSIDIARIES

Consolidated Balance Sheets
(in thousands, except share and per share data)

	Successor September 30, 2010 (Unaudited)	Predecessor December 31, 2009
Assets		
Current assets:		
Cash and cash equivalents	\$ 27,579	\$ 29,179
Accounts receivable, less allowance of \$10,398 and \$8,165 at September 30, 2010 and December 31, 2009, respectively.....	45,987	45,654
Inventories	1,977	2,294
Prepaid expenses and other current assets	3,830	2,366
Income tax receivable	10,303	—
Deferred tax assets	4,043	4,845
Total current assets	93,719	84,338
Property and equipment, net	56,631	59,405
Deferred financing costs, net	4,993	1,044
Intangible assets, net	39,112	1,418
Deferred tax asset	3,625	—
Other long-term assets	2,043	3,319
Goodwill	503,360	24,198
Total assets	\$ 703,483	\$ 173,722
Liabilities and Equity (Deficit)		
Current liabilities:		
Accounts payable	\$ 18,150	\$ 18,158
Accrued compensation and benefits	10,116	7,170
Accrued expenses and other current liabilities	19,371	15,646
Amount due to sellers	13,928	—
Current portion of long-term debt	2,863	14,309
Current portion of capital lease obligations	47	334
Total current liabilities	64,475	55,617
Long-term debt, less current portion	247,484	64,261
Capital lease obligations, less current portion	175	214
Other long-term liabilities	2,468	7,664
Deferred tax liabilities	16,968	4,548
Series X mandatorily redeemable preferred stock, 43,000 shares authorized at December 31, 2009; 40,500 shares issued and outstanding at December 31, 2009		62,799
Commitments and contingencies (note J)		
Noncontrolling interests subject to put provisions	42,739	38,431
Equity (Deficit)		
Series A convertible preferred stock, which accrue dividends at 10%, \$.001 par value, 7,300,000 shares authorized, issued and outstanding at December 31, 2009 and no shares issued or outstanding at September 30, 2010 (liquidation value of \$74,322 at December 31, 2009)	—	7
Series B convertible preferred stock, \$.001 par value, 10,700,000 shares authorized; 2,675,000 shares issued and outstanding at December 31, 2009 and no shares issued or outstanding at September 30, 2010 (liquidation value of \$18,524 at December 31, 2009)	—	3
Common stock, \$.0005 par value, 39,982,000 shares authorized at December 31, 2009; 1,330,250 shares issued and 1,083,350 shares outstanding at December 31, 2009 and 1,000 shares authorized, issued and outstanding at September 30, 2010	—	1
Notes receivable from stockholders		(733)
Additional paid-in capital	188,833	23,704
Accumulated deficit	(14,292)	(97,784)
Treasury stock, at cost, 246,900 common shares held at December 31, 2009 and no shares held at September 30, 2010	—	(1,065)
Total American Renal Holdings Inc. equity (deficit)	174,541	(75,869)
Noncontrolling interests not subject to put provisions	154,633	16,057
Total equity (deficit)	329,174	(59,812)
Total liabilities and equity (deficit)	\$ 703,483	\$ 173,722

AMERICAN RENAL HOLDINGS INC. AND SUBSIDIARIES
Unaudited Consolidated Statements of Operations
(in thousands)

	Successor		Predecessor		
	Three months Ended September 30, 2010	May 8 through September 30, 2010	January 1 through May 7, 2010	Nine months Ended September 30, 2009	Three months Ended September 30, 2009
Net operating revenues	\$ 77,231	\$120,833	\$102,094	\$ 193,109	\$68,084
Operating expenses:					
Patient care costs	49,321	78,335	66,042	125,098	44,061
General and administrative	8,001	14,991	10,016	17,423	6,393
Merger and transaction-related costs	152	14,839	7,378	—	—
Depreciation and amortization	4,085	6,434	4,429	8,816	2,814
Provision for (recoveries of) uncollectible accounts	371	1,021	(334)	3,184	1,016
Total operating expenses	61,930	115,620	87,531	154,521	54,284
Operating income	15,301	5,213	14,563	38,588	13,800
Interest expense, net	(5,885)	(9,205)	(5,717)	(11,212)	(3,755)
Income (loss) before income taxes	9,416	(3,992)	8,846	27,376	10,045
Income tax expense (benefit)	977	(649)	2,264	7,036	2,582
Net income (loss)	8,439	(3,343)	6,582	20,340	7,463
Less: Net income attributable to noncontrolling interests	(6,907)	(10,949)	(9,266)	(15,823)	(5,756)
Net income (loss) attributable to American Renal Holdings Inc.	\$ 1,532	\$ (14,292)	\$ (2,684)	\$ 4,517	\$ 1,707

AMERICAN RENAL HOLDINGS INC. AND SUBSIDIARIES

Unaudited Consolidated Statements of Changes in Equity (Deficit)
 For the predecessor period from December 31, 2009 to May 7, 2010 and
 for the successor period from May 8, 2010 to September 30, 2010
 (in thousands, except share data)

	Total American Renal Holdings Inc. Equity (Deficit)											Non-controlling interests not subject to put provisions	
	Non-controlling interests subject to put provisions	Series A Convertible Preferred Stock		Series B Convertible Preferred Stock		Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Deficit		Total
	Shares	Amount	Shares	Amount	Shares	Par Value	Note Receivable from Stockholders	Shares	Cost				
Balance at December 31, 2009	7,300,000	\$ 7	2,675,000	\$ 3	1,330,250	\$ 1	\$ (735)	\$ 246,900	\$ (1,065)	\$ 23,704	\$ (97,784)	\$ (75,869)	\$16,457
Net income (oss)	—	—	—	—	328,490	—	—	—	—	—	(2,684)	(2,684)	7,224
Issuance of common stock	—	—	—	—	—	—	—	—	—	—	—	—	—
Purchase of common stock for treasury	—	—	—	—	—	—	—	—	—	—	—	—	—
Tax benefits from stock awards exercised	—	—	—	—	—	—	—	—	—	9,140	—	9,140	—
Stock-based compensation expense	—	—	—	—	—	—	—	—	—	219	—	219	—
Distributions to noncontrolling interests	—	—	—	—	—	—	—	—	—	—	—	—	(8,907)
Contributions from noncontrolling interests	—	—	—	—	—	—	—	—	—	—	—	—	420
Sales of noncontrolling interests	—	—	—	—	—	—	—	—	—	(250)	—	(250)	626
Purchases of noncontrolling interests	—	—	—	—	—	—	—	—	—	—	—	—	—
Changes in fair value of noncontrolling interests	—	—	—	—	—	—	—	—	—	(5,386)	—	(5,386)	—
Balance at May 7, 2010	7,300,000	\$ 7	2,675,000	\$ 3	1,658,740	\$ 1	(735)	\$ 246,900	\$ (1,065)	\$ 27,434	\$ (100,468)	\$ (74,821)	\$15,620

AMERICAN RENAL HOLDINGS INC. AND SUBSIDIARIES

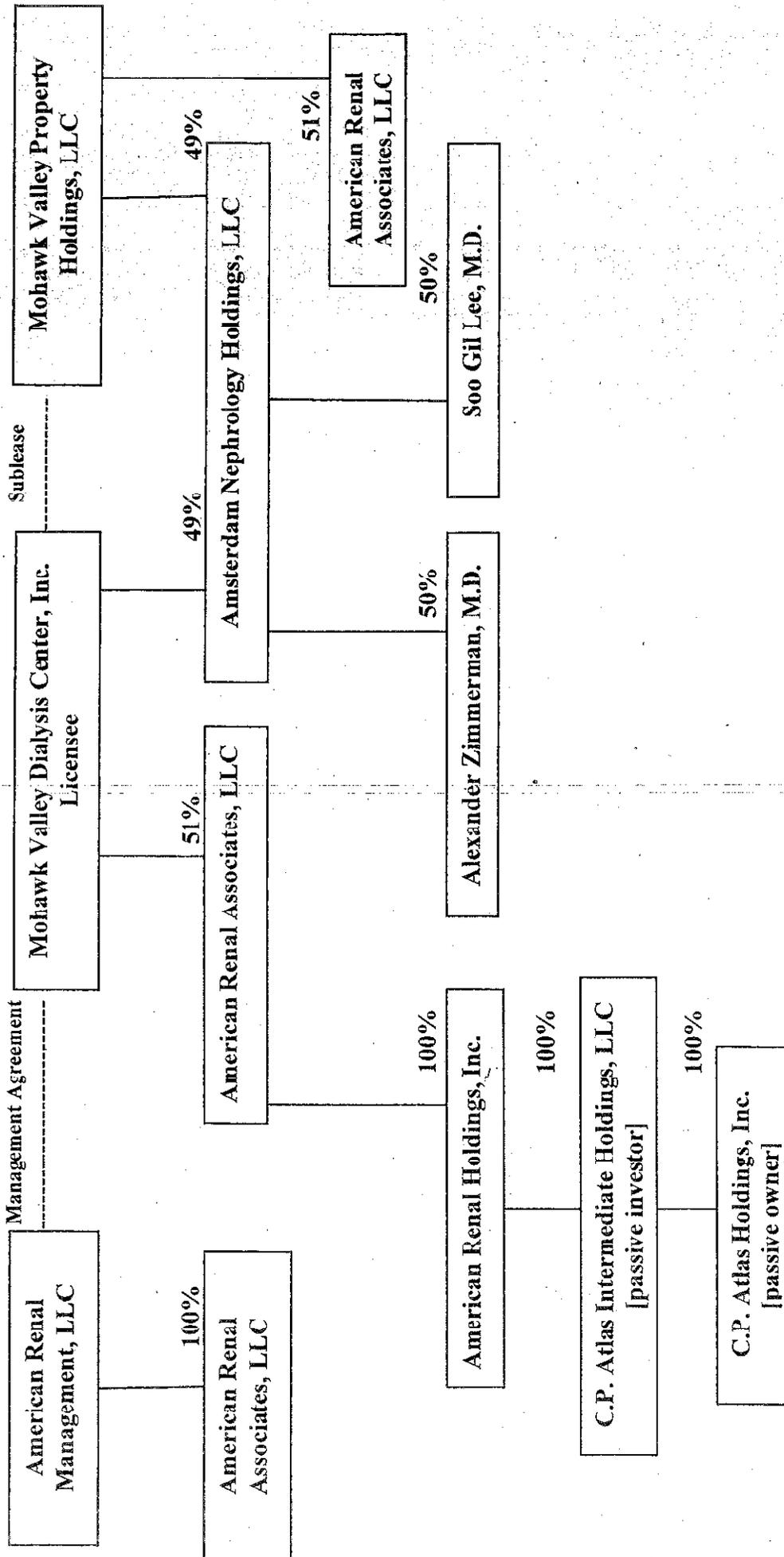
Unaudited Consolidated Statements of Changes in Equity (Deficit)—(Continued)
 For the predecessor period from December 31, 2009 to May 7, 2010 and
 for the successor period from May 8, 2010 to September 30, 2010
 (in thousands, except share data)

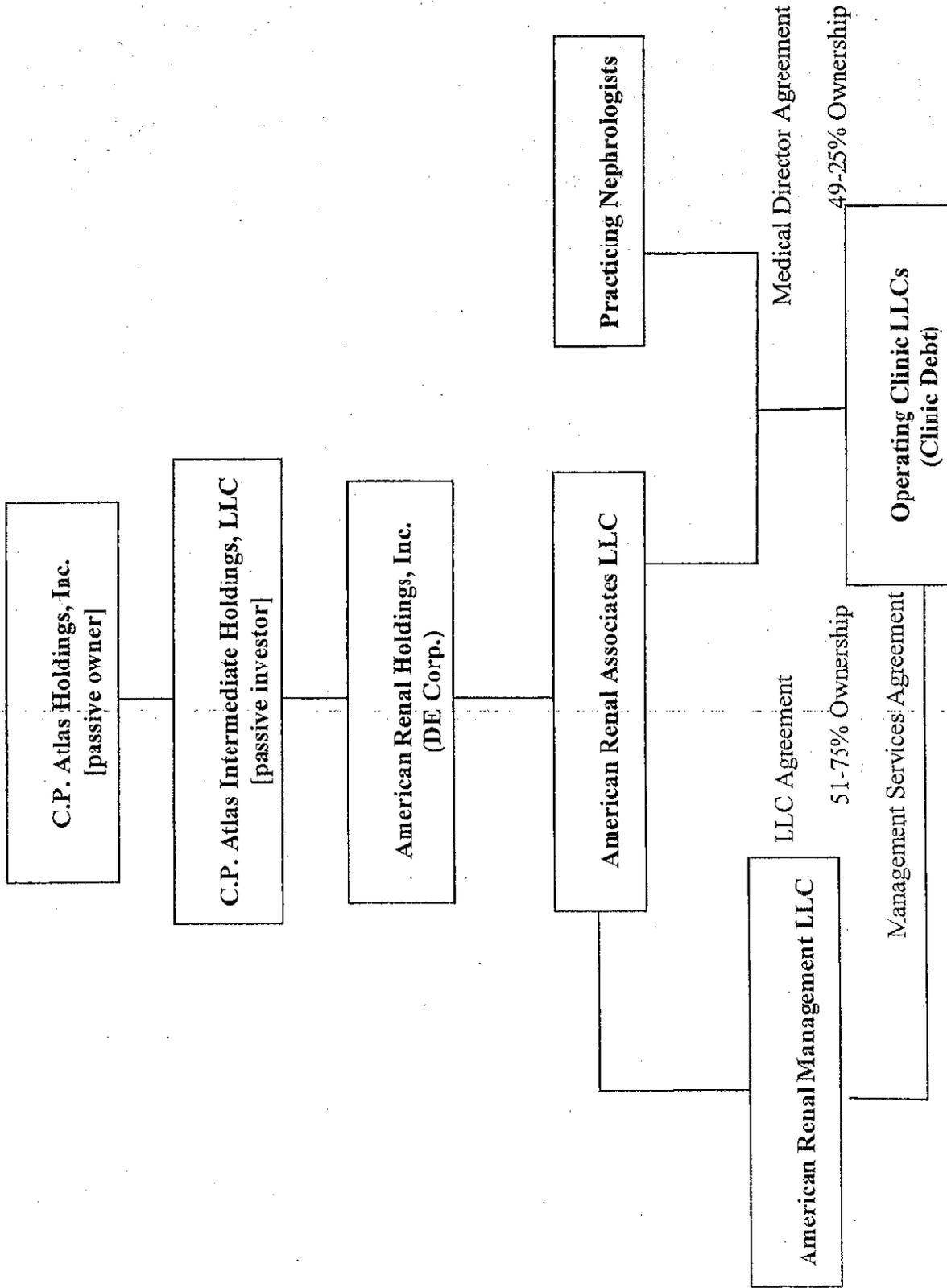
	Total American Renal Holdings Inc. Equity (Deficit)										Non-controlling interests subject to put provisions	
	Series A Convertible Preferred Stock	Series B Convertible Preferred Stock	Common Stock	Note Receivable from Stockholders	Treasury Stock	Additional Paid-in Capital	Accumulated Deficit	Total	Non-controlling interests subject to put provisions			
	Shares	Amount	Shares	Amount	Shares	Par Value	Shares	Cost	Additional Paid-in Capital	Accumulated Deficit	Total	Non-controlling interests subject to put provisions
Successor Entity Acquisitor transaction.....	(7,300,000)	—	(2,675,000)	—	(1)	—	—	—	(27,434)	100,468	74,823	141,182
Successor Entity Opening Equity.....	—	\$ —	—	\$ —	—	\$ —	—	—	—	—	—	156,302
Capital contribution.....	—	—	—	—	—	—	—	—	186,433	(14,292)	186,433	—
Net income (loss).....	—	—	—	—	—	—	—	—	—	—	—	8,181
Stock-based compensation.....	—	—	—	—	—	—	—	—	544	—	544	—
Parent capital costs.....	—	—	—	—	—	—	—	—	(137)	—	(137)	—
Distributions to noncontrolling interests.....	—	—	—	—	—	—	—	—	—	—	—	(7,527)
Contributions from noncontrolling interests.....	—	—	—	—	—	—	—	—	—	—	—	1,564
Sales of noncontrolling interests.....	—	—	—	—	—	—	—	—	93	—	93	—
Purchases of noncontrolling interests.....	—	—	—	—	—	—	—	—	—	—	—	—
Balance at September 30, 2010.....	—	\$ —	—	\$ —	—	\$ —	—	—	\$ 188,833	\$ (14,292)	\$ 174,541	\$ 154,633

Mohawk Valley Dialysis Center, Inc
 Mohawk Valley Property Holdings, LLC
 Pro Forma Balance Sheet

<u>Assets</u>	Mohawk Valley Dialysis Center, Inc Opening Day	Mohawk Valley Property Holdings, LLC Opening Day	Total Opening Day
<u>Current Assets</u>			
Cash	\$1,627,394	\$0	\$1,627,394
Net Patient Accounts Receivable			
Inventory	12,500		12,500
Prepaid Expenses			
Construction Pending Financing			
Other Current Assets			
Total Current Assets	\$1,639,894	\$0	\$1,639,894
Net Property, Plant & Equipment		\$1,133,500	\$1,133,500
Net Intangible Assets			
Other Assets	10,000		10,000
Total Assets	<u>\$1,649,894</u>	<u>\$1,133,500</u>	<u>\$2,783,394</u>
<u>Liabilities & Equity</u>			
<u>Liabilities</u>			
Accounts Payable	\$10,000	\$1,133,500	\$1,143,500
Other Current Liabilities			
Accrued Expenses			
Due to ARA	210,681		210,681
Long and Short Term Debt			
Corporate			
Facility	1,106,679	0	1,106,679
Total Liabilities	\$1,327,300	\$1,133,500	\$2,460,800
<u>Equity</u>			
Equity-ARA	\$164,492		\$164,492
Equity-Partners	158,042		158,042
Distributions-ARA			
Distribution-Partners			
Retained Earnings			
Net Equity	\$322,534	\$0	\$322,534
Total Liabilities & Equity	<u>\$1,649,894</u>	<u>\$1,133,500</u>	<u>\$2,783,394</u>

ORGANIZATIONAL CHART
PROPOSED MOHAWK VALLEY DIALYSIS CENTER
AMSTERDAM, NEW YORK





BFA Attachment G

ESTABLISHMENT CHECKLIST FOR DIAGNOSTIC AND TREATMENT CENTER

APPLICATION: CON 092072-B Mohawk Valley Dialysis Center, Inc.

NATURE OF APPLICATION:

 X

PRIMARY CARE
SPECIALTY
IF SPECIALTY – TYPE:
Chronic Renal Dialysis

AUSPICE:

 X

NON PROFIT
PROPRIETARY
PUBLIC

AFFILIATIONS:

UNIT COST:

YEAR ONE

YEAR THREE

OPERATING
CAPITAL
TOTAL

\$283.47
 74.97
\$358.44

\$266.74
 38.12
\$304.86

PAYOR SOURCE:

YEAR ONE & YEAR THREE

MEDICARE-FFS
COMMERCIAL

20.90%
79.10%

**New York State Department of Health
Public Health and Health Planning Council**

July/August 2011

ATTACHMENT

Hospice – Establish/Construct

Committee Exhibit #10

<u>Number</u>	<u>Applicant/Facility</u>
1. 102454 E	Compassionate Care Hospice of New York, Inc. (Bronx County)

Compassionate Care Hospice of New York, LLC

Balance Sheet

	2008	2009	2010
Assets			
<u>Current Assets</u>			
Cash	500	1,200	1,650
Accounts Receivable	1,016,801	2,255,063	2,256,994
Allowance For Bad Debt	(46,838)	(50,838)	(50,838)
Total Current Assets	<u>970,463</u>	<u>2,205,425</u>	<u>2,207,806</u>
<u>Other Current Assets</u>			
Prepaid Expenses	21,458	6,724	3,200
Intercompany Receivable	-	-	872,380
Total Other Current	<u>21,458</u>	<u>6,724</u>	<u>875,580</u>
<u>Other Assets</u>			
Security Deposits	2,825	9,425	13,700
Pre-Opening Expenses	11,291	11,291	11,291
Accumulated Amortization	(2,258)	(2,258)	(4,065)
Total Other Fixed Assets	<u>11,858</u>	<u>18,458</u>	<u>20,926</u>
TOTAL Assets	<u><u>1,003,780</u></u>	<u><u>2,230,608</u></u>	<u><u>3,104,312</u></u>
Liabilities and Equity			
<u>Current Liabilities</u>			
Accounts Payables	272,151	52,278	1,418,773
Accrued Expenses	88,827	911,316	128,142
Intercompany Payable	1,423,185	1,212,064	-
Total Current Liabilities	<u>1,784,164</u>	<u>2,175,658</u>	<u>1,546,914</u>
<u>Equity</u>			
Retained Earnings	(780,384)	54,950	1,557,398
Total Equity	<u>(780,384)</u>	<u>54,950</u>	<u>1,557,398</u>
Total Liabilities and Equity	<u><u>1,003,780</u></u>	<u><u>2,230,608</u></u>	<u><u>3,104,312</u></u>

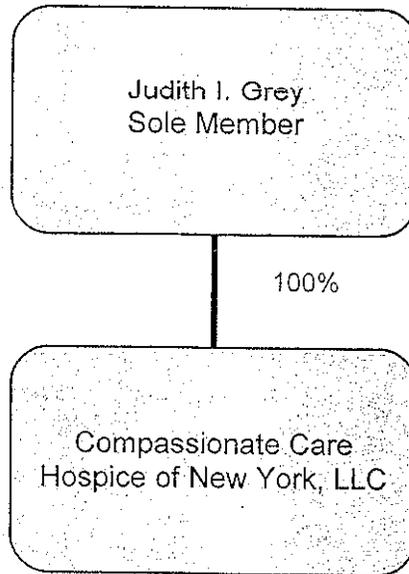
Compassionate Care Hospice of New York, LLC
Income Statement

	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenue	5,647,570	10,123,297	13,166,557
<u>Clinical Expenses</u>			
Census Related Contact Services	3,666	106	-
Home Health Aides Contract	461,006	841,233	677,877
Nursing Home Room and Board	1,418,647	3,560,204	4,288,800
On Call	28,760	1,720	-
Physician Services	6,241	4,079	22,830
Hospital Services	167,036	30,513	83,966
Respite	-	2,179	-
Durable Medical Equipment	119,622	219,733	199,846
IV Therapy	-	7,610	6,896
Laboratory	38,787	138,581	98,843
Medical Supplies	64,673	115,695	66,000
Patient Transportation	24,425	17,542	33,864
Inpatient Care	-	42,814	10,472
Pharmacy	152,602	284,212	261,853
Therapy	4,649	1,174	10,434
Radiation	709	3,355	673
Mileage Field Staff	62,724	54,707	44,693
Total Clinical Expenses	<u>2,553,548</u>	<u>5,325,458</u>	<u>5,807,047</u>
<u>Labor Expenses</u>			
Bereavement Counselors	-	8,248	42,624
Home Health Aid Wages	185,536	244,003	508,189
Clinical Coordinator	99,929	127,857	209,642
Pastoral Counselor Wages	117,979	150,138	187,580
Social Services Wages	214,782	193,110	270,817
Clinical Director	55,497	-	-
Vacation/PTO	-	24,006	-
Quality Assurance	-	25,357	79,831
Home Health Aid Coordinator	48,057	53,396	55,455
LPN	46,964	51,667	83,341
RN	317,509	689,038	1,066,183
On Call RN	75,627	95,717	139,454
Per Diem RN	75,457	95,464	102,371
Medical Director	356,862	258,956	324,213
Bonus	-	-	8,920
Medical Records Clerk	-	-	15,091
1099	-	-	32,640
Speech Therapists	691	-	-
Total Labor Expenses	<u>1,594,890</u>	<u>2,016,965</u>	<u>3,126,350</u>
Total Cost of Sales	<u>4,148,438</u>	<u>7,342,423</u>	<u>8,933,397</u>
Total Gross Profit	1,499,132	2,780,874	4,233,160

Compassionate Care Hospice of New York, LLC
Income Statement

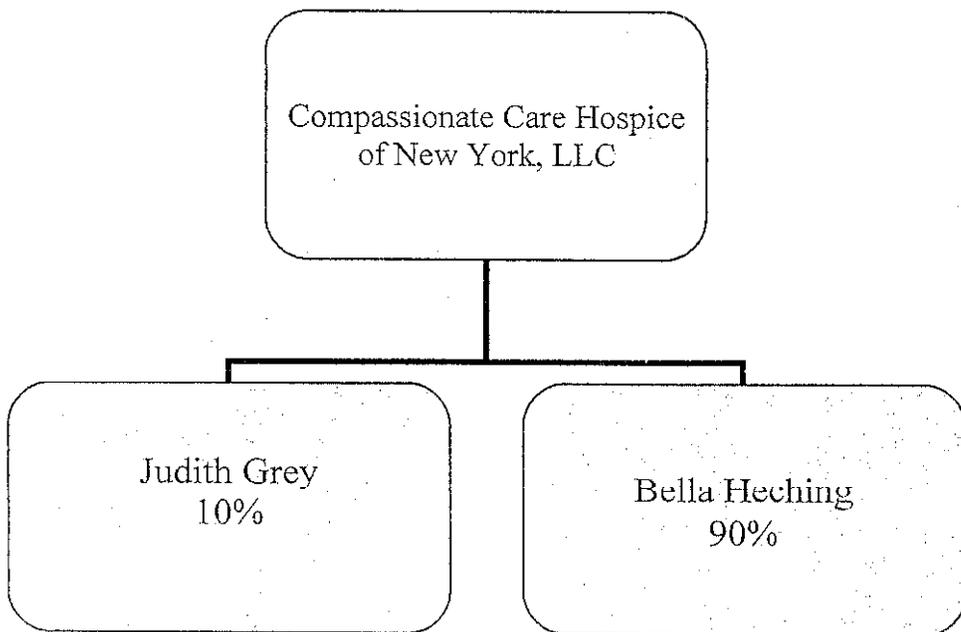
	<u>2008</u>	<u>2009</u>	<u>2010</u>
<u>Expenses</u>			
Administrative	175,668	173,591	133,611
Answering Service	-	137	2,433
Employee Benefits	8,312	14,876	12,647
Tuition Reimbursement	-	700	600
Health Insurance	100,065	97,864	154,605
Communications	18,483	14,117	5,759
Communications - Basic Service	12,523	17,699	19,692
Communications - Cellular	13,642	15,777	18,072
Employee Criminal Background Check	2,695	4,749	8,019
Management Fee	401,703	418,950	736,322
Marketing	15,995	27,841	33,978
Meetings	-	-	24,307
Recruiting	-	80,658	27,664
Clerical Support	43,619	64,835	103,079
Marketing Salaries	272,533	455,900	769,720
Medical Records	33,426	45,747	28,101
Business Office	23,617	41,323	14,640
Advertising	19,615	4,262	6,197
Car Expense	-	12,430	27,388
Payroll Processing Fees	4,699	4,535	2,682
Donations	5,400	4,896	-
Business Insurance	23,987	10,447	215
Licenses and Permits	5,400	7,780	2,000
Miscellaneous	-	2,845	2,237
Postage	738	515	129
Printing and Reproduction	4,003	1,816	8,445
Professional Fees	1,655	1,665	1,165
Consulting	116,295	55,000	-
Legal Fees	14,955	13,614	8,587
Repairs and Maintenance	3,590	-	1,080
Office Expense	4,947	481	13,674
Office Supplies	12,896	11,652	23,344
General Office	39,211	12,019	41,025
Payroll Taxes	180,167	242,125	336,937
State Taxes	8,200	-	3,172
Travel	2,897	7,836	5,529
Workers Compensation Insurance	-	-	26,578
Office Rent	97,247	66,939	103,086
Utilities	8,073	6,500	14,344
Depreciation	-	-	1,807
Equipment Rental	7,270	3,421	7,845
Total Expenses	<u>1,678,528</u>	<u>1,945,540</u>	<u>2,730,712</u>
Net Income/(Loss)	<u>(179,395)</u>	<u>835,334</u>	<u>1,502,448</u>

**ORGANIZATIONAL CHART
BEFORE TRANSFER**



ORGANIZATIONAL CHART

AFTER TRANSFER



**New York State Department of Health
Public Health and Health Planning Council**

July/August 2011

ATTACHMENTS

Residential Health Care Facilities - Establish/Construct

Committee Exhibit #11

<u>Number</u>	<u>Applicant/Facility</u>
1. 092035 E	Park Avenue Operating Co., LLC d/b/a Park Avenue Extended Care Facility (Nassau County)
2. 092037 E	Nassau Operating Co., LLC d/b/a Nassau Extended Care Facility (Nassau County)
3. 092038 E	Townhouse Operating Co., LLC d/b/a Townhouse Center for Rehabilitation and Nursing (Nassau County)
4. 092041 E	Throgs Neck Operating Co., LLC d/b/a Throgs Neck Extended Care Facility (Bronx County)
5. 092077 E	Bayview Nursing and Rehabilitation Center (Nassau County)
6. 111132 E	Amerifalls, LLC d/b/a Niagara Rehabilitation and Nursing Center (Niagara County)
7. 111170 E	JOPAL, Bronx, LLC (Bronx County)
8. 111347 E	CPRNC, LLC d/b/a Central Park Rehabilitation and Nursing Center (Onondaga County)

ESTABLISHMENT CHECKLIST FOR NURSING HOMES

APPLICATION: 092035 Park Avenue Extended Care Center

NATURE OF PROPOSAL: Transfer 35.75% of the ownership interest

EFFECT ON OPERATIONAL OWNERSHIP: proposed assignees Sandra Busell (.5%), Alan Chopp (1%), Edward Farbenblum (3%), Abraham Fishoff (1%), Benjamin Fishoff (5%), Donald Fishoff (1%), Norman Gold (1%), Jeffrey Goldstein (.5%), Anne Gottlieb (2.5%), Meryl Gross (1%), Francine Joseph (1%), Tibor Levovich (1%), Teresa Pocchia (.5%), Theodore Pollack (1%), Mayer Rispler (2%), Berish Rubinstein (1%), Ronald Stern (2%), Jennifer Strauss (.5%), Martha Sweet (1%), Naomi Tessler (2%), Cynthia Treff (1%), Regina Weinstock (1%), Rhea Gutman (1%), Esther Farkovits (2.25%) Alexander Hoffman (1%) and Elisa Taub (1%)

EFFECT ON REAL ESTATE OWNERSHIP: N/A

FIXED ASSET PURCHASE PRICE: N/A

FIXED ASSET MEDICAID VALUE: N/A

CAPITAL REIMBURSEMENT: N/A

Capitalized Lease
Historic Cost Method
Shortfall; Average Annual Amount
\$

BUSINESS PURCHASE PRICE: \$2,368,438 (\$66,250 per percent)

BFA PACKET A

Presented in BFA Packet A are the Net worth statements, financial summaries and explanations to the financial summaries for the facilities and related companies associated with projects 092035, 092037, 092038, 092041 and 092077. Net worth 1 is associated with projects 092035, 092037, 092038 and 092041. Net worth 2 is associated with project 092077. The financial summaries related to these projects are as follows:

- BFA Attachment A: Bayview Nursing and Rehabilitation Center
- BFA Attachment B: Avalon Gardens Rehab and Health Care Center
- BFA Attachment C: Susquehanna Nursing and Rehab
- BFA Attachment D: Brookhaven Rehab and Health Care Center
- BFA Attachment E: Eastchester Rehab and Health Care
- BFA Attachment F: Woodmere Rehab and Health Care Center
- BFA Attachment G: Golden Gate Rehab and Health Care Center
- BFA Attachment H: Garden Care Center
- BFA Attachment I: The Hamptons Center for Rehab and Nursing
- BFA Attachment J: Meadow Park Care Center
- BFA Attachment K: White Plains Center for Nursing
- BFA Attachment L: Fort Tryon Center for Rehabilitation and Nursing
- BFA Attachment M: New Franklin Center for Rehabilitation and Nursing
- BFA Attachment N: Park Avenue Extended Care Center
- BFA Attachment O: Nassau Extended Care Center
- BFA Attachment P: Nathan Miller Center for Nursing
- BFA Attachment Q: Throgs Neck Extended Care Center
- BFA Attachment R: Townhouse Extended Care Center
- BFA Attachment S: West Lawrence Care Center
- BFA Attachment T: Split Rock Rehabilitation and Health Care Center

*Note not all of these facilities relate to all of the projects.

- Projects 092035, 092037, 092038 and 092041 include A,B,C,D,E,F,G,H,I,J,K and P
- Project 092035 also includes N
- Project 092037 also includes O,
- Project 092038 also includes R
- Project 092041 also includes Q.
- Project 092077 includes A,B,C,D,E,F,G,I,K,L,M,N,O,P,Q,R,S and T.

Financial Summary

Bayview Nursing and Rehabilitation Center, LLC

	FISCAL PERIOD ENDED				
	10/31/10 Internal	12/31/2009	12/31/2008	12/31/2007	12/31/2006
ASSETS - CURRENT	\$4,020,886	\$3,849,524	\$3,740,009	\$4,271,325	\$3,582,473
ASSETS - FIXED AND OTHER	6,371,106	6,481,206	6,564,414	6,733,653	6,951,801
LIABILITIES - CURRENT	4,289,795	4,214,338	4,050,953	4,545,704	3,543,473
LIABILITIES - LONG-TERM	<u>3,067,811</u>	<u>3,504,380</u>	<u>4,097,566</u>	<u>4,379,519</u>	<u>4,690,346</u>
EQUITY	\$3,034,386	\$2,612,012	\$2,155,904	\$2,079,755	\$2,300,455
<hr/>					
INCOME	\$15,050,204	\$18,186,850	\$17,839,331	\$16,873,402	\$16,839,993
EXPENSE	<u>13,827,826</u>	<u>17,080,742</u>	<u>17,269,182</u>	<u>16,838,107</u>	<u>16,222,246</u>
NET INCOME	\$1,222,378	\$1,106,108	\$570,149	\$35,295	\$617,747
<hr/>					
DEPRECIATION	\$252,076	\$252,076	\$259,398	\$246,282	\$212,599
<hr/>					
NUMBER OF BEDS	185	185	185	185	185
PERCENT OF OCCUPANCY (DAYS)	97.17%	97.17%	96.30%	91.4%	95.1%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	88.99%	88.99%	91.11%	86.4%	90.1%
MEDICARE	8.19%	8.19%	7.00%	11.6%	8.5%
PRIVATE/OTHER	2.82%	2.82%	1.89%	2.0%	1.4%
<hr/>					
MEDICAID RATE BREAKDOWN:		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		\$249.20	\$249.20	\$231.75	
CAPITAL		<u>\$2.48</u>	<u>\$3.89</u>	<u>\$23.64</u>	
TOTAL		\$251.68	\$253.09	\$255.39	

* 2009 patient days used

Financial Summary

Avalon Gardens

FISCAL PERIOD ENDED

	<u>11/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$15,508,935	\$13,278,739	\$14,258,136	\$15,199,203	\$10,422,843
ASSETS - FIXED AND OTHER	11,149,242	10,753,482	10,817,314	10,990,172	11,207,200
LIABILITIES - CURRENT	18,678,097	18,602,940	21,377,355	23,271,860	18,890,675
LIABILITIES - LONG-TERM	<u>258,939</u>	<u>436,941</u>	<u>635,029</u>	<u>1,218,237</u>	<u>1,540,395</u>
EQUITY	\$7,721,141	\$4,992,340	\$3,063,066	\$1,705,278	\$1,258,979
INCOME	\$38,303,721	\$42,171,474	\$38,338,722	\$36,807,742	\$35,415,854
EXPENSE	35,574,918	40,242,200	36,980,934	36,361,443	36,709,743
NET INCOME	\$2,728,803	\$1,929,274	\$1,357,788	\$446,299	(\$1,293,889)
DEPRECIATION	\$303,329	\$303,329	\$291,734	\$284,473	\$251,043
NUMBER OF BEDS	353	353	353	353	353
PERCENT OF OCCUPANCY (DAYS)	87.65%	97.8%	90.6%	91.1%	90.9%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	88.37%	88.21%	87.28%	86.8%	87.8%
MEDICARE	6.91%	7.50%	7.84%	7.2%	7.9%
PRIVATE/OTHER	4.72%	4.29%	4.88%	6.0%	4.3%

MEDICAID RATE BREAKDOWN:

	2010	2009	2008
OPERATING	\$283.74	\$283.74	\$230.16
CAPITAL	\$6.16	\$2.28	\$23.05
TOTAL	\$289.90	\$286.02	\$253.21
Ped			
OPERATING	\$519.44	\$514.24	
CAPITAL	\$12.45	\$9.28	
TOTAL	\$531.89	\$523.52	

Financial Summary-Susquehanna

FINANCIAL PERIOD ENDED:

	<u>6/30/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$3,101,752	\$2,662,283	\$3,612,699	\$3,562,162	\$2,278,349
ASSETS - FIXED AND OTHER	7,034,440	7,130,657	6,800,494	5,651,714	5,317,977
LIABILITIES - CURRENT	2,649,083	2,564,957	5,656,874	3,422,518	3,334,769
LIABILITIES - LONG-TERM	<u>3,096,271</u>	<u>3,205,864</u>	<u>905,520</u>	<u>2,617,025</u>	<u>3,159,210</u>
EQUITY	\$4,390,838	\$4,022,119	\$3,850,799	\$3,174,333	\$1,102,347
<hr/>					
INCOME	\$6,839,393	\$13,113,122	\$13,710,625	\$12,254,921	\$11,190,007
EXPENSE	<u>6,238,174</u>	<u>12,441,801</u>	<u>11,928,247</u>	<u>10,893,280</u>	<u>10,388,877</u>
NET INCOME	\$601,219	\$671,321	\$1,782,378	\$1,361,641	\$801,130
<hr/>					
DEPRECIATION	\$327,224	\$327,224	\$246,522	\$159,296	\$225,409
<hr/>					
NUMBER OF BEDS	160	160	160	160	160
PERCENT OF OCCUPANCY (DAYS)	89.92%	89.92%	94.58%	94.85%	94.13%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	62.76%	62.76%	63.43%	63.62%	67.0%
MEDICARE	19.51%	19.51%	21.17%	21.86%	20.7%
PRIVATE/OTHER	17.73%	17.73%	15.40%	14.52%	12.3%

MEDICAID RATE BREAKDOWN:

	2010	2009	2008
OPERATING	\$167.76	\$167.76	\$155.10
CAPITAL	<u>(\$5.61)</u>	<u>(\$8.21)</u>	<u>\$16.83</u>
Total	\$162.15	\$159.55	\$171.93

Financial Summary

Brookhaven Rehab and Health Care Center, LLC

FISCAL PERIOD ENDED:

	<u>10/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$6,002,118	\$5,488,360	\$5,718,012	\$7,193,256	\$5,052,362
ASSETS - FIXED AND OTHER	4,995,711	4,926,918	5,028,390	5,501,873	5,438,965
LIABILITIES - CURRENT	4,347,881	4,884,865	6,220,517	7,150,873	7,507,942
LIABILITIES - LONG-TERM	<u>813,623</u>	<u>750,291</u>	<u>801,314</u>	<u>1,230,695</u>	<u>1,539,976</u>
EQUITY	\$5,836,325	\$4,780,122	\$3,724,571	\$4,313,561	\$1,443,409
<hr/>					
INCOME	\$24,109,262	\$28,020,001	\$27,730,060	\$28,264,207	\$26,925,361
EXPENSE	<u>21,653,064</u>	<u>25,915,351</u>	<u>26,426,420</u>	<u>24,898,161</u>	<u>25,574,224</u>
NET INCOME	\$2,456,198	\$2,105,550	\$1,312,640	\$3,366,046	\$351,137
<hr/>					
DEPRECIATION	\$441,664	\$441,664	\$500,575	\$563,513	\$597,043
<hr/>					
NUMBER OF BEDS	298	298	298	298	298
PERCENT OF OCCUPANCY (DAYS)	97.45%	97.45%	98.15%	96.90%	92.90%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	87.76%	87.76%	87.04%	85.37%	86.84%
MEDICARE	7.79%	7.79%	7.97%	10.03%	8.09%
PRIVATE/OTHER	4.45%	4.45%	4.99%	4.60%	5.07%
<hr/>					
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$208.27	208.27	207.11	
CAPITAL		<u>\$6.73</u>	<u>11.55</u>	<u>\$27.32</u>	
TOTAL		\$215.00	219.82	234.43	

* 2009 patient days used

Financial Summary-Eastchester Rehab and Health Care Center

	<u>FISCAL PERIOD ENDED</u>				
	<u>9/30/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$4,969,006	\$5,596,567	\$6,548,764	\$8,392,469	\$6,090,720
ASSETS - FIXED AND OTHER	11,383,181	11,480,543	11,387,666	11,477,587	11,090,654
LIABILITIES - CURRENT	8,131,057	5,079,528	10,675,593	7,887,509	10,972,881
LIABILITIES - LONG TERM	<u>162,813</u>	<u>4,640,686</u>	<u>370,775</u>	<u>4,740,625</u>	<u>223,679</u>
EQUITY	\$8,058,317	\$7,456,897	\$6,890,062	\$7,232,922	\$5,984,814
INCOME	\$16,765,773	\$21,987,877	\$21,958,425	\$21,360,192	\$20,793,403
EXPENSE	<u>15,864,352</u>	<u>20,051,146</u>	<u>21,455,297</u>	<u>20,112,084</u>	<u>19,729,131</u>
NET INCOME	\$901,421	\$1,036,731	\$503,138	\$1,248,108	\$1,064,272
DEPRECIATION	\$166,473	\$166,473	\$178,680	\$155,905	\$101,177
NUMBER OF BEDS	200	200	200	200	200
PERCENT OF OCCUPANCY (DAYS)	96.41%	96.41%	95.42%	95.64%	93.95%
<u>PERCENT OCCUPANCY (DAYS):</u>					
MEDICAID	87.26%	87.26%	87.38	85.86%	84.05%
MEDICARE	11.48%	11.48%	6.71	10.45%	10.82%
PRIVATE/OTHER	1.26%	1.26%	5.91	3.69%	5.13%
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$233.87	\$233.87	\$229.00	
CAPITAL		<u>(\$6.36)</u>	<u>(\$6.65)</u>	<u>\$16.21</u>	
TOTAL		\$227.51	\$227.22	\$245.81	
vent					
OPERATING		\$649.41	\$649.41	\$664.33	
CAPITAL		<u>\$10.04</u>	<u>\$8.10</u>	<u>\$49.71</u>	
TOTAL		\$659.45	\$657.51	\$714.04	

Financial Summary

Woodmere Rehab and Health Care Center

	FISCAL PERIOD ENDED				
	<u>10/31/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$8,914,900	\$9,542,103	\$9,754,481	\$8,307,434	\$6,268,965
ASSETS - FIXED AND OTHER	8,653,032	9,312,660	8,720,602	9,082,641	9,378,119
LIABILITIES - CURRENT	5,337,209	7,484,824	7,544,213	7,826,746	9,290,350
LIABILITIES - LONG-TERM	<u>2,432,147</u>	<u>2,736,388</u>	<u>2,957,999</u>	<u>3,019,225</u>	<u>1,040,922</u>
EQUITY	\$9,790,576	\$0,633,551	\$7,972,671	\$0,544,104	\$5,315,812
INCOME	\$32,032,237	\$39,680,997	\$39,506,393	\$33,574,461	\$30,828,189
EXPENSE	<u>30,667,211</u>	<u>38,173,008</u>	<u>36,177,623</u>	<u>32,346,170</u>	<u>31,884,072</u>
NET INCOME	\$1,365,026	\$1,507,989	\$3,328,770	\$1,228,291	(\$1,055,883)
DEPRECIATION	\$466,279	\$466,279	\$466,682	\$520,208	\$577,881
NUMBER OF BEDS	336	336	336	336	336
PERCENT OF OCCUPANCY (DAYS)	95.5%	95.5%	91.7%	90.1%	85.2%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	72.9%	72.9%	69.5%	69.7%	69.9%
MEDICARE	21.5%	21.5%	22.9%	21.7%	21.3%
PRIVATE/OTHER	5.6%	5.6%	7.6%	8.6%	8.8%

MEDICAID RATE BREAKDOWN:

	2010	2009	2008
OPERATING	\$255.42	\$255.42	\$221.59
CAPITAL	<u>\$4.58</u>	<u>-\$9.10</u>	<u>\$22.49</u>
TOTAL	\$260.00	\$246.32	\$244.08
Vent			
OPERATING	2010	2009	2008
OPERATING	\$610.85	\$610.85	\$623.00
CAPITAL	<u>\$94.37</u>	<u>\$53.32</u>	<u>\$61.41</u>
TOTAL	\$705.22	\$664.17	\$684.41

* 2009 patient day information used

Financial Summary

Golden Gate Rehabilitation and Health Care Center, LLC

	FISCAL PERIOD ENDED				
	<u>10/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$5,768,045	\$4,798,953	\$3,752,124	\$3,703,341	\$3,251,314
ASSETS - FIXED AND OTHER	12,777,558	12,986,641	12,817,685	13,004,277	13,227,598
LIABILITIES - CURRENT	6,188,669	5,639,849	5,089,732	5,647,393	5,257,810
LIABILITIES - LONG-TERM	<u>800,441</u>	<u>1,512,516</u>	<u>1,233,809</u>	<u>1,813,097</u>	<u>2,502,327</u>
EQUITY	\$11,556,493	\$10,633,229	\$10,246,268	\$9,247,128	\$8,718,775
INCOME	\$20,105,209	\$23,404,069	\$23,925,968	\$21,528,660	\$21,520,505
EXPENSE	<u>19,175,667</u>	<u>23,017,108</u>	<u>22,926,829</u>	<u>21,331,425</u>	<u>21,578,130</u>
NET INCOME	\$929,542	\$386,961	\$999,139	\$197,235	(\$57,625)
DEPRECIATION	\$420,399	\$420,399	\$375,183	\$367,092	\$358,389
NUMBER OF BEDS	238	238	238	238	238
PERCENT OF OCCUPANCY (DAYS)	92.97%	92.97%	94.01%	95.2%	92.9%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	82.06%	82.06%	81.22%	78.6%	79.6%
MEDICARE	13.27%	13.27%	10.51%	14.4%	14.9%
PRIVATE/OTHER	4.67%	4.67%	8.27%	7.0%	5.5%
MEDICAID RATE BREAKDOWN:					
OPERATING		<u>2010</u>	<u>2009</u>	<u>2008</u>	
CAPITAL		\$267.25	\$267.25	\$226.55	
Total		<u>\$5.19</u>	<u>\$10.93</u>	<u>\$31.36</u>	
		\$272.44	\$278.18	\$257.91	

*2009 patient days used

Financial Summary-Garden Care Center

	FISCAL PERIOD ENDED				
	<u>12/31/2010</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$3,877,869	\$3,787,552	\$3,553,978	\$3,213,503	\$2,863,088
ASSETS - FIXED AND OTHER	1,527,297	1,510,741	1,533,775	1,584,683	1,664,382
LIABILITIES - CURRENT	2,281,465	1,315,774	1,541,118	1,586,092	2,217,717
LIABILITIES - LONG-TERM	<u>235,888</u>	<u>631,987</u>	<u>758,012</u>	<u>753,492</u>	<u>402,451</u>
EQUITY	\$2,887,813	\$3,350,532	\$2,788,623	\$2,458,602	\$1,907,302
<hr/>					
INCOME	\$16,980,503	\$17,118,846	\$16,803,777	\$16,206,643	\$15,768,353
EXPENSE	<u>16,743,228</u>	<u>16,456,939</u>	<u>15,973,753</u>	<u>15,511,042</u>	<u>14,225,332</u>
NET INCOME	\$237,275	\$661,907	\$830,024	\$695,601	\$1,543,021
<hr/>					
DEPRECIATION	\$166,458	\$166,458	\$191,035	\$200,943	\$189,587
<hr/>					
NUMBER OF BEDS	150	150	150	150	150
PERCENT OF OCCUPANCY (DAYS)	92.05%	92.05%	93.50%	92.40%	92.90%
<hr/>					
<u>PERCENT OCCUPANCY (DAYS):</u>					
MEDICAID	63.15%	63.15%	63.57%	62.00%	60.70%
MEDICARE	23.64%	23.64%	18.88%	20.80%	25.40%
PRIVATE/OTHER	13.21%	13.21%	17.55%	17.20%	13.90%

MEDICAID RATE BREAKDOWN:

	2010	2009
OPERATING	\$234.93	\$234.93
CAPITAL	(\$21.54)	(\$11.05)
TOTAL	\$213.39	\$223.88

* 2009 patient days used

Financial Summary-The Hamptons Center for Rehab and Nursing

	<u>FISCAL PERIOD ENDED</u>		
	<u>11/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>
ASSETS - CURRENT	\$9,304,787	\$9,878,779	\$12,067,655
ASSETS - FIXED AND OTHER	4,152,345	3,727,361	5,775,926
LIABILITIES - CURRENT	27,014,145	15,251,482	12,489,009
LIABILITIES - LONG-TERM	6,136,404	16,218,596	15,970,883
EQUITY	(\$19,693,417)	(\$17,863,938)	(\$10,616,311)
<hr/>			
INCOME	\$28,233,615	\$33,115,928	\$29,638,350
EXPENSE	30,280,594	36,910,555	36,320,776
NET INCOME	(\$2,046,979)	(\$3,794,627)	(\$6,682,426)
<hr/>			
DEPRECIATION	\$34,429	\$34,429	\$19,548
<hr/>			
NUMBER OF BEDS	280	280	280
PERCENT OF OCCUPANCY (DAYS)	94.63%	96.42%	91.55%
<hr/>			
<u>PERCENT OCCUPANCY (DAYS):</u>			
MEDICAID	73.26%	79.60%	74.68%
MEDICARE	14.71%	13.28%	15.92%
PRIVATE/OTHER	12.03%	7.12%	9.40%
<hr/>			
MEDICAID RATE BREAKDOWN:			
		2010	2009
OPERATING		\$243.22	243.22
CAPITAL		(\$8.02)	\$28.45
Total		\$235.20	\$271.67

Financial Summary
Meadow Park Rehabilitation and Health Care Center

	<u>FISCAL PERIOD ENDED</u>				
	<u>12/31/10</u>	<u>12/31/09</u>	<u>12/31/08</u>	<u>12/31/07</u>	<u>12/31/06</u>
ASSETS - CURRENT	\$5,555,599	\$4,435,406	\$3,635,885	\$4,035,839	\$2,834,149
ASSETS - FIXED AND OTHER	6,602,579	6,694,367	6,922,439	7,153,785	7,116,569
LIABILITIES - CURRENT	7,946,692	8,561,741	6,002,050	5,846,112	4,199,917
LIABILITIES - LONG-TERM	<u>5,675,058</u>	<u>5,192,257</u>	<u>5,402,198</u>	<u>5,560,127</u>	<u>5,677,112</u>
EQUITY	(\$1,463,572)	(\$2,624,225)	(\$845,924)	(\$216,615)	\$73,689
<hr/>					
INCOME	\$15,028,501	\$15,221,672	\$14,771,409	\$12,960,016	\$13,084,970
EXPENSE	<u>13,667,847</u>	<u>13,932,389</u>	<u>14,418,520</u>	<u>13,208,208</u>	<u>12,451,968</u>
NET INCOME	\$1,360,654	\$1,289,283	\$352,889	(\$248,192)	\$633,002
<hr/>					
DEPRECIATION	\$347,136	\$347,136	\$343,519	\$328,644	\$309,448
<hr/>					
NUMBER OF BEDS	143	143	143	143	143
PERCENT OF OCCUPANCY (DAYS)	95.63%	95.63%	96.28%	96.06%	94.49%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	76.58%	76.58%	77.37%	76.90%	74.58%
MEDICARE	17.11%	17.11%	16.53%	16.98%	19.45%
PRIVATE/OTHER	6.31%	6.31%	6.10%	6.12%	5.97%
<hr/>					
MEDICAID RATE BREAKDOWN:					
		2010	2009	2008	
OPERATING		\$216.09	\$216.09	\$183.00	
CAPITAL		(\$9.32)	-\$10.78	\$16.89	
TOTAL		\$206.77	\$205.31	\$199.89	

* 2009 patient days used

Financial Summary

White Plains Center for Nursing

	FISCAL PERIOD ENDED				
	<u>10/31/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$1,402,208	\$1,238,212	\$1,449,063	\$1,490,267	\$1,243,042
ASSETS - FIXED AND OTHER	5,213,473	5,032,462	4,975,693	4,863,132	4,328,703
LIABILITIES - CURRENT	7,707,329	4,016,147	7,475,442	7,416,380	2,117,576
LIABILITIES - LONG-TERM	<u>1,128,888</u>	<u>4,110,337</u>	<u>1,594,979</u>	<u>1,340,059</u>	<u>4,729,432</u>
EQUITY	(\$2,220,536)	(\$1,855,810)	(\$2,645,665)	(\$2,403,040)	(\$1,275,263)
INCOME	\$7,795,378	\$10,852,833	\$8,797,253	\$7,491,153	\$7,034,832
EXPENSE	<u>8,160,099</u>	<u>10,062,981</u>	<u>9,045,876</u>	<u>8,612,929</u>	<u>8,270,446</u>
NET INCOME	(\$364,721)	\$789,852	(\$248,623)	(\$1,121,776)	(\$1,235,614)
DEPRECIATION	\$79,386	\$79,386	\$61,815	\$44,991	\$43,267
NUMBER OF BEDS	88	88	88	88	88
PERCENT OF OCCUPANCY (DAYS)	95.82%	95.82%	96.88%	93.70%	93.62%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	74.84%	74.84%	75.46%	82.22%	76.57%
MEDICARE	17.22%	17.22%	17.80%	14.81%	18.70%
PRIVATE/OTHER	7.94%	7.94%	6.75%	2.97%	4.73%
MEDICAID RATE BREAKDOWN:		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		\$266.15	\$266.15	\$217.04	
CAPITAL		<u>\$0.50</u>	<u>\$0.69</u>	<u>\$27.10</u>	
TOTAL		\$266.65	\$266.84	\$244.14	

* 2009 patient day information used

Financial Summary

Fort Tryon Center for Rehabilitation and Nursing

	<u>FISCAL PERIOD ENDED</u>		
	<u>12/31/08</u>	<u>12/31/07</u>	<u>12/31/06</u>
ASSETS - CURRENT	\$3,634,119	\$4,612,436	\$4,302,838
ASSETS - FIXED AND OTHER	14,453,536	14,887,768	15,116,114
LIABILITIES - CURRENT	7,124,420	8,519,893	6,965,054
LIABILITIES - LONG-TERM	<u>6,178,700</u>	<u>7,221,680</u>	<u>9,413,614</u>
EQUITY	\$4,784,535	\$3,758,631	\$3,040,284
<hr/>			
INCOME	\$22,409,448	\$21,774,971	\$21,958,534
EXPENSE	<u>21,312,876</u>	<u>21,056,624</u>	<u>20,571,743</u>
NET INCOME	\$1,096,572	\$718,347	\$1,386,791
<hr/>			
DEPRECIATION	\$137,232	\$156,359	\$191,464
<hr/>			
NUMBER OF BEDS	205	205	205
PERCENT OF OCCUPANCY (DAYS)	94.9%	95.4%	94.0%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	74.2%	74.1%	68.8%
MEDICARE	17.1%	19.9%	21.5%
PRIVATE/OTHER	8.6%	6.0%	9.8%
<hr/>			
MEDICAID RATE BREAKDOWN:	2010	<u>2009</u>	<u>2008</u>
OPERATING	\$263.12	\$263.12	\$251.39
CAPITAL	<u>(5.05)</u>	<u>0.24</u>	<u>20.74</u>
TOTAL	\$258.07	\$263.36	\$272.13

None of the applicants had ownership interest in the facility after 2008

Financial Summary

Franklin Center For Rehabilitation and Nursing

FISCAL PERIOD ENDED

	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$0,984,380	\$7,813,762	\$7,820,646
ASSETS - FIXED AND OTHER	22,430,066	22,562,470	22,235,193
LIABILITIES - CURRENT	9,552,399	11,737,365	10,055,224
LIABILITIES - LONG-TERM	<u>10,515,208</u>	<u>11,338,800</u>	<u>12,255,806</u>
EQUITY	\$9,346,839	\$7,300,067	\$7,744,809
<hr/>			
INCOME	\$39,078,819	\$37,574,394	\$38,375,035
EXPENSE	<u>\$36,714,464</u>	<u>\$35,555,700</u>	<u>\$35,857,093</u>
NET INCOME	\$2,364,355	\$2,018,694	\$2,517,942
<hr/>			
DEPRECIATION	\$336,622	\$353,287	\$318,926
<hr/>			
NUMBER OF BEDS	320	320	320
PERCENT OF OCCUPANCY (DAYS)	97.89%	98.57%	95.96%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	76.14%	76.00%	73.40%
MEDICARE	10.76%	11.50%	21.80%
PRIVATE/OTHER	13.11%	12.50%	4.70%
<hr/>			
MEDICAID RATE BREAKDOWN:	<u>2010</u>	<u>2009</u>	<u>2008</u>
OPERATING	\$255.24	\$255.24	\$254.52
CAPITAL	<u>(2.13)</u>	<u>(0.37)</u>	<u>21.07</u>
TOTAL	\$253.11	\$254.87	\$275.59

None of the applicants had ownership interest in the facility after 2008

BFA Attachment N

Park Avenue Operating Co. LLC d/b/a Park Avenue Extended Care Facility

Financial Summary

Park Avenue Extended Care Facility

FISCAL PERIOD ENDED	<u>8/31/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$11,334,603	\$7,407,046	\$7,198,373	\$9,169,593	\$7,354,291
ASSETS - FIXED AND OTHER	11,364,930	14,083,106	14,418,390	10,692,680	10,528,183
LIABILITIES - CURRENT	4,523,297	3,986,804	4,430,048	4,416,698	5,637,753
LIABILITIES - LONG-TERM	<u>7,072,858</u>	<u>7,345,091</u>	<u>7,771,859</u>	<u>8,716,500</u>	<u>7,669,256</u>
EQUITY	\$11,103,378	\$10,158,257	\$9,414,856	\$6,729,075	\$4,575,465
<hr/>					
INCOME	\$17,967,343	\$27,963,018	\$29,248,621	\$26,122,503	\$23,042,912
EXPENSE	<u>17,022,222</u>	<u>27,219,017</u>	<u>20,475,340</u>	<u>24,300,390</u>	<u>22,925,179</u>
NET INCOME	\$945,121	\$743,401	\$2,773,281	\$1,816,113	\$117,733
<hr/>					
DEPRECIATION	\$127,962	\$127,962	\$71,834	\$40,803	\$18,408
<hr/>					
NUMBER OF BEDS	240	240	240	240	240
PERCENT OF OCCUPANCY (DAYS)	97.12%	97.12%	98.30%	97.92%	95.26%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	74.52%	74.52%	77.50%	77.25%	77.30%
MEDICARE	14.48%	14.48%	13.62%	12.43%	16.03%
PRIVATE/OTHER	11.00%	11.00%	8.88%	10.32%	6.68%
<hr/>					
MEDICAID RATE BREAKDOWN:			2010	2009	2008
OPERATING			\$248.77	\$248.77	\$223.24
CAPITAL			<u>\$3.64</u>	<u>\$5.34</u>	<u>\$37.45</u>
TOTAL			\$252.41	\$254.11	\$260.69

*2009 patient days used

Financial Summary
Nassau Extended Care Facility

	FISCAL PERIOD ENDED				
	<u>8/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$9,470,688	\$8,872,863	\$9,956,878	\$7,438,626	\$7,945,673
ASSETS - FIXED AND OTHER	17,854,488	16,027,120	14,497,907	14,904,709	12,370,406
LIABILITIES - CURRENT	5,766,513	4,726,367	5,426,403	5,070,401	4,286,499
LIABILITIES - LONG-TERM	<u>7,150,481</u>	<u>7,387,690</u>	<u>7,788,087</u>	<u>8,162,120</u>	<u>8,496,099</u>
EQUITY	\$14,408,182	\$12,786,926	\$11,240,205	9,101,814	7,533,481
<hr/>					
INCOME	\$21,970,244	\$33,906,046	\$33,159,574	\$29,362,607	\$28,610,268
EXPENSE	<u>20,348,988</u>	<u>32,359,325</u>	<u>30,933,683</u>	<u>27,881,774</u>	<u>27,258,857</u>
NET INCOME	\$1,621,256	\$1,546,721	\$2,225,891	\$1,480,833	\$1,351,411
<hr/>					
DEPRECIATION	\$71,312	\$71,312	\$71,312	\$48,354	\$26,577
<hr/>					
NUMBER OF BEDS	280	280	280	280	280
PERCENT OF OCCUPANCY (DAYS)	94.96%	94.96%	96.23%	95.52%	94.87%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	74.50%	74.50%	76.83%	80.41%	82.66%
MEDICARE	15.66%	15.66%	14.89%	14.85%	13.66%
PRIVATE/OTHER	9.84%	9.84%	8.27%	4.74%	3.68%

MEDICAID RATE BREAKDOWN:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
OPERATING	239.34	221.59	216.81
CAPITAL	<u>9.90</u>	<u>46.34</u>	<u>55.25</u>
TOTAL	249.24	267.93	272.06

* 2009 patient days used

Financial Summary

Nathan Miller Extended Care Center

FISCAL PERIOD ENDED

	<u>8/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$1,204,237	\$739,447	\$1,571,593	\$1,270,727	\$975,533
ASSETS - FIXED AND OTHER	1,079,253	947,077	884,873	748,215	737,650
LIABILITIES - CURRENT	2,922,678	1,934,814	3,384,684	3,270,045	2,072,760
LIABILITIES - LONG-TERM	<u>737,572</u>	<u>1,000,794</u>	<u>233,346</u>	<u>140,436</u>	<u>319,652</u>
EQUITY	(\$1,376,760)	(\$1,249,084)	(\$1,161,564)	(\$1,391,539)	(\$679,229)
INCOME	\$3,802,646	\$7,081,174	\$6,510,244	\$4,767,374	\$4,838,398
EXPENSE	<u>3,930,320</u>	<u>7,168,695</u>	<u>6,280,270</u>	<u>5,479,684</u>	<u>5,160,878</u>
NET INCOME	(\$127,674)	(\$87,521)	\$229,974	(\$712,310)	(\$322,480)
DEPRECIATION	\$61,992	\$61,992	\$55,033	\$43,988	\$27,285
NUMBER OF BEDS	65	65	65	65	65
PERCENT OF OCCUPANCY (DAYS)	96.15%	96.15%	95.31%	91.71%	92.43%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	86.27%	86.27%	82.89%	86.04%	82.39%
MEDICARE	8.58%	8.58%	11.48%	9.05%	11.19%
PRIVATE/OTHER	5.15%	5.15%	5.64%	4.91%	6.42%
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$232.83	\$232.83	\$209.62	
CAPITAL		<u>\$9.13</u>	<u>\$7.88</u>	<u>\$27.14</u>	
TOTAL		\$241.96	\$240.71	\$236.76	

* 2009 patient days used

Financial Summary
Throgs Neck Extended Care

	FISCAL PERIOD ENDED				
	<u>9/30/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$3,160,388	\$3,236,664	\$4,440,269	\$3,631,502	\$4,413,396
ASSETS - FIXED AND OTHER	11,387,528	11,091,066	9,507,689	10,527,114	10,211,093
LIABILITIES - CURRENT	4,710,291	4,416,366	4,494,319	4,858,779	5,166,835
LIABILITIES - LONG-TERM	<u>5,593,233</u>	<u>5,960,472</u>	<u>6,049,131</u>	<u>6,346,947</u>	<u>6,455,890</u>
EQUITY	\$4,244,392	\$3,950,892	\$3,404,508	\$2,952,890	\$3,001,764
<hr/>					
INCOME	\$16,687,251	\$22,843,164	\$22,903,974	\$21,061,647	\$20,269,530
EXPENSE	<u>16,393,752</u>	<u>22,296,778</u>	<u>22,394,853</u>	<u>19,973,021</u>	<u>19,970,042</u>
NET INCOME	\$293,499	\$546,386	\$509,121	\$1,088,626	\$299,488
<hr/>					
DEPRECIATION	\$99,248	\$99,248	\$85,896	\$73,809	\$55,032
<hr/>					
NUMBER OF BEDS	205	205	205	205	205
PERCENT OF OCCUPANCY (DAYS)	96.81%	96.81%	98.43%	94.38%	94.95%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	74.10%	74.10%	74.94%	72.69%	75.25%
MEDICARE	13.85%	13.85%	16.85%	18.73%	13.90%
PRIVATE/OTHER	12.05%	12.05%	8.21%	8.58%	10.84%
<hr/>					
MEDICAID RATE BREAKDOWN:					
		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		\$247.40	\$247.40	\$236.12	
CAPITAL		<u>\$7.17</u>	<u>\$8.55</u>	<u>\$38.99</u>	
TOTAL		\$254.57	\$255.95	\$275.11	

* 2009 patient days used

Financial Summary
Townhouse Extended Care Facility

	FISCAL PERIOD ENDED				
	<u>9/30/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$8,744,812	\$7,614,750	\$5,133,913	\$6,394,845	\$5,318,827
ASSETS - FIXED AND OTHER	12,766,675	12,525,853	14,913,771	12,185,437	12,081,712
LIABILITIES - CURRENT	10,844,217	5,426,254	9,808,721	7,210,777	7,794,202
LIABILITIES - LONG-TERM	<u>5,571,398</u>	<u>10,694,448</u>	<u>6,906,527</u>	<u>7,529,739</u>	<u>6,845,281</u>
EQUITY	\$5,095,872	\$4,019,901	\$3,332,436	\$3,839,766	\$2,761,056
<hr/>					
INCOME	\$25,130,279	\$34,045,641	\$32,925,683	\$32,365,444	\$30,388,158
EXPENSE	<u>24,054,312</u>	<u>33,358,176</u>	<u>33,345,513</u>	<u>31,374,234</u>	<u>30,009,673</u>
NET INCOME	\$1,075,967	\$687,465	(\$419,830)	\$991,210	\$378,485
<hr/>					
DEPRECIATION	\$130,063	\$130,063	\$86,527	\$55,975	\$37,264
<hr/>					
NUMBER OF BEDS	280	280	280	280	280
PERCENT OF OCCUPANCY (DAYS)	95.10%	95.16%	96.49%	96.53%	95.27%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	68.91%	68.91%	71.93%	73.70%	74.29%
MEDICARE	15.39%	15.39%	12.32%	13.75%	16.65%
PRIVATE/OTHER	15.70%	15.70%	15.75%	12.56%	9.06%
<hr/>					
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$254.31	\$254.31	\$222.68	
CAPITAL		<u>\$17.49</u>	<u>\$15.71</u>	<u>\$50.66</u>	
TOTAL		\$271.80	\$270.02	\$273.34	
<hr/>					
Vent		2010	2009	2008	
OPERATING		\$554.26	\$554.26	\$539.85	
CAPITAL		<u>\$22.26</u>	<u>\$20.89</u>	<u>\$40.95</u>	
TOTAL		\$576.52	\$575.15	\$580.80	

* 2009 patient days used

Financial Summary
West Lawrence Care Center, LLC

FISCAL PERIOD ENDED

	<u>9/30/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$2,730,336	\$2,876,188	\$2,387,571	\$3,664,454	\$2,763,036
ASSETS - FIXED AND OTHER	3,878,262	4,061,144	4,067,307	4,104,304	3,314,001
LIABILITIES - CURRENT	3,131,613	2,868,406	2,067,536	3,636,297	3,562,595
LIABILITIES - LONG-TERM	<u>551,449</u>	<u>1,016,813</u>	<u>1,175,187</u>	<u>1,644,836</u>	<u>1,153,888</u>
EQUITY	\$2,922,506	\$3,052,113	\$2,312,155	\$2,487,625	\$1,360,554
INCOME	\$15,313,750	\$21,680,156	\$20,706,727	\$20,171,414	\$20,832,445
EXPENSE	<u>14,548,462</u>	<u>19,290,498</u>	<u>18,996,187</u>	<u>18,194,225</u>	<u>18,121,974</u>
NET INCOME	\$765,288	\$2,389,958	\$1,800,540	\$1,977,189	\$2,710,471
DEPRECIATION	\$212,031	\$212,031	\$214,621	\$162,850	\$114,807
NUMBER OF BEDS	215	215	215	215	215
PERCENT OF OCCUPANCY (DAYS)	98.67%	98.67%	98.51%	97.91%	96.75%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	91.51%	91.51%	86.98%	86.35%	86.19%
MEDICARE	7.96%	7.96%	9.31%	10.44%	11.63%
PRIVATE/OTHER	0.54%	0.54%	3.71%	3.21%	2.18%
MEDICAID RATE BREAKDOWN:		2010	2009	<u>2008</u>	
OPERATING		\$220.41	\$220.41	\$225.48	
CAPITAL		6.24	\$6.80	\$15.40	
TOTAL		\$226.65	\$227.21	\$240.88	

* 2009 patient days used

Financial Summary

Split Rock Rehabilitation and Health Care Center, LLC

	<u>FISCAL PERIOD ENDED</u>		
	<u>12/31/2008</u>	<u>12/31/07</u>	<u>12/31/06</u>
ASSETS - CURRENT	\$5,884,811	\$7,247,324	\$7,010,442
ASSETS - FIXED AND OTHER	14,551,722	14,680,691	14,818,865
LIABILITIES - CURRENT	9,641,441	11,214,161	13,754,519
LIABILITIES - LONG-TERM	<u>7,043,424</u>	<u>8,668,964</u>	<u>5,793,453</u>
EQUITY	\$3,751,668	\$2,044,890	\$2,281,335
<hr/>			
INCOME	\$27,679,201	\$25,993,270	\$25,757,420
EXPENSE	<u>25,972,423</u>	<u>26,231,420</u>	<u>26,654,935</u>
NET INCOME	\$1,706,778	(\$238,150)	(\$897,515)
<hr/>			
DEPRECIATION	\$181,426	\$220,507	\$210,077
<hr/>			
NUMBER OF BEDS	240	240	240
PERCENT OF OCCUPANCY (DAYS)	95.31%	95.3%	90.9%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	90.16%	90.0%	87.6%
MEDICARE	5.05%	6.2%	10.4%
PRIVATE/OTHER	4.79%	2.9%	2.0%
<hr/>			
MEDICAID RATE BREAKDOWN:			
	2010	<u>2009</u>	<u>2008</u>
OPERATING	\$248.77	\$248.77	230.4
CAPITAL	<u>5.37</u>	<u>7.09</u>	<u>16.42</u>
TOTAL	\$254.14	\$255.86	\$246.82

None of the applicants had ownership interest in the facility after 2008

As shown on BFA Attachment A, Bayview Nursing and Rehabilitation Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$710,335 during the period 2006 through 10/31/2010.

As shown on BFA Attachment B, Avalon Gardens Rehabilitation Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,292,069 during the period 2006 through 11/31/2010. In 2006, the facility generated a net loss of \$1,293,889. This was due to the level of resident acuity. Many of the residents had multiple wounds upon intake, which raised the cost of caring for these residents. In order to adjust or address the losses, the facility had to reduce costs. They implemented a cost reduction program and new residents exhibiting issues such as multiple wounds, were addressed at intake, therefore the new residents were of a lower acuity and they had a lower level of expense for their care.

As shown on BFA Attachment C, Susquehanna had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,043,538 during the period 2006 through 06/30/2010.

As shown on BFA Attachment D, Brookhaven Rehab and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,918,314 during the period 2006 through 10/31/2010.

As shown on BFA Attachment E, Eastchester Rehab and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$950,734 during the period 2006 through 9/30/2010.

As shown on BFA Attachment F, Woodmere Rehab and Health Care Center had an average positive working capital position and net asset positions, and generated an average net income of \$1,274,839 during the period 2006 through 10/31/2010. The 2006 loss of \$1,055,883 was caused by the facility paying a management fee to the partners of \$1,225,000; prior to the payment, the facility had a net income of \$169,117. This was a one-time occurrence.

As shown on BFA Attachment G, Golden Gate Rehab and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$491,050 during the period 2006 through 10/31/2010. The 2006 loss of \$57,625 is due to the payment of Administrative Consultant fees paid to the operators, which were

treated as expenses. Without the payment, the facility would have had a positive net income. This was a one-time occurrence.

As shown on BFA Attachment H, Garden Care Center had an average positive working capital and net asset positions, and generated an average net income of \$793,566 during the period 2006 through 2010.

As shown on BFA Attachment I, The Hamptons Center for Rehab and Nursing had average negative working capital and net asset positions, and generated an average net loss of \$4,174,677 during the period 2008 through 2010. The loss was caused by the facility just opening in July 2006, and being under the initial budget based rate. Currently, their occupancy rate is 96.42%, up 5% from 2008. In 2009, the facility was able to reduce their losses by almost three million dollars from 2008. This was accomplished through a reduction in costs and a favorable working capital loan refinancing, as well as the facility receiving a rebased rate based on the 2008 cost report submission. Also, the facility reduced expenses by using more staff and reducing the use of outside agencies. By doing this, the operation expects to become profitable within the next 3 to 5 years; this can be seen with the continued reduction in losses for 2010 of over 1.5 million for 2009. During the first few years that the facility was in operation, the losses were covered by a credit line from the bank and from member's funds, which were more than sufficient to cover historical and projected losses.

As shown on BFA Attachment J, Meadow Park had average negative working capital and net asset positions, and generated an average net income of \$677,527 during the period 2006 through 2010. The 2007 loss was caused by a retroactive rate reduction for the May 2000 – May 2002 period based on a PRI audit of the facility's neurobiological program (NBP). Without this adjustment, the facility would have reported a positive net income in 2007. In order to prevent this adjustment from happening in the future, the facility, in 2005, eliminated NBP and replaced them with higher PRI patients, thus improving the facility's financial condition.

As shown on BFA Attachment K, White Plains had average negative working capital and net asset positions, and generated an average net loss of \$436,176 during the period 2006 through 10/31/2010. The loss was caused by the facility not receiving their rebased rates for several years after the change in ownership took place in October 2004. The facility started receiving the rebased rate in 2008, significantly reducing the net loss, but they are still waiting for a positive PRI adjustment in order to be operating profitably. In 2009, the facility finally received a positive PRI and as of May 2009, the facility started profitable operations, which can be seen on the financial summary, which shows a net income of \$789,852.

As shown on BFA Attachment L, Fort Tryon Center for Rehabilitation and Nursing had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,067,237 during the period 2006 through 2008. As of 8/1/08, none of the owners or proposed owners of Bayview had ownership interest in the facility.

As shown on BFA Attachment M, New Franklin Center for Rehabilitation and Nursing had an average negative working capital position and an average positive net asset position, and generated an average net income of \$2,300,330 during the period 2006 through 2008. As of 7/23/2008, none of the owners or proposed owners of Bayview had ownership interest in the facility.

As shown on BFA Attachment N, Park Avenue Extended Care Facility had an average positive working capital and an average positive net asset position, and generated an average net income of \$1,279,130 during the period 2006 through 8/31/2010.

As shown on BFA Attachment O, Nassau Extended Care Facility had average positive working capital and net asset positions, and generated an average net income of \$1,645,222 during the period 2006 through 8/31/2010.

As shown on BFA Attachment P, Nathan Miller had average negative working capital and net asset positions, and generated an average net loss of \$204,002 during the period 2006 through 8/31/2010. The loss was caused by the facility not receiving their rebased rates for several years after the change in ownership took place in October 2004. The facility started receiving the rebased rate in 2008, and in 2008 showed a positive net income due to them receiving all of the rebased rates and relevant adjustments in 2008. In 2009, the facility again had a negative net income. In 2009, the facility again had a loss. The operator indicates that the loss is due to the facility being too small to achieve a breakeven or profit. The facility had a plan to build, and add more beds in order to become financially feasible, but this expansion was stopped by a community effort. The operator has decided to sell the facility and it will be converted into an assisted living program (ALP). The closure plan calls for a February 2011 closing date.

As shown on BFA Attachment Q, Throgs Neck Extended Care Facility had an average negative working capital position and an average positive net asset position, and generated an average net income of \$547,424 during the period 2006 through 9/30/2010.

As shown on BFA Attachment R, Townhouse Extended Care Facility had an average negative working capital position and an average positive net asset

position, and generated an average net income of 542,659 during the period 2006 through 9/30/2010. The 2008 loss was caused by a prior period liability being accrued in 2008; the accrual was for \$1,054,509 for a Medicaid overpayment. This is a one time occurrence and without the accrual, the facility would have had positive income for the year.

As shown on BFA Attachment S, West Lawrence Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,928,689 during the period 2006 through 9/30/2010.

As shown on BFA Attachment T, Split Rock Rehabilitation and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$190,371 during the period 2006 through 2008. The losses in 2006 and 2007 were caused by issues with resident acuity; many of the residents had multiple wounds upon intake, which raised the cost of caring for these residents. The facility has implemented a cost reduction program in which new residents who are exhibiting issues such as multiple wounds, are now addressed at intake, which allows for lower acuity admission, thus reducing the level of expense for their care. As of 7/30/2008, none of the owners or proposed owners of Bayview had ownership interest in the facility.

ESTABLISHMENT CHECKLIST FOR NURSING HOMES

APPLICATION: 092037 Nassau Extended Care Contor

NATURE OF PROPOSAL: Transfer 35.75% of the ownership interest

EFFECT ON OPERATIONAL OWNERSHIP: proposed assignees Sandra Busell (.5%), Alan Chopp (1%), Edward Farbenblum (3%), Abraham Fishoff (1%), Benjamin Fishoff (5%), Donald Fishoff (1%), Norman Gold (1%), Jeffrey Goldstein (.5%), Anne Gottlieb (2.5%), Meryl Gross (1%), Francine Joseph (1%), Tibor Levovich (1%), Ieresa Pocchia (.5%), Theodore Pollack (1%), Mayer Rispler (2%), Berish Rubinstein (1%), Ronald Stern (2%), Jennifer Strauss (.5%), Martha Sweet (1%), Naomi Tessler (2%), Cynthia Treff (1%), Regina Weinstock (1%), Rhea Gutman (1%), Esther Farkovits (2.25%), Alexander Hoffman (1%) and Elisa Taub (1%)

EFFECT ON REAL ESTATE OWNERSHIP: N/A

FIXED ASSET PURCHASE PRICE: N/A

FIXED ASSET MEDICAID VALUE: N/A

CAPITAL REIMBURSEMENT: N/A

Capitalized Lease
Historic Cost Method
Shortfall; Average Annual Amount
\$

BUSINESS PURCHASE PRICE: \$2,368,438 (\$66,250 per percent)

BFA PACKET A

Presented in BFA Packet A are the Net worth statements, financial summaries and explanations to the financial summaries for the facilities and related companies associated with projects 092035, 092037, 092038, 092041 and 092077. Net worth 1 is associated with projects 092035, 092037, 092038 and 092041. Net worth 2 is associated with project 092077. The financial summaries related to these projects are as follows:

- BFA Attachment A: Bayview Nursing and Rehabilitation Center
- BFA Attachment B: Avalon Gardens Rehab and Health Care Center
- BFA Attachment C: Susquehanna Nursing and Rehab
- BFA Attachment D: Brookhaven Rehab and Health Care Center
- BFA Attachment E: Eastchester Rehab and Health Care
- BFA Attachment F: Woodmere Rehab and Health Care Center
- BFA Attachment G: Golden Gate Rehab and Health Care Center
- BFA Attachment H: Garden Care Center
- BFA Attachment I: The Hamptons Center for Rehab and Nursing
- BFA Attachment J: Meadow Park Care Center
- BFA Attachment K: White Plains Center for Nursing
- BFA Attachment L: Fort Tryon Center for Rehabilitation and Nursing
- BFA Attachment M: New Franklin Center for Rehabilitation and Nursing
- BFA Attachment N: Park Avenue Extended Care Center
- BFA Attachment O: Nassau Extended Care Center
- BFA Attachment P: Nathan Miller Center for Nursing
- BFA Attachment Q: Throgs Neck Extended Care Center
- BFA Attachment R: Townhouse Extended Care Center
- BFA Attachment S: West Lawrence Care Center
- BFA Attachment T: Split Rock Rehabilitation and Health Care Center

*Note not all of these facilities relate to all of the projects.

- Projects 092035, 092037, 092038 and 092041 include A,B,C,D,E,F,G,H,I,J,K and P
- Project 092035 also includes N
- Project 092037 also includes O,
- Project 092038 also includes R
- Project 092041 also includes Q.
- Project 092077 includes A,B,C,D,E,F,G,I,K,L,M,N,O,P,Q,R,S and T.

Financial Summary

Bayview Nursing and Rehabilitation Center, LLC

	FISCAL PERIOD ENDED				
	<u>10/31/10 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$4,020,886	\$3,849,524	\$3,740,009	\$4,271,325	\$3,582,473
ASSETS - FIXED AND OTHER	6,371,106	6,481,206	6,564,414	6,733,653	6,951,801
LIABILITIES - CURRENT	4,289,795	4,214,338	4,050,953	4,545,704	3,543,473
LIABILITIES - LONG-TERM	<u>3,067,811</u>	<u>3,504,380</u>	<u>4,097,566</u>	<u>4,379,519</u>	<u>4,690,346</u>
EQUITY	\$3,034,386	\$2,612,012	\$2,155,904	\$2,079,755	\$2,300,455
INCOME	\$15,050,204	\$18,186,850	\$17,839,331	\$16,873,402	\$16,839,993
EXPENSE	<u>13,827,826</u>	<u>17,080,742</u>	<u>17,269,182</u>	<u>16,838,107</u>	<u>16,222,246</u>
NET INCOME	\$1,222,378	\$1,106,108	\$570,149	\$35,295	\$617,747
DEPRECIATION	\$252,076	\$252,076	\$250,308	\$246,282	\$212,599
NUMBER OF BEDS	185	185	185	185	185
PERCENT OF OCCUPANCY (DAYS)	97.17%	97.17%	96.30%	91.4%	95.1%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	88.99%	88.99%	91.11%	86.4%	90.1%
MEDICARE	8.19%	8.19%	7.00%	11.6%	8.5%
PRIVATE/OTHER	2.82%	2.82%	1.89%	2.0%	1.4%
MEDICAID RATE BREAKDOWN:		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		\$249.20	\$249.20	\$231.75	
CAPITAL		\$2.48	\$3.89	\$23.64	
TOTAL		\$251.68	\$253.09	\$255.39	

* 2009 patient days used

Financial Summary

Avalon Gardens

FISCAL PERIOD ENDED

	<u>11/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$15,508,935	\$13,278,739	\$14,258,136	\$15,199,203	\$10,422,843
ASSETS - FIXED AND OTHER	11,148,242	10,733,452	10,817,314	10,990,172	11,267,200
LIABILITIES - CURRENT	18,678,097	18,602,940	21,377,355	23,271,860	18,890,675
LIABILITIES - LONG-TERM	<u>258,939</u>	<u>436,941</u>	<u>635,029</u>	<u>1,218,237</u>	<u>1,540,395</u>
EQUITY	\$7,721,141	\$4,992,340	\$3,063,066	\$1,705,278	\$1,258,979
INCOME	\$38,303,721	\$42,171,474	\$38,338,722	\$36,807,742	\$35,415,854
EXPENSE	<u>35,574,918</u>	<u>40,242,200</u>	<u>\$36,980,934</u>	<u>\$36,361,443</u>	<u>\$36,709,743</u>
NET INCOME	\$2,728,803	\$1,929,274	\$1,357,788	\$446,299	(\$1,293,889)
DEPRECIATION	\$303,329	\$303,329	\$291,734	\$284,473	\$251,043
NUMBER OF BEDS	353	353	353	353	353
PERCENT OF OCCUPANCY (DAYS)	87.65%	97.8%	90.6%	91.1%	90.9%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	88.37%	88.21%	87.28%	86.8%	87.8%
MEDICARE	6.91%	7.50%	7.84%	7.2%	7.9%
PRIVATE/OTHER	4.72%	4.29%	4.88%	6.0%	4.3%

MEDICAID RATE BREAKDOWN:

	2010	2009	2008
OPERATING	\$283.74	\$283.74	\$230.16
CAPITAL	<u>\$6.16</u>	<u>\$2.28</u>	<u>\$23.05</u>
TOTAL	\$289.90	\$286.02	\$253.21
<u>Ped</u>			
OPERATING	\$519.44	\$514.24	
CAPITAL	<u>\$12.45</u>	<u>\$9.28</u>	
TOTAL	\$531.89	\$523.52	

Financial Summary-Susquehanna

FINANCIAL PERIOD ENDED:

	<u>6/30/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$3,101,752	\$2,662,283	\$3,612,699	\$3,562,162	\$2,278,349
ASSETS - FIXED AND OTHER	7,034,440	7,130,657	6,800,494	5,651,714	5,317,977
LIABILITIES - CURRENT	2,649,083	2,564,957	5,656,874	3,422,518	3,334,769
LIABILITIES - LONG-TERM	<u>3,096,271</u>	<u>3,205,864</u>	<u>905,520</u>	<u>2,617,025</u>	<u>3,159,210</u>
EQUITY	\$4,390,838	\$4,022,119	\$3,850,799	\$3,174,333	\$1,102,347
<hr/>					
INCOME	\$6,839,393	\$13,113,122	\$13,710,625	\$12,254,921	\$11,190,007
EXPENSE	<u>6,238,174</u>	<u>12,441,801</u>	<u>11,928,247</u>	<u>10,893,280</u>	<u>10,388,877</u>
NET INCOME	\$601,219	\$671,321	\$1,782,378	\$1,361,641	\$801,130
<hr/>					
DEPRECIATION	\$327,224	\$327,224	\$246,522	\$159,296	\$225,409
<hr/>					
NUMBER OF BEDS	160	160	160	160	160
PERCENT OF OCCUPANCY (DAYS)	89.92%	89.92%	94.58%	94.85%	94.13%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	62.76%	62.76%	63.43%	63.62%	67.0%
MEDICARE	19.51%	19.51%	21.17%	21.86%	20.7%
PRIVATE/OTHER	17.73%	17.73%	15.40%	14.52%	12.3%

MEDICAID RATE BREAKDOWN:

	2010	2009	2008
OPERATING	\$167.76	\$167.76	\$155.10
CAPITAL	<u>(\$5.61)</u>	<u>(\$8.21)</u>	<u>\$16.83</u>
Total	\$162.15	\$159.55	\$171.93

Financial Summary

Brookhaven Rehab and Health Care Center, LLC

FISCAL PERIOD ENDED:

	<u>10/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$6,002,118	\$5,488,360	\$5,718,012	\$7,193,256	\$5,052,362
ASSETS - FIXED AND OTHER	4,995,711	4,926,918	5,028,390	5,501,873	5,438,965
LIABILITIES - CURRENT	4,347,881	4,884,865	6,220,517	7,150,873	7,507,942
LIABILITIES - LONG-TERM	<u>813,623</u>	<u>750,291</u>	<u>801,314</u>	<u>1,230,695</u>	<u>1,539,976</u>
EQUITY	\$5,836,325	\$4,780,122	\$3,724,571	\$4,313,561	\$1,443,409
INCOME	\$24,109,202	\$20,020,901	\$27,739,000	\$28,204,207	\$25,925,301
EXPENSE	<u>21,653,064</u>	<u>25,915,351</u>	<u>26,426,420</u>	<u>24,898,161</u>	<u>25,574,224</u>
NET INCOME	\$2,456,198	\$2,105,550	\$1,312,640	\$3,366,046	\$351,137
DEPRECIATION	\$441,664	\$441,664	\$500,575	\$563,513	\$597,043
NUMBER OF BEDS	298	298	298	298	298
PERCENT OF OCCUPANCY (DAYS)	97.45%	97.45%	98.15%	96.90%	92.90%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	87.76%	87.76%	87.04%	85.37%	86.84%
MEDICARE	1.19%	1.19%	1.97%	10.03%	8.09%
PRIVATE/OTHER	4.45%	4.45%	4.99%	4.60%	5.07%
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$208.27	208.27	207.11	
CAPITAL		<u>\$6.73</u>	<u>11.55</u>	<u>\$27.32</u>	
TOTAL		\$215.00	219.82	234.43	

* 2009 patient days used

Financial Summary-Eastchester Rehab and Health Care Center

	FISCAL PERIOD ENDED				
	<u>9/30/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$4,969,006	\$5,596,567	\$6,548,764	\$8,392,469	\$6,090,720
ASSETS - FIXED AND OTHER	11,383,181	11,480,543	11,387,666	11,477,587	11,090,654
LIABILITIES - CURRENT	8,131,057	5,079,528	10,675,593	7,887,509	10,972,881
LIABILITIES - LONG-TERM	<u>102,613</u>	<u>4,540,065</u>	<u>370,775</u>	<u>4,749,625</u>	<u>223,079</u>
EQUITY	\$8,058,317	\$7,456,897	\$6,890,062	\$7,232,922	\$5,984,814
<hr/>					
INCOME	\$16,765,773	\$21,987,877	\$21,958,425	\$21,360,192	\$20,793,403
EXPENSE	<u>15,804,352</u>	<u>20,991,140</u>	<u>21,455,267</u>	<u>20,112,064</u>	<u>19,729,131</u>
NET INCOME	\$901,421	\$1,036,731	\$503,138	\$1,248,108	\$1,064,272
<hr/>					
DEPRECIATION	\$166,473	\$166,473	\$178,680	\$155,905	\$101,177
<hr/>					
NUMBER OF BEDS	200	200	200	200	200
PERCENT OF OCCUPANCY (DAYS)	96.41%	96.41%	95.42%	95.64%	93.95%
<hr/>					
<u>PERCENT OCCUPANCY (DAYS):</u>					
MEDICAID	87.26%	87.26%	87.38	85.86%	84.05%
MEDICARE	11.48%	11.48%	6.71	10.45%	10.82%
PRIVATE/OTHER	1.26%	1.26%	5.91	3.69%	5.13%
<hr/>					
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$233.87	\$233.87	\$229.60	
CAPITAL		<u>(\$6.36)</u>	<u>(\$6.65)</u>	<u>\$16.21</u>	
TOTAL		\$227.51	\$227.22	\$245.81	
<hr/>					
Vent					
OPERATING		\$649.41	\$649.41	\$664.33	
CAPITAL		<u>\$10.04</u>	<u>\$8.10</u>	<u>\$49.71</u>	
TOTAL		\$659.45	\$657.51	\$714.04	

Financial Summary

Woodmere Rehab and Health Care Center

	FISCAL PERIOD ENDED				
	<u>10/31/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$8,914,900	\$9,542,103	\$9,754,481	\$8,307,434	\$6,268,065
ASSETS - FIXED AND OTHER	8,653,032	9,312,660	8,720,602	9,082,641	9,378,119
LIABILITIES - CURRENT	5,337,209	7,484,824	7,544,213	7,826,746	9,290,350
LIABILITIES - LONG-TERM	<u>2,432,147</u>	<u>2,736,388</u>	<u>2,957,999</u>	<u>3,019,225</u>	<u>1,040,922</u>
EQUITY	\$9,798,576	\$8,633,551	\$7,972,871	\$6,544,104	\$5,315,812
<hr/>					
INCOME	\$32,032,237	\$39,680,997	\$39,506,393	\$33,574,461	\$30,828,189
EXPENSE	<u>30,667,211</u>	<u>38,173,008</u>	<u>36,177,623</u>	32,346,170	31,884,072
NET INCOME	\$1,365,026	\$1,507,989	\$3,328,770	\$1,228,291	(\$1,055,883)
<hr/>					
DEPRECIATION	\$466,279	\$466,279	\$466,682	\$520,208	\$577,881
<hr/>					
NUMBER OF BEDS	336	336	336	336	336
PERCENT OF OCCUPANCY (DAYS)	95.5%	95.5%	91.7%	90.1%	85.2%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	72.9%	72.9%	69.5%	69.7%	69.9%
MEDICARE	21.5%	21.5%	22.9%	21.7%	21.3%
PRIVATE/OTHER	5.6%	5.6%	7.6%	8.6%	8.8%

MEDICAID RATE BREAKDOWN:

	2010	2009	2008
OPERATING	\$255.42	\$255.42	\$221.59
CAPITAL	\$4.58	-\$9.10	\$22.49
TOTAL	\$260.00	\$246.32	\$244.08
<hr/>			
Vent	2010	2009	2008
OPERATING	\$610.85	\$610.85	\$623.00
CAPITAL	<u>\$94.37</u>	<u>\$53.32</u>	<u>\$61.41</u>
TOTAL	\$705.22	\$664.17	\$684.41

* 2009 patient day information used

Financial Summary

Golden Gate Rehabilitation and Health Care Center, LLC

	FISCAL PERIOD ENDED				
	<u>10/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$5,768,045	\$4,798,953	\$3,752,124	\$3,703,341	\$3,251,314
ASSETS - FIXED AND OTHER	12,777,558	12,986,641	12,817,685	13,004,277	13,227,598
LIABILITIES - CURRENT	6,188,669	5,639,849	5,089,732	5,647,393	5,257,810
LIABILITIES - LONG-TERM	<u>800,441</u>	<u>1,512,516</u>	<u>1,233,809</u>	<u>1,813,097</u>	<u>2,502,327</u>
EQUITY	\$11,556,493	\$10,633,229	\$10,246,268	\$9,247,128	\$8,718,775
INCOME	\$20,105,209	\$23,404,069	\$23,925,968	\$21,528,660	\$21,520,505
EXPENSE	<u>19,175,667</u>	<u>23,017,108</u>	<u>22,926,829</u>	<u>21,331,425</u>	<u>21,578,130</u>
NET INCOME	\$929,542	\$386,961	\$999,139	\$197,235	(\$57,625)
DEPRECIATION	\$420,399	\$420,399	\$375,183	\$367,092	\$358,389
NUMBER OF BEDS	238	238	238	238	238
PERCENT OF OCCUPANCY (DAYS)	92.97%	92.97%	94.01%	95.2%	92.9%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	82.06%	82.06%	81.22%	78.6%	70.6%
MEDICARE	13.27%	13.27%	10.51%	14.4%	14.9%
PRIVATE/OTHER	4.67%	4.67%	8.27%	7.0%	5.5%
MEDICAID RATE BREAKDOWN:					
		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		\$267.25	\$267.25	\$226.55	
CAPITAL		\$5.19	\$10.93	\$31.36	
Total		\$272.44	\$278.18	\$257.91	

*2009 patient days used

Financial Summary-Garden Care Center

	FISCAL PERIOD ENDED				
	<u>12/31/2010</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$3,877,869	\$3,787,552	\$3,553,978	\$3,213,503	\$2,863,088
ASSETS - FIXED AND OTHER	1,527,297	1,510,741	1,533,775	1,584,683	1,664,382
LIABILITIES - CURRENT	2,281,465	1,315,774	1,541,118	1,586,092	2,217,717
LIABILITIES - LONG-TERM	<u>235,868</u>	<u>631,987</u>	<u>758,012</u>	<u>753,492</u>	<u>402,451</u>
EQUITY	\$2,887,813	\$3,350,532	\$2,788,623	\$2,458,602	\$1,907,302
<hr/>					
INCOME	\$16,980,503	\$17,118,846	\$16,803,777	\$16,206,643	\$15,768,353
EXPENSE	<u>16,743,228</u>	<u>16,456,939</u>	<u>15,973,753</u>	<u>15,511,042</u>	<u>14,225,332</u>
NET INCOME	\$237,275	\$661,907	\$830,024	\$695,601	\$1,543,021
<hr/>					
DEPRECIATION	\$166,458	\$166,458	\$191,035	\$200,943	\$189,587
<hr/>					
NUMBER OF BEDS	150	150	150	150	150
PERCENT OF OCCUPANCY (DAYS)	92.05%	92.05%	93.50%	92.40%	92.90%
<hr/>					
<u>PERCENT OCCUPANCY (DAYS):</u>					
MEDICAID	63.15%	63.15%	63.57%	62.00%	60.70%
MEDICARE	23.64%	23.64%	18.88%	20.80%	25.40%
PRIVATE/OTHER	13.21%	13.21%	17.55%	17.20%	13.90%

MEDICAID RATE BREAKDOWN:

	2010	2009
OPERATING	\$234.93	\$234.93
CAPITAL	(\$21.54)	(\$11.05)
TOTAL	\$213.39	\$223.88

* 2009 patient days used

Financial Summary-The Hamptons Center for Rehab and Nursing

	<u>FISCAL PERIOD ENDED</u>		
	<u>11/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>
ASSETS - CURRENT	\$9,304,787	\$9,878,779	\$12,067,655
ASSETS - FIXED AND OTHER	4,152,345	3,727,361	5,775,926
LIABILITIES - CURRENT	27,014,145	15,251,482	12,489,009
LIABILITIES - LONG-TERM	6,136,404	16,218,596	15,970,883
EQUITY	(\$19,693,417)	(\$17,863,938)	(\$10,616,311)
<hr/>			
INCOME	\$28,233,615	\$33,115,928	\$29,638,350
EXPENSE	30,280,594	36,910,555	36,320,776
NET INCOME	(\$2,046,979)	(\$3,794,627)	(\$6,682,426)
<hr/>			
DEPRECIATION	\$34,429	\$34,429	\$19,548
<hr/>			
NUMBER OF BEDS	280	280	280
PERCENT OF OCCUPANCY (DAYS)	94.63%	96.42%	91.55%
<hr/>			
<u>PERCENT OCCUPANCY (DAYS):</u>			
MEDICAID	73.26%	79.60%	74.68%
MEDICARE	14.71%	13.28%	15.92%
PRIVATE/OTHER	12.03%	7.12%	9.40%
<hr/>			
MEDICAID RATE BREAKDOWN:			
		2010	2009
OPERATING		\$243.22	243.22
CAPITAL		(\$8.02)	\$28.45
Total		\$235.20	\$271.67

Financial Summary
Meadow Park Rehabilitation and Health Care Center

	<u>FISCAL PERIOD ENDED</u>				
	<u>12/31/10</u>	<u>12/31/09</u>	<u>12/31/08</u>	<u>12/31/07</u>	<u>12/31/06</u>
ASSETS - CURRENT	\$6,555,500	\$4,435,406	\$3,635,885	\$4,035,930	\$2,931,110
ASSETS - FIXED AND OTHER	6,602,579	6,694,367	6,922,439	7,153,785	7,116,569
LIABILITIES - CURRENT	7,946,692	8,561,741	6,002,050	5,846,112	4,199,917
LIABILITIES - LONG-TERM	<u>5,675,058</u>	<u>5,192,257</u>	<u>5,402,198</u>	<u>5,560,127</u>	<u>5,677,112</u>
EQUITY	(\$1,463,572)	(\$2,624,225)	(\$845,924)	(\$216,615)	\$73,689
<hr/>					
INCOME	\$15,028,501	\$15,221,672	\$14,771,409	\$12,960,016	\$13,084,970
EXPENSE	<u>13,667,847</u>	<u>13,932,389</u>	<u>14,418,520</u>	<u>13,208,208</u>	<u>12,451,968</u>
NET INCOME	\$1,360,654	\$1,289,283	\$352,889	(\$248,192)	\$633,002
<hr/>					
DEPRECIATION	\$347,136	\$347,136	\$343,519	\$328,644	\$309,448
<hr/>					
NUMBER OF BEDS	143	143	143	143	143
PERCENT OF OCCUPANCY (DAYS)	95.63%	95.63%	96.28%	96.06%	94.49%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	76.58%	76.58%	77.37%	76.90%	74.58%
MEDICARE	17.11%	17.11%	16.53%	16.98%	19.45%
PRIVATE/OTHER	6.31%	6.31%	6.10%	6.12%	6.97%
<hr/>					
MEDICAID RATE BREAKDOWN:					
		2010	2009	2008	
OPERATING		\$216.09	\$216.09	\$183.00	
CAPITAL		(\$9.32)	-\$10.78	\$16.89	
TOTAL		\$206.77	\$205.31	\$199.89	

* 2009 patient days used

Financial Summary

White Plains Center for Nursing

	FISCAL PERIOD ENDED				
	<u>10/31/2010</u> interim	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$1,402,208	\$1,238,212	\$1,449,063	\$1,490,267	\$1,243,042
ASSETS - FIXED AND OTHER	5,213,473	5,032,462	4,975,693	4,863,132	4,328,703
LIABILITIES - CURRENT	7,707,329	4,016,147	7,475,442	7,416,380	2,117,576
LIABILITIES - LONG-TERM	1,128,888	4,110,337	1,594,979	1,340,059	4,729,432
EQUITY	(\$2,220,536)	(\$1,855,810)	(\$2,645,665)	(\$2,403,040)	(\$1,275,263)
INCOME	\$7,795,378	\$10,852,833	\$8,797,253	\$7,491,153	\$7,034,832
EXPENSE	<u>8,160,099</u>	<u>10,062,981</u>	<u>9,045,876</u>	<u>8,612,929</u>	<u>8,270,446</u>
NET INCOME	(\$364,721)	\$789,852	(\$248,623)	(\$1,121,776)	(\$1,235,614)
DEPRECIATION	\$79,386	\$79,386	\$61,815	\$44,991	\$43,267
NUMBER OF BEDS	88	88	88	88	88
PERCENT OF OCCUPANCY (DAYS)	95.82%	95.82%	96.88%	93.70%	93.62%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	74.84%	74.84%	75.46%	82.22%	76.57%
MEDICARE	17.22%	17.22%	17.80%	14.81%	18.70%
PRIVATE/OTHER	7.94%	7.94%	6.75%	2.97%	4.73%
MEDICAID RATE BREAKDOWN:		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		\$266.15	\$266.15	\$217.04	
CAPITAL		<u>\$0.50</u>	<u>\$0.69</u>	<u>\$27.10</u>	
TOTAL		\$266.65	\$266.84	\$244.14	

* 2009 patient day information used

Financial Summary

Fort Tryon Center for Rehabilitation and Nursing

	<u>FISCAL PERIOD ENDED</u>		
	<u>12/31/08</u>	<u>12/31/07</u>	<u>12/31/06</u>
ASSETS - CURRENT	\$3,634,119	\$4,612,436	\$4,302,838
ASSETS - FIXED AND OTHER	14,453,536	14,007,708	15,110,114
LIABILITIES - CURRENT	7,124,420	8,519,893	6,965,054
LIABILITIES - LONG-TERM	<u>6,178,700</u>	<u>7,221,680</u>	<u>9,413,614</u>
EQUITY	\$4,784,535	\$3,758,631	\$3,040,284
<hr/>			
INCOME	\$22,409,448	\$21,774,971	\$21,958,534
EXPENSE	21,312,876	<u>21,056,624</u>	<u>20,571,743</u>
NET INCOME	\$1,096,572	\$718,347	\$1,386,791
<hr/>			
DEPRECIATION	\$137,232	\$156,359	\$191,464
<hr/>			
NUMBER OF BEDS	205	205	205
PERCENT OF OCCUPANCY (DAYS)	94.9%	95.4%	94.0%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	74.2%	74.1%	68.8%
MEDICARE	17.1%	19.9%	21.5%
PRIVATE/OTHER	8.6%	6.0%	9.8%
<hr/>			
MEDICAID RATE BREAKDOWN:	2010	<u>2009</u>	<u>2008</u>
OPERATING	\$263.12	\$263.12	\$251.39
CAPITAL	(5.05)	<u>0.24</u>	<u>20.74</u>
TOTAL	\$258.07	\$263.36	\$272.13

None of the applicants had ownership interest in the facility after 2008

Financial Summary

Franklin Center For Rehabilitation and Nursing

FISCAL PERIOD ENDED

	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$0,984,380	\$7,813,762	\$7,820,646
ASSETS - FIXED AND OTHER	22,430,066	22,562,470	22,235,193
LIABILITIES - CURRENT	9,552,399	11,737,365	10,055,224
LIABILITIES - LONG-TERM	<u>10,515,208</u>	<u>11,338,800</u>	<u>12,255,806</u>
EQUITY	\$9,346,839	\$7,300,067	\$7,744,809
<hr/>			
INCOME	\$39,078,819	\$37,574,394	\$38,375,035
EXPENSE	<u>\$36,714,464</u>	<u>\$35,555,700</u>	<u>\$35,857,093</u>
NET INCOME	\$2,364,355	\$2,018,694	\$2,517,942
<hr/>			
DEPRECIATION	\$336,622	\$353,287	\$318,926
<hr/>			
NUMBER OF BEDS	320	320	320
PERCENT OF OCCUPANCY (DAYS)	97.89%	98.57%	95.96%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	76.14%	76.00%	73.40%
MEDICARE	10.76%	11.50%	21.80%
PRIVATE/OTHER	13.11%	12.50%	4.70%
<hr/>			
MEDICAID RATE BREAKDOWN:	<u>2010</u>	<u>2009</u>	<u>2008</u>
OPERATING	\$255.24	\$255.24	\$254.52
CAPITAL	<u>(2.13)</u>	<u>(0.37)</u>	<u>21.07</u>
TOTAL	\$253.11	\$254.87	\$275.59

None of the applicants had ownership interest in the facility after 2008

Park Avenue Operating Co. LLC d/b/a Park Avenue Extended Care Facility

Financial Summary

Park Avenue Extended Care Facility

FISCAL PERIOD ENDED	<u>8/31/2010</u> internal	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$11,334,603	\$7,407,046	\$7,198,373	\$9,169,593	\$7,354,291
ASSETS - FIXED AND OTHER	11,364,930	14,083,106	14,418,390	10,692,680	10,528,183
LIABILITIES - CURRENT	4,523,297	3,986,804	4,430,048	4,416,698	5,637,753
LIABILITIES - LONG-TERM	<u>7,072,858</u>	<u>7,345,091</u>	<u>7,771,859</u>	<u>8,716,500</u>	<u>7,669,256</u>
EQUITY	\$11,103,378	\$10,158,257	\$9,414,856	\$6,729,075	\$4,575,465
INCOME	\$17,967,343	\$27,963,018	\$29,248,621	\$26,122,503	\$23,042,912
EXPENSE	<u>17,022,222</u>	<u>27,219,617</u>	<u>26,475,340</u>	<u>24,306,390</u>	<u>22,925,179</u>
NET INCOME	\$945,121	\$743,401	\$2,773,281	\$1,816,113	\$117,733
DEPRECIATION	\$127,962	\$127,962	\$71,834	\$40,803	\$18,408
NUMBER OF BEDS	240	240	240	240	240
PERCENT OF OCCUPANCY (DAYS)	97.12%	97.12%	98.30%	97.92%	95.26%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	74.52%	74.52%	77.50%	77.25%	77.30%
MEDICARE	14.48%	14.48%	13.62%	12.43%	16.03%
PRIVATE/OTHER	11.00%	11.00%	8.88%	10.32%	6.68%
MEDICAID RATE BREAKDOWN:			2010	2009	2008
OPERATING			\$248.77	\$248.77	\$223.24
CAPITAL			<u>\$3.64</u>	<u>\$5.34</u>	<u>\$37.45</u>
TOTAL			\$252.41	\$254.11	\$260.69

*2009 patient days used

Financial Summary
Nassau Extended Care Facility

	FISCAL PERIOD ENDED				
	<u>8/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$9,470,688	\$8,872,863	\$9,956,878	\$7,438,626	\$7,945,673
ASSETS - FIXED AND OTHER	17,854,488	16,027,120	14,497,907	14,904,709	12,370,406
LIABILITIES - CURRENT	5,766,513	4,725,367	5,426,493	5,079,401	4,286,499
LIABILITIES - LONG-TERM	<u>7,150,481</u>	<u>7,387,690</u>	<u>7,788,087</u>	<u>8,162,120</u>	<u>8,496,099</u>
EQUITY	\$14,408,182	\$12,786,926	\$11,240,205	9,101,814	7,533,481
INCOME	\$21,970,244	\$33,906,046	\$33,159,574	\$29,362,607	\$28,610,268
EXPENSE	<u>20,348,988</u>	<u>32,359,325</u>	<u>30,933,683</u>	<u>27,881,774</u>	<u>27,258,857</u>
NET INCOME	\$1,621,256	\$1,546,721	\$2,225,891	\$1,480,833	\$1,351,411
DEPRECIATION	\$71,312	\$71,312	\$71,312	\$48,354	\$26,577
NUMBER OF BEDS	280	280	280	280	280
PERCENT OF OCCUPANCY (DAYS)	94.96%	94.96%	96.23%	95.52%	94.87%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	74.50%	74.50%	76.83%	80.41%	82.66%
MEDICARE	15.66%	15.66%	14.89%	14.85%	13.66%
PRIVATE/OTHER	9.84%	9.84%	8.27%	4.74%	3.68%
MEDICAID RATE BREAKDOWN:					
		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		230.34	221.60	216.81	
CAPITAL		<u>9.90</u>	<u>46.34</u>	<u>55.25</u>	
TOTAL		249.24	267.93	272.06	

* 2009 patient days used

Financial Summary

Nathan Miller Extended Care Center

FISCAL PERIOD ENDED

	<u>8/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$1,204,237	\$739,447	\$1,571,593	\$1,270,727	\$975,533
ASSETS - FIXED AND OTHER	1,079,253	947,077	884,873	748,215	737,650
LIABILITIES - CURRENT	2,922,678	1,934,814	3,384,684	3,270,045	2,072,760
LIABILITIES - LONG-TERM	<u>737,572</u>	<u>1,000,794</u>	<u>233,346</u>	<u>140,436</u>	<u>319,652</u>
EQUITY	(\$1,376,760)	(\$1,249,084)	(\$1,161,564)	(\$1,391,539)	(\$679,229)
<hr/>					
INCOME	\$3,802,646	\$7,081,174	\$6,510,244	\$4,767,374	\$4,838,398
EXPENSE	<u>3,930,320</u>	<u>7,168,695</u>	<u>6,280,270</u>	<u>5,479,684</u>	<u>5,160,878</u>
NET INCOME	(\$127,674)	(\$87,521)	\$229,974	(\$712,310)	(\$322,480)
<hr/>					
DEPRECIATION	\$61.992	\$61.992	\$55.033	\$43.988	\$27.285
<hr/>					
NUMBER OF BEDS	65	65	65	65	65
PERCENT OF OCCUPANCY (DAYS)	96.15%	96.15%	95.31%	91.71%	92.43%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	86.27%	86.27%	82.89%	86.04%	82.39%
MEDICARE	8.58%	8.58%	11.48%	0.05%	11.10%
PRIVATE/OTHER	5.15%	5.15%	5.64%	4.91%	6.42%
<hr/>					
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$232.83	\$232.83	\$209.62	
CAPITAL		<u>\$9.13</u>	<u>\$7.88</u>	<u>\$27.14</u>	
TOTAL		\$241.96	\$240.71	\$236.76	

* 2009 patient days used

Financial Summary
Throgs Neck Extended Care

	FISCAL PERIOD ENDED				
	<u>9/30/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$3,160,388	\$3,236,664	\$4,440,269	\$3,631,502	\$4,413,396
ASSETS - FIXED AND OTHER	11,387,528	11,091,066	9,507,689	10,527,114	10,211,093
LIABILITIES - CURRENT	4,710,201	4,416,366	4,404,310	4,858,779	5,166,035
LIABILITIES - LONG-TERM	<u>5,593,233</u>	<u>5,960,472</u>	<u>6,049,131</u>	<u>6,346,947</u>	<u>6,455,890</u>
EQUITY	\$4,244,392	\$3,950,892	\$3,404,508	\$2,952,890	\$3,001,764
INCOME	\$16,687,251	\$22,843,164	\$22,903,974	\$21,061,647	\$20,269,530
EXPENSE	<u>16,393,752</u>	<u>22,296,778</u>	<u>22,394,853</u>	<u>19,973,021</u>	<u>19,970,042</u>
NET INCOME	\$293,499	\$546,386	\$509,121	\$1,088,626	\$299,488
DEPRECIATION	\$99,248	\$99,248	\$85,896	\$73,809	\$55,032
NUMBER OF BEDS	205	205	205	205	205
PERCENT OF OCCUPANCY (DAYS)	96.81%	96.81%	98.43%	94.38%	94.95%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	74.10%	74.10%	74.94%	72.69%	75.25%
MEDICARE	13.85%	13.85%	16.85%	18.73%	13.90%
PRIVATE/OTHER	12.05%	12.05%	8.21%	8.58%	10.84%
MEDICAID RATE BREAKDOWN:					
		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		\$247.40	\$247.40	\$236.12	
CAPITAL		<u>\$7.17</u>	<u>\$8.55</u>	<u>\$38.99</u>	
TOTAL		\$254.57	\$255.95	\$275.11	

* 2009 patient days used

Financial Summary
Townhouse Extended Care Facility

	FISCAL PERIOD ENDED				
	<u>9/30/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$8,744,812	\$7,614,750	\$5,133,913	\$6,394,845	\$5,318,827
ASSETS - FIXED AND OTHER	12,766,675	12,525,853	14,913,771	12,185,437	12,081,712
LIABILITIES - CURRENT	10,844,217	5,426,254	9,808,721	7,210,777	7,794,202
LIABILITIES - LONG-TERM	<u>5,571,398</u>	<u>10,694,448</u>	<u>6,906,527</u>	<u>7,529,739</u>	<u>6,845,281</u>
EQUITY	\$5,095,872	\$4,019,901	\$3,332,436	\$3,839,766	\$2,761,056
INCOME	<u>\$25,130,279</u>	<u>\$34,045,641</u>	<u>\$32,925,683</u>	<u>\$32,365,444</u>	<u>\$30,388,158</u>
EXPENSE	<u>24,054,312</u>	<u>33,358,176</u>	<u>33,345,513</u>	<u>31,374,234</u>	<u>30,009,673</u>
NET INCOME	\$1,075,967	\$687,465	(\$419,830)	\$991,210	\$378,485
DEPRECIATION	\$130,063	\$130,063	\$86,527	\$55,975	\$37,264
NUMBER OF BEDS	280	280	280	280	280
PERCENT OF OCCUPANCY (DAYS)	95.18%	95.18%	96.49%	96.53%	95.27%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	68.91%	68.91%	71.93%	73.70%	74.29%
MEDICARE	15.39%	15.39%	12.32%	13.75%	16.65%
PRIVATE/OTHER	15.70%	15.70%	15.75%	12.56%	9.06%
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$254.31	\$254.31	\$222.68	
CAPITAL		<u>\$17.49</u>	<u>\$15.71</u>	<u>\$50.66</u>	
TOTAL		\$271.80	\$270.02	\$273.34	
Verit		2010	2009	2008	
OPERATING		\$554.26	\$554.26	\$539.85	
CAPITAL		<u>\$22.26</u>	<u>\$20.89</u>	<u>\$40.95</u>	
TOTAL		\$576.52	\$575.15	\$580.80	

* 2009 patient days used

Financial Summary
West Lawrence Care Center, LLC

FISCAL PERIOD ENDED

	<u>9/30/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$2,730,336	\$2,876,188	\$2,387,571	\$3,664,454	\$2,763,036
ASSETS - FIXED AND OTHER	3,878,262	4,061,144	4,067,307	4,104,304	3,314,001
LIABILITIES - CURRENT	3,134,643	2,868,406	2,967,536	3,636,297	3,562,595
LIABILITIES - LONG-TERM	<u>551,449</u>	<u>1,016,813</u>	<u>1,175,187</u>	<u>1,644,836</u>	<u>1,153,888</u>
EQUITY	\$2,922,506	\$3,052,113	\$2,312,155	\$2,487,625	\$1,360,554
<hr/>					
INCOME	\$15,313,750	\$21,680,456	\$20,796,727	\$20,171,414	\$20,832,445
EXPENSE	<u>14,548,462</u>	<u>19,290,498</u>	<u>18,996,187</u>	<u>18,194,225</u>	<u>18,121,974</u>
NET INCOME	\$765,288	\$2,389,958	\$1,800,540	\$1,977,189	\$2,710,471
<hr/>					
DEPRECIATION	\$212,031	\$212,031	\$214,621	\$162,850	\$114,807
<hr/>					
NUMBER OF BEDS	215	215	215	215	215
PERCENT OF OCCUPANCY (DAYS)	98.67%	98.67%	98.51%	97.91%	96.75%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	91.51%	91.51%	86.98%	86.35%	86.19%
MEDICARE	7.96%	7.96%	9.31%	10.44%	11.63%
PRIVATE/OTHER	0.54%	0.54%	3.71%	3.21%	2.18%
<hr/>					
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$220.41	\$220.41	\$225.40	
CAPITAL		6.24	\$6.80	\$15.40	
TOTAL		\$226.65	\$227.21	\$240.88	

* 2009 patient days used

Financial Summary

Split Rock Rehabilitation and Health Care Center, LLC

	<u>FISCAL PERIOD ENDED</u>		
	<u>12/31/2008</u>	<u>12/31/07</u>	<u>12/31/06</u>
ASSETS - CURRENT	\$5,884,811	\$7,247,324	\$7,010,442
ASSETS - FIXED AND OTHER	14,551,722	14,680,691	14,818,865
LIABILITIES - CURRENT	9,641,441	11,214,161	13,754,519
LIABILITIES - LONG-TERM	<u>7,043,424</u>	<u>8,668,964</u>	<u>5,793,453</u>
EQUITY	\$3,751,668	\$2,044,890	\$2,281,335
<hr/>			
INCOME	\$27,679,201	\$25,993,270	\$25,757,420
EXPENSE	<u>25,972,423</u>	<u>26,231,420</u>	<u>26,654,935</u>
NET INCOME	\$1,706,778	(\$238,150)	(\$897,515)
<hr/>			
DEPRECIATION	\$181,426	\$220,507	\$210,077
<hr/>			
NUMBER OF BEDS	240	240	240
PERCENT OF OCCUPANCY (DAYS)	95.31%	95.3%	90.9%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	90.16%	90.0%	87.6%
MEDICARE	5.05%	6.2%	10.4%
PRIVATE/OTHER	4.79%	2.9%	2.0%
<hr/>			
MEDICAID RATE BREAKDOWN:	2010	<u>2009</u>	<u>2008</u>
OPERATING	\$248.77	\$248.77	230.4
CAPITAL	<u>5.37</u>	<u>7.09</u>	<u>16.42</u>
TOTAL	\$254.14	\$255.86	\$246.82

None of the applicants had ownership interest in the facility after 2008

As shown on BFA Attachment A, Bayview Nursing and Rehabilitation Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$710,335 during the period 2006 through 10/31/2010.

As shown on BFA Attachment B, Avalon Gardens Rehabilitation Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,292,069 during the period 2006 through 11/31/2010. In 2006, the facility generated a net loss of \$1,293,889. This was due to the level of resident acuity. Many of the residents had multiple wounds upon intake, which raised the cost of caring for these residents. In order to adjust or address the losses, the facility had to reduce costs. They implemented a cost reduction program and new residents exhibiting issues such as multiple wounds, were addressed at intake, therefore the new residents were of a lower acuity and they had a lower level of expense for their care.

As shown on BFA Attachment C, Susquehanna had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,043,538 during the period 2006 through 06/30/2010.

As shown on BFA Attachment D, Brookhaven Rehab and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,918,314 during the period 2006 through 10/31/2010.

As shown on BFA Attachment E, Eastchester Rehab and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$950,731 during the period 2006 through 9/30/2010.

As shown on BFA Attachment F, Woodmere Rehab and Health Care Center had an average positive working capital position and net asset positions, and generated an average net income of \$1,274,839 during the period 2006 through 10/31/2010. The 2006 loss of \$1,055,883 was caused by the facility paying a management fee to the partners of \$1,225,000; prior to the payment, the facility had a net income of \$169,117. This was a one-time occurrence.

As shown on BFA Attachment G, Golden Gate Rehab and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$491,050 during the period 2006 through 10/31/2010. The 2006 loss of \$57,625 is due to the payment of Administrative Consultant fees paid to the operators, which were

treated as expenses. Without the payment, the facility would have had a positive net income. This was a one-time occurrence.

As shown on BFA Attachment H, Garden Care Center had an average positive working capital and net asset positions, and generated an average net income of \$793,566 during the period 2006 through 2010.

As shown on BFA Attachment I, The Hamptons Center for Rehab and Nursing had average negative working capital and net asset positions, and generated an average net loss of \$4,174,677 during the period 2008 through 2010. The loss was caused by the facility just opening in July 2006, and being under the initial budget based rate. Currently, their occupancy rate is 96.42%, up 5% from 2008. In 2009, the facility was able to reduce their losses by almost three million dollars from 2008. This was accomplished through a reduction in costs and a favorable working capital loan refinancing, as well as the facility receiving a rebased rate based on the 2008 cost report submission. Also, the facility reduced expenses by using more staff and reducing the use of outside agencies. By doing this, the operation expects to become profitable within the next 3 to 5 years; this can be seen with the continued reduction in losses for 2010 of over 1.5 million for 2009. During the first few years that the facility was in operation, the losses were covered by a credit line from the bank and from member's funds, which were more than sufficient to cover historical and projected losses.

As shown on BFA Attachment J, Meadow Park had average negative working capital and net asset positions, and generated an average net income of \$677,527 during the period 2006 through 2010. The 2007 loss was caused by a retroactive rate reduction for the May 2000 – May 2002 period based on a PRI audit of the facility's neurobiological program (NBP). Without this adjustment, the facility would have reported a positive net income in 2007. In order to prevent this adjustment from happening in the future, the facility, in 2005, eliminated NBP and replaced them with higher PRI patients, thus improving the facility's financial condition.

As shown on BFA Attachment K, White Plains had average negative working capital and net asset positions, and generated an average net loss of \$436,176 during the period 2006 through 10/31/2010. The loss was caused by the facility not receiving their rebased rates for several years after the change in ownership took place in October 2004. The facility started receiving the rebased rate in 2008, significantly reducing the net loss, but they are still waiting for a positive PRI adjustment in order to be operating profitably. In 2009, the facility finally received a positive PRI and as of May 2009, the facility started profitable operations, which can be seen on the financial summary, which shows a net income of \$789,852.

As shown on BFA Attachment L, Fort Tryon Center for Rehabilitation and Nursing had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,067,237 during the period 2006 through 2008. As of 8/1/08, none of the owners or proposed owners of Bayview had ownership interest in the facility.

As shown on BFA Attachment M, New Franklin Center for Rehabilitation and Nursing had an average negative working capital position and an average positive net asset position, and generated an average net income of \$2,300,330 during the period 2006 through 2008. As of 7/23/2008, none of the owners or proposed owners of Bayview had ownership interest in the facility.

As shown on BFA Attachment N, Park Avenue Extended Care Facility had an average positive working capital and an average positive net asset position, and generated an average net income of \$1,279,130 during the period 2006 through 8/31/2010.

As shown on BFA Attachment O, Nassau Extended Care Facility had average positive working capital and net asset positions, and generated an average net income of \$1,645,222 during the period 2006 through 8/31/2010.

As shown on BFA Attachment P, Nathan Miller had average negative working capital and net asset positions, and generated an average net loss of \$204,002 during the period 2006 through 8/31/2010. The loss was caused by the facility not receiving their rebased rates for several years after the change in ownership took place in October 2004. The facility started receiving the rebased rate in 2008, and in 2008 showed a positive net income due to them receiving all of the rebased rates and relevant adjustments in 2008. In 2009, the facility again had a negative net income. In 2009, the facility again had a loss. The operator indicates that the loss is due to the facility being too small to achieve a breakeven or profit. The facility had a plan to build, and add more beds in order to become financially feasible, but this expansion was stopped by a community effort. The operator has decided to sell the facility and it will be converted into an assisted living program (ALP). The closure plan calls for a February 2011 closing date.

As shown on BFA Attachment Q, Throgs Neck Extended Care Facility had an average negative working capital position and an average positive net asset position, and generated an average net income of \$547,424 during the period 2006 through 9/30/2010.

As shown on BFA Attachment R, Townhouse Extended Care Facility had an average negative working capital position and an average positive net asset

position, and generated an average net income of 542,659 during the period 2006 through 9/30/2010. The 2008 loss was caused by a prior period liability being accrued in 2008; the accrual was for \$1,054,509 for a Medicaid overpayment. This is a one time occurrence and without the accrual, the facility would have had positive income for the year.

As shown on BFA Attachment S, West Lawrence Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,928,689 during the period 2006 through 9/30/2010.

As shown on BFA Attachment T, Split Rock Rehabilitation and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$190,371 during the period 2006 through 2008. The losses in 2006 and 2007 were caused by issues with resident acuity; many of the residents had multiple wounds upon intake, which raised the cost of caring for these residents. The facility has implemented a cost reduction program in which new residents who are exhibiting issues such as multiple wounds, are now addressed at intake, which allows for lower acuity admission, thus reducing the level of expense for their care. As of 7/30/2008, none of the owners or proposed owners of Bayview had ownership interest in the facility.

ESTABLISHMENT CHECKLIST FOR NURSING HOMES

APPLICATION: 092038 Townhouse Extended Care Center

NATURE OF PROPOSAL: Transfer 35.75% of the ownership interest

EFFECT ON OPERATIONAL OWNERSHIP: proposed assignees Sandra Busell (.5%), Alan Chopp (1%), Edward Farbenblum (3%), Abraham Fishoff (1%), Benjamin Fishoff (5%), Donald Fishoff (1%), Norman Gold (1%), Jeffrey Goldstein (.5%), Anne Gottlieb (2.5%), Meryl Gross (1%), Francine Joseph (1%), Tibor Levovich (1%), Teresa Pochia (.5%), Theodore Pollack (1%), Mayer Rispler (2%), Berish Rubinstein (1%), Ronald Stern (2%), Jennifer Strauss (.5%), Martha Sweet (1%), Naomi Tessler (2%), Cynthia Treff (1%), Regina Weinstock (1%), Rhea Gutman (1%), Esther Farkovits (2.25%), Alexander Hoffman (1%) and Elisa Taub (1%)

EFFECT ON REAL ESTATE OWNERSHIP: N/A

FIXED ASSET PURCHASE PRICE: N/A

FIXED ASSET MEDICAID VALUE: N/A

CAPITAL REIMBURSEMENT: N/A

Capitalized Lease
Historic Cost Method
Shortfall; Average Annual Amount
\$

BUSINESS PURCHASE PRICE: \$2,368,438 (\$66,250 per percent)

BFA PACKET A

Presented in BFA Packet A are the Net worth statements, financial summaries and explanations to the financial summaries for the facilities and related companies associated with projects 092035, 092037, 092038, 092041 and 092077. Net worth 1 is associated with projects 092035, 092037, 092038 and 092041. Net worth 2 is associated with project 092077. The financial summaries related to these projects are as follows:

- BFA Attachment A: Bayview Nursing and Rehabilitation Center
- BFA Attachment B: Avalon Gardens Rehab and Health Care Center
- BFA Attachment C: Susquehanna Nursing and Rehab
- BFA Attachment D: Brookhaven Rehab and Health Care Center
- BFA Attachment E: Eastchester Rehab and Health Care
- BFA Attachment F: Woodmere Rehab and Health Care Center
- BFA Attachment G: Golden Gate Rehab and Health Care Center
- BFA Attachment H: Garden Care Center
- BFA Attachment I: The Hamptons Center for Rehab and Nursing
- BFA Attachment J: Meadow Park Care Center
- BFA Attachment K: White Plains Center for Nursing
- BFA Attachment L: Fort Tryon Center for Rehabilitation and Nursing
- BFA Attachment M: New Franklin Center for Rehabilitation and Nursing
- BFA Attachment N: Park Avenue Extended Care Center
- BFA Attachment O: Nassau Extended Care Center
- BFA Attachment P: Nathan Miller Center for Nursing
- BFA Attachment Q: Throgs Neck Extended Care Center
- BFA Attachment R: Townhouse Extended Care Center
- BFA Attachment S: West Lawrence Care Center
- BFA Attachment T: Split Rock Rehabilitation and Health Care Center

*Note not all of these facilities relate to all of the projects.

- Projects 092035, 092037, 092038 and 092041 include A,B,C,D,E,F,G,H,I,J,K and P
- Project 092035 also includes N
- Project 092037 also includes O,
- Project 092038 also includes R
- Project 092041 also includes Q.
- Project 092077 includes A,B,C,D,E,F,G,I,K,L,M,N,O,P,Q,R,S and T.

Financial Summary

Bayview Nursing and Rehabilitation Center, LLC

	FISCAL PERIOD ENDED				
	<u>10/31/10 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$4,020,886	\$3,849,524	\$3,740,009	\$4,271,325	\$3,582,473
ASSETS - FIXED AND OTHER	6,371,106	6,481,206	6,564,414	6,733,653	6,951,801
LIABILITIES - CURRENT	4,289,795	4,214,338	4,050,953	4,545,704	3,543,473
LIABILITIES - LONG-TERM	<u>3,067,811</u>	<u>3,504,380</u>	<u>4,097,566</u>	<u>4,379,519</u>	<u>4,690,346</u>
EQUITY	\$3,034,386	\$2,612,012	\$2,155,904	\$2,079,755	\$2,300,455
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INCOME	\$15,050,204	\$18,186,850	\$17,839,331	\$16,873,402	\$16,839,993
EXPENSE	<u>13,827,826</u>	<u>17,080,742</u>	<u>17,269,182</u>	<u>16,838,107</u>	<u>16,222,246</u>
NET INCOME	\$1,222,378	\$1,106,108	\$570,149	\$35,295	\$617,747
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DEPRECIATION	\$252,076	\$252,076	\$259,398	\$246,282	\$212,599
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NUMBER OF BEDS	185	185	185	185	185
PERCENT OF OCCUPANCY (DAYS)	97.17%	97.17%	96.30%	91.4%	95.1%
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PERCENT OCCUPANCY (DAYS):					
MEDICAID	88.99%	88.99%	91.11%	86.4%	90.1%
MEDICARE	8.19%	8.19%	7.00%	11.6%	8.5%
PRIVATE/OTHER	2.82%	2.82%	1.89%	2.0%	1.4%
<hr/>					
MEDICAID RATE BREAKDOWN:		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		\$249.20	\$249.20	\$231.75	
CAPITAL		<u>\$2.48</u>	<u>\$3.89</u>	<u>\$23.64</u>	
TOTAL		\$251.68	\$253.09	<u>\$255.39</u>	

* 2009 patient days used

Financial Summary

Avalon Gardens

FISCAL PERIOD ENDED

	11/31/2010 Internal	12/31/2009	12/31/2008	12/31/2007	12/31/2006
ASSETS - CURRENT	\$15,508,935	\$13,278,739	\$14,258,136	\$15,199,203	\$10,422,843
ASSETS - FIXED AND OTHER	11,149,242	10,753,482	10,817,314	10,996,172	11,267,206
LIABILITIES - CURRENT	18,678,097	18,602,940	21,377,355	23,271,860	18,890,675
LIABILITIES - LONG-TERM	<u>258,939</u>	<u>436,941</u>	<u>635,029</u>	<u>1,218,237</u>	<u>1,540,395</u>
EQUITY	\$7,721,141	\$4,992,340	\$3,063,066	\$1,705,278	\$1,258,979
INCOME	\$38,303,721	\$42,171,474	\$38,338,722	\$36,807,742	\$35,415,854
EXPENSE	<u>35,574,918</u>	<u>40,242,200</u>	<u>\$36,980,934</u>	<u>\$36,361,443</u>	<u>\$36,709,743</u>
NET INCOME	\$2,728,803	\$1,929,274	\$1,357,788	\$446,299	(\$1,293,889)
DEPRECIATION	\$303,329	\$303,329	\$291,734	\$284,473	\$251,043
NUMBER OF BEDS	353	353	353	353	353
PERCENT OF OCCUPANCY (DAYS)	87.65%	97.8%	90.6%	91.1%	90.9%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	88.37%	88.21%	87.28%	86.8%	87.8%
MEDICARE	6.91%	7.50%	7.84%	7.2%	7.9%
PRIVATE/OTHER	4.72%	4.29%	4.88%	6.0%	4.3%
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$283.74	\$283.74	\$230.16	
CAPITAL		<u>\$6.16</u>	<u>\$2.28</u>	<u>\$23.05</u>	
TOTAL		\$289.90	\$286.02	\$253.21	
Ped					
OPERATING		\$519.44	\$514.24		
CAPITAL		<u>\$12.45</u>	<u>\$9.28</u>		
TOTAL		\$531.89	\$523.52		

Financial Summary-Susquehanna

FINANCIAL PERIOD ENDED:

	<u>6/30/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$3,101,752	\$2,662,283	\$3,612,699	\$3,562,162	\$2,278,349
ASSETS - FIXED AND OTHER	7,034,440	7,130,657	6,800,494	5,651,714	5,317,977
LIABILITIES - CURRENT	2,649,083	2,564,957	5,656,874	3,422,518	3,334,769
LIABILITIES - LONG-TERM	<u>3,096,271</u>	<u>3,205,864</u>	<u>905,520</u>	<u>2,617,025</u>	<u>3,159,210</u>
EQUITY	\$4,390,838	\$4,022,119	\$3,850,799	\$3,174,333	\$1,102,347
<hr/>					
INCOME	\$6,839,393	\$13,113,122	\$13,710,625	\$12,254,921	\$11,190,007
EXPENSE	<u>6,238,174</u>	<u>12,441,801</u>	<u>11,928,247</u>	<u>10,893,280</u>	<u>10,388,877</u>
NET INCOME	\$601,219	\$671,321	\$1,782,378	\$1,361,641	\$801,130
<hr/>					
DEPRECIATION	\$327,224	\$327,224	\$246,522	\$159,296	\$225,409
<hr/>					
NUMBER OF BEDS	160	160	160	160	160
PERCENT OF OCCUPANCY (DAYS)	89.92%	89.92%	94.58%	94.85%	94.13%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	62.76%	62.76%	63.43%	63.62%	67.0%
MEDICARE	19.51%	19.51%	21.17%	21.86%	20.7%
PRIVATE/OTHER	17.73%	17.73%	15.40%	14.52%	12.3%

MEDICAID RATE BREAKDOWN:

	2010	2009	2008
OPERATING	\$167.76	\$167.76	\$155.10
CAPITAL	<u>(\$5.61)</u>	<u>(\$8.21)</u>	<u>\$16.83</u>
Total	\$162.15	\$159.55	\$171.93

Financial Summary

Brookhaven Rehab and Health Care Center, LLC

FISCAL PERIOD ENDED:

	<u>10/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$6,002,118	\$5,488,360	\$5,718,012	\$7,193,256	\$5,052,362
ASSETS - FIXED AND OTHER	4,995,711	4,926,918	5,028,390	5,501,873	5,438,965
LIABILITIES - CURRENT	4,347,881	4,884,865	6,220,517	7,150,873	7,507,942
LIABILITIES - LONG-TERM	<u>813,623</u>	<u>750,291</u>	<u>801,314</u>	<u>1,230,695</u>	<u>1,539,976</u>
EQUITY	\$5,836,325	\$4,780,122	\$3,724,571	\$4,313,561	\$1,443,409
<hr/>					
INCOME	\$24,109,202	\$26,020,901	\$27,739,000	\$28,204,207	\$25,925,301
EXPENSE	<u>21,653,064</u>	<u>25,915,351</u>	<u>26,426,420</u>	<u>24,898,161</u>	<u>25,574,224</u>
NET INCOME	\$2,456,198	\$2,105,550	\$1,312,640	\$3,366,046	\$351,137
<hr/>					
DEPRECIATION	\$441,664	\$441,664	\$500,575	\$563,513	\$597,043
<hr/>					
NUMBER OF BEDS	298	298	298	298	298
PERCENT OF OCCUPANCY (DAYS)	97.45%	97.45%	98.15%	96.90%	92.90%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	87.76%	87.76%	87.04%	85.37%	86.84%
MEDICARE	1.19%	1.19%	1.91%	10.03%	8.09%
PRIVATE/OTHER	4.45%	4.45%	4.99%	4.60%	5.07%
<hr/>					
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$208.27	208.27	207.11	
CAPITAL		<u>\$6.73</u>	<u>11.66</u>	<u>\$27.32</u>	
TOTAL		\$215.00	219.82	234.43	

* 2009 patient days used

Financial Summary-Eastchester Rehab and Health Care Center

	<u>FISCAL PERIOD ENDED</u>				
	<u>9/30/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$4,969,006	\$5,596,567	\$6,548,764	\$8,392,469	\$6,090,720
ASSETS - FIXED AND OTHER	11,383,181	11,480,543	11,387,666	11,477,587	11,090,654
LIABILITIES - CURRENT	8,131,057	5,079,528	10,675,593	7,887,509	10,972,881
LIABILITIES - LONG-TERM	<u>102,813</u>	<u>4,540,065</u>	<u>370,775</u>	<u>4,749,025</u>	<u>223,079</u>
EQUITY	\$8,058,317	\$7,456,897	\$6,890,062	\$7,232,922	\$5,984,814
<hr/>					
INCOME	\$16,765,773	\$21,987,877	\$21,958,425	\$21,360,192	\$20,793,403
EXPENSE	<u>15,804,352</u>	<u>20,951,140</u>	<u>21,455,267</u>	<u>20,112,084</u>	<u>19,729,131</u>
NET INCOME	\$901,421	\$1,036,731	\$503,138	\$1,248,108	\$1,064,272
<hr/>					
DEPRECIATION	\$166,473	\$166,473	\$178,680	\$155,905	\$101,177
<hr/>					
NUMBER OF BEDS	200	200	200	200	200
PERCENT OF OCCUPANCY (DAYS)	96.41%	96.41%	95.42%	95.64%	93.95%
<hr/>					
<u>PERCENT OCCUPANCY (DAYS):</u>					
MEDICAID	87.26%	87.26%	87.38	85.86%	84.05%
MEDICARE	11.48%	11.48%	6.71	10.45%	10.82%
PRIVATE/OTHER	1.26%	1.26%	5.91	3.69%	5.13%
<hr/>					
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$233.87	\$233.87	\$229.60	
CAPITAL		<u>(\$6.36)</u>	<u>(\$6.65)</u>	<u>\$16.21</u>	
TOTAL		\$227.51	\$227.22	\$245.81	
Vent					
OPERATING		\$649.41	\$649.41	\$664.33	
CAPITAL		<u>\$10.04</u>	<u>\$8.10</u>	<u>\$49.71</u>	
TOTAL		\$659.45	\$657.51	\$714.04	

Financial Summary

Woodmere Rehab and Health Care Center

	FISCAL PERIOD ENDED				
	<u>10/31/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$8,914,900	\$9,542,103	\$9,754,481	\$8,307,434	\$6,268,065
ASSETS - FIXED AND OTHER	8,653,032	9,312,660	8,720,602	9,082,641	9,378,119
LIABILITIES - CURRENT	5,337,209	7,484,824	7,544,213	7,826,746	9,290,350
LIABILITIES - LONG-TERM	<u>2,432,147</u>	<u>2,736,388</u>	<u>2,957,999</u>	<u>3,019,225</u>	<u>1,040,922</u>
EQUITY	\$9,798,576	\$8,633,551	\$7,972,871	\$6,544,104	\$5,315,812
INCOME	\$32,032,237	\$39,680,997	\$39,506,393	\$33,574,461	\$30,828,189
EXPENSE	<u>30,667,211</u>	<u>38,173,008</u>	<u>36,177,623</u>	<u>32,346,170</u>	31,884,072
NET INCOME	\$1,365,026	\$1,507,989	\$3,328,770	\$1,228,291	(\$1,055,883)
DEPRECIATION	\$466,279	\$466,279	\$466,682	\$520,208	\$577,881
NUMBER OF BEDS	336	336	336	336	336
PERCENT OF OCCUPANCY (DAYS)	95.5%	95.5%	91.7%	90.1%	85.2%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	72.9%	72.9%	69.5%	69.7%	69.9%
MEDICARE	21.5%	21.5%	22.9%	21.7%	21.3%
PRIVATE/OTHER	5.6%	5.6%	7.6%	8.6%	8.8%

MEDICAID RATE BREAKDOWN:

	2010	2009	2008
OPERATING	\$255.42	\$255.42	\$221.59
CAPITAL	<u>\$4.58</u>	<u>-\$9.10</u>	<u>\$22.49</u>
TOTAL	\$260.00	\$246.32	\$244.08
Vent			
OPERATING	\$610.85	\$610.85	\$623.00
CAPITAL	<u>\$94.37</u>	<u>\$53.32</u>	<u>\$61.41</u>
TOTAL	\$705.22	\$664.17	\$684.41

* 2009 patient day information used

Financial Summary

Golden Gate Rehabilitation and Health Care Center, LLC

	FISCAL PERIOD ENDED				
	<u>10/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$5,768,045	\$4,798,953	\$3,752,124	\$3,703,341	\$3,251,314
ASSETS - FIXED AND OTHER	12,777,558	12,986,641	12,817,685	13,004,277	13,227,598
LIABILITIES - CURRENT	6,188,669	5,639,849	5,089,732	5,647,393	5,257,810
LIABILITIES - LONG-TERM	<u>800,441</u>	<u>1,512,516</u>	<u>1,233,809</u>	<u>1,813,097</u>	<u>2,502,327</u>
EQUITY	\$11,556,493	\$10,633,229	\$10,246,268	\$9,247,128	\$8,718,775
<hr/>					
INCOME	\$20,105,209	\$23,404,069	\$23,925,968	\$21,528,660	\$21,520,505
EXPENSE	<u>19,175,667</u>	<u>23,017,108</u>	<u>22,926,829</u>	<u>21,331,425</u>	<u>21,578,130</u>
NET INCOME	\$929,542	\$386,961	\$999,139	\$197,235	(\$57,625)
<hr/>					
DEPRECIATION	\$420,399	\$420,399	\$375,183	\$367,092	\$358,389
<hr/>					
NUMBER OF BEDS	238	238	238	238	238
PERCENT OF OCCUPANCY (DAYS)	92.97%	92.97%	94.01%	95.2%	92.9%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	82.06%	82.06%	81.22%	78.6%	79.6%
MEDICARE	13.27%	13.27%	10.51%	14.4%	14.9%
PRIVATE/OTHER	4.67%	4.67%	8.27%	7.0%	5.5%
<hr/>					
MEDICAID RATE BREAKDOWN:					
		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		\$267.25	\$267.25	\$226.55	
CAPITAL		\$5.19	\$10.93	\$31.36	
Total		\$272.44	\$278.18	\$257.91	

*2009 patient days used

Financial Summary-Garden Care Center

	FISCAL PERIOD ENDED				
	<u>12/31/2010</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$3,877,869	\$3,787,552	\$3,553,978	\$3,213,503	\$2,863,088
ASSETS - FIXED AND OTHER	1,527,297	1,510,741	1,533,775	1,584,683	1,664,382
LIABILITIES - CURRENT	2,281,465	1,315,774	1,541,118	1,586,092	2,217,717
LIABILITIES - LONG-TERM	<u>235,888</u>	<u>631,987</u>	<u>758,012</u>	<u>753,492</u>	<u>402,451</u>
EQUITY	\$2,887,813	\$3,350,532	\$2,788,623	\$2,458,602	\$1,907,302
INCOME	\$16,980,503	\$17,118,846	\$16,803,777	\$16,206,643	\$15,768,353
EXPENSE	<u>16,743,228</u>	<u>16,456,939</u>	<u>15,973,753</u>	<u>15,511,042</u>	<u>14,225,332</u>
NET INCOME	\$237,275	\$661,907	\$830,024	\$695,601	\$1,543,021
DEPRECIATION	\$166,458	\$166,458	\$191,035	\$200,943	\$189,587
NUMBER OF BEDS	150	150	150	150	150
PERCENT OF OCCUPANCY (DAYS)	92.05%	92.05%	93.50%	92.40%	92.90%
<u>PERCENT OCCUPANCY (DAYS):</u>					
MEDICAID	63.15%	63.15%	63.57%	62.00%	60.70%
MEDICARE	23.64%	23.64%	18.88%	20.80%	25.40%
PRIVATE/OTHER	13.21%	13.21%	17.55%	17.20%	13.90%

MEDICAID RATE BREAKDOWN:

	2010	2009
OPERATING	\$234.93	\$234.93
CAPITAL	(\$21.54)	(\$11.05)
TOTAL	\$213.39	\$223.88

* 2009 patient days used

Financial Summary-The Hamptons Center for Rehab and Nursing

	<u>FISCAL PERIOD ENDED</u>		
	<u>11/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>
ASSETS - CURRENT	\$9,304,787	\$9,878,779	\$12,067,655
ASSETS - FIXED AND OTHER	4,152,345	3,727,361	5,775,926
LIABILITIES - CURRENT	27,014,145	15,251,482	12,489,009
LIABILITIES - LONG-TERM	6,136,404	16,218,596	15,970,883
EQUITY	(\$19,693,417)	(\$17,863,938)	(\$10,616,311)
<hr/>			
INCOME	\$28,233,615	\$33,115,928	\$29,638,350
EXPENSE	30,280,594	36,910,555	36,320,776
NET INCOME	(\$2,046,979)	(\$3,794,627)	(\$6,682,426)
<hr/>			
DEPRECIATION	\$34,429	\$34,429	\$19,548
<hr/>			
NUMBER OF BEDS	280	280	280
PERCENT OF OCCUPANCY (DAYS)	94.63%	96.42%	91.55%
<hr/>			
<u>PERCENT OCCUPANCY (DAYS):</u>			
MEDICAID	73.26%	79.60%	74.68%
MEDICARE	14.71%	13.28%	15.92%
PRIVATE/OTHER	12.03%	7.12%	9.40%
<hr/>			
MEDICAID RATE BREAKDOWN:			
		2010	2009
OPERATING		\$243.22	243.22
CAPITAL		(\$8.02)	\$28.45
Total		\$235.20	\$271.67

Financial Summary
Meadow Park Rehabilitation and Health Care Center

	<u>FISCAL PERIOD ENDED</u>				
	<u>12/31/10</u>	<u>12/31/09</u>	<u>12/31/08</u>	<u>12/31/07</u>	<u>12/31/06</u>
ASSETS - CURRENT	\$6,555,500	\$4,435,406	\$3,635,885	\$4,035,930	\$2,834,149
ASSETS - FIXED AND OTHER	6,602,579	6,694,367	6,922,439	7,153,785	7,116,569
LIABILITIES - CURRENT	7,946,692	8,561,741	6,002,050	5,846,112	4,199,917
LIABILITIES - LONG-TERM	<u>5,675,058</u>	<u>5,192,257</u>	<u>5,402,198</u>	<u>5,560,127</u>	<u>5,677,112</u>
EQUITY	(\$1,463,572)	(\$2,624,225)	(\$845,924)	(\$216,615)	\$73,689
<hr/>					
INCOME	\$15,028,501	\$15,221,672	\$14,771,409	\$12,960,016	\$13,084,970
EXPENSE	<u>13,667,847</u>	<u>13,932,389</u>	<u>14,418,520</u>	<u>13,208,208</u>	<u>12,451,968</u>
NET INCOME	\$1,360,654	\$1,289,283	\$352,889	(\$248,192)	\$633,002
<hr/>					
DEPRECIATION	\$347,136	\$347,136	\$343,519	\$328,644	\$309,448
<hr/>					
NUMBER OF BEDS	143	143	143	143	143
PERCENT OF OCCUPANCY (DAYS)	95.63%	95.63%	96.28%	96.06%	94.49%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	76.58%	76.58%	77.37%	76.90%	74.58%
MEDICARE	17.11%	17.11%	16.53%	16.98%	19.45%
PRIVATE/OTHER	6.31%	6.31%	6.10%	6.12%	5.97%
<hr/>					
MEDICAID RATE BREAKDOWN:					
		2010	2009	2008	
OPERATING		\$216.09	\$216.09	\$183.00	
CAPITAL		(\$9.32)	-\$10.78	\$16.89	
TOTAL		\$206.77	\$205.31	\$199.89	

* 2009 patient days used

Financial Summary

White Plains Center for Nursing

	FISCAL PERIOD ENDED				
	<u>10/31/2010</u> <u>interim</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$1,402,208	\$1,238,212	\$1,449,063	\$1,490,267	\$1,243,042
ASSETS - FIXED AND OTHER	5,213,473	5,032,462	4,975,693	4,863,132	4,328,703
LIABILITIES - CURRENT	7,707,329	4,016,147	7,475,442	7,416,380	2,117,576
LIABILITIES - LONG-TERM	1,128,888	4,110,337	1,594,979	1,340,059	4,729,432
EQUITY	(\$2,220,536)	(\$1,855,810)	(\$2,645,665)	(\$2,403,040)	(\$1,275,263)
INCOME	\$7,795,378	\$10,852,833	\$8,797,253	\$7,491,153	\$7,034,832
EXPENSE	8,160,099	10,062,981	9,045,876	8,612,929	8,270,446
NET INCOME	(\$364,721)	\$789,852	(\$248,623)	(\$1,121,776)	(\$1,235,614)
DEPRECIATION	\$79,386	\$79,386	\$61,815	\$44,991	\$43,267
NUMBER OF BEDS	88	88	88	88	88
PERCENT OF OCCUPANCY (DAYS)	95.82%	95.82%	96.88%	93.70%	93.62%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	74.84%	74.84%	75.46%	82.22%	76.57%
MEDICARE	17.22%	17.22%	17.80%	14.81%	18.70%
PRIVATE/OTHER	7.94%	7.94%	6.75%	2.97%	4.73%
MEDICAID RATE BREAKDOWN:		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		\$266.15	\$266.15	\$217.04	
CAPITAL		<u>\$0.50</u>	<u>\$0.69</u>	<u>\$27.10</u>	
TOTAL		\$266.65	\$266.84	\$244.14	

* 2009 patient day information used

Financial Summary

Fort Tryon Center for Rehabilitation and Nursing

	<u>FISCAL PERIOD ENDED</u>		
	<u>12/31/08</u>	<u>12/31/07</u>	<u>12/31/06</u>
ASSETS - CURRENT	\$3,634,119	\$4,612,436	\$4,302,838
ASSETS - FIXED AND OTHER	14,153,536	14,887,768	15,116,114
LIABILITIES - CURRENT	7,124,420	8,519,893	6,965,054
LIABILITIES - LONG-TERM	<u>6,178,700</u>	<u>7,221,680</u>	<u>9,413,614</u>
EQUITY	\$4,784,535	\$3,758,631	\$3,040,284
<hr/>			
INCOME	\$22,409,448	\$21,774,971	\$21,958,534
EXPENSE	<u>21,312,876</u>	<u>21,056,624</u>	<u>20,571,743</u>
NET INCOME	\$1,096,572	\$718,347	\$1,386,791
<hr/>			
DEPRECIATION	\$137,232	\$156,359	\$191,464
<hr/>			
NUMBER OF BEDS	205	205	205
PERCENT OF OCCUPANCY (DAYS)	94.9%	95.4%	94.0%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	74.2%	74.1%	68.8%
MEDICARE	17.1%	19.9%	21.5%
PRIVATE/OTHER	8.6%	6.0%	9.8%
<hr/>			
MEDICAID RATE BREAKDOWN:			
	2010	<u>2009</u>	<u>2008</u>
OPERATING	\$263.12	\$263.12	\$251.39
CAPITAL	<u>(5.05)</u>	<u>0.24</u>	20.74
TOTAL	\$258.07	\$263.36	\$272.13

None of the applicants had ownership interest in the facility after 2008

Financial Summary

Franklin Center For Rehabilitation and Nursing

FISCAL PERIOD ENDED

	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$6,984,380	\$7,813,762	\$7,820,646
ASSETS - FIXED AND OTHER	22,430,066	22,562,470	22,235,193
LIABILITIES - CURRENT	9,552,399	11,737,365	10,055,224
LIABILITIES - LONG-TERM	<u>10,515,208</u>	<u>11,338,800</u>	<u>12,255,806</u>
EQUITY	\$9,346,839	\$7,300,067	\$7,744,809
<hr/>			
INCOME	\$39,078,819	\$37,574,394	\$38,375,035
EXPENSE	<u>\$36,714,464</u>	<u>\$35,555,700</u>	<u>\$35,857,093</u>
NET INCOME	\$2,364,355	\$2,018,694	\$2,517,942
<hr/>			
DEPRECIATION	\$336,622	\$353,287	\$318,926
<hr/>			
NUMBER OF BEDS	320	320	320
PERCENT OF OCCUPANCY (DAYS)	97.89%	98.57%	95.96%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	76.14%	76.00%	73.40%
MEDICARE	10.76%	11.50%	21.80%
PRIVATE/OTHER	13.11%	12.50%	4.70%
<hr/>			
MEDICAID RATE BREAKDOWN:	<u>2010</u>	<u>2009</u>	<u>2008</u>
OPERATING	\$255.24	\$255.24	\$254.52
CAPITAL	<u>(2.13)</u>	<u>(0.37)</u>	<u>21.07</u>
TOTAL	\$253.11	\$254.87	\$275.59

None of the applicants had ownership interest in the facility after 2008

BFA Attachment N

Park Avenue Operating Co. LLC d/b/a Park Avenue Extended Care Facility

Financial Summary

Park Avenue Extended Care Facility

FISCAL PERIOD ENDED	<u>8/31/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$11,334,603	\$7,407,046	\$7,198,373	\$9,169,593	\$7,354,291
ASSETS - FIXED AND OTHER	11,364,930	14,083,106	14,418,390	10,692,680	10,528,183
LIABILITIES - CURRENT	4,523,297	3,986,804	4,430,048	4,416,698	5,637,753
LIABILITIES - LONG-TERM	<u>7,072,858</u>	<u>7,345,091</u>	<u>7,771,859</u>	<u>8,716,500</u>	<u>7,660,256</u>
EQUITY	\$11,103,378	\$10,158,257	\$9,414,856	\$6,729,075	\$4,575,465
INCOME	\$17,967,343	\$27,963,018	\$29,248,621	\$26,122,503	\$23,042,912
EXPENSE	<u>17,022,222</u>	<u>27,219,617</u>	<u>26,475,340</u>	<u>24,306,390</u>	<u>22,925,179</u>
NET INCOME	\$945,121	\$743,401	\$2,773,281	\$1,816,113	\$117,733
DEPRECIATION	\$127,962	\$127,962	\$71,834	\$40,803	\$18,408
NUMBER OF BEDS	240	240	240	240	240
PERCENT OF OCCUPANCY (DAYS)	97.12%	97.12%	98.30%	97.92%	95.26%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	74.52%	74.52%	77.50%	77.25%	77.30%
MEDICARE	14.48%	14.48%	13.62%	12.43%	16.03%
PRIVATE/OTHER	11.00%	11.00%	8.88%	10.32%	6.68%
MEDICAID RATE BREAKDOWN:			2010	<u>2009</u>	<u>2008</u>
OPERATING			\$248.77	\$248.77	\$223.24
CAPITAL			\$3.64	\$5.34	\$37.45
TOTAL			\$252.41	\$254.11	\$260.69

*2009 patient days used

Financial Summary
Nassau Extended Care Facility

	FISCAL PERIOD ENDED				
	<u>8/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$9,470,688	\$8,872,863	\$9,956,878	\$7,438,626	\$7,945,673
ASSETS - FIXED AND OTHER	17,854,488	16,027,120	14,497,907	14,904,709	12,370,406
LIABILITIES - CURRENT	5,766,513	4,725,367	5,426,493	5,079,401	4,286,499
LIABILITIES - LONG-TERM	<u>7,150,481</u>	<u>7,387,690</u>	<u>7,788,087</u>	<u>8,162,120</u>	<u>8,496,099</u>
EQUITY	\$14,408,182	\$12,786,926	\$11,240,205	9,101,814	7,533,481
INCOME	\$21,970,244	\$33,906,046	\$33,159,574	\$29,362,607	\$28,610,268
EXPENSE	<u>20,348,988</u>	<u>32,359,325</u>	<u>30,933,683</u>	<u>27,881,774</u>	<u>27,258,857</u>
NET INCOME	\$1,621,256	\$1,546,721	\$2,225,891	\$1,480,833	\$1,351,411
DEPRECIATION	\$71,312	\$71,312	\$71,312	\$48,354	\$26,577
NUMBER OF BEDS	280	280	280	280	280
PERCENT OF OCCUPANCY (DAYS)	94.96%	94.96%	96.23%	95.52%	94.87%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	74.50%	74.50%	76.83%	80.41%	82.66%
MEDICARE	15.66%	15.66%	14.89%	14.85%	13.66%
PRIVATE/OTHER	9.84%	9.84%	8.27%	4.74%	3.68%
MEDICAID RATE BREAKDOWN:					
	<u>2010</u>	<u>2009</u>	<u>2008</u>		
OPERATING	230.34	221.59	216.81		
CAPITAL	<u>9.90</u>	<u>46.34</u>	<u>55.25</u>		
TOTAL	249.24	267.93	272.06		

* 2009 patient days used

Financial Summary

Nathan Miller Extended Care Center

FISCAL PERIOD ENDED

	<u>8/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$1,204,237	\$739,447	\$1,571,593	\$1,270,727	\$975,533
ASSETS - FIXED AND OTHER	1,079,253	947,077	884,873	748,215	737,650
LIABILITIES - CURRENT	2,922,678	1,934,814	3,384,684	3,270,045	2,072,760
LIABILITIES - LONG-TERM	<u>737,572</u>	<u>1,000,794</u>	<u>233,346</u>	<u>140,436</u>	<u>319,652</u>
EQUITY	(\$1,376,760)	(\$1,249,084)	(\$1,161,564)	(\$1,391,539)	(\$679,229)
<hr/>					
INCOME	\$3,802,646	\$7,081,174	\$6,510,244	\$4,767,374	\$4,838,398
EXPENSE	<u>3,930,320</u>	<u>7,168,695</u>	<u>6,280,270</u>	<u>5,479,684</u>	<u>5,160,878</u>
NET INCOME	(\$127,674)	(\$87,521)	\$229,974	(\$712,310)	(\$322,480)
<hr/>					
DEPRECIATION	\$61,992	\$61,992	\$55,033	\$43,988	\$27,285
<hr/>					
NUMBER OF BEDS	65	65	65	65	65
PERCENT OF OCCUPANCY (DAYS)	96.15%	96.15%	95.31%	91.71%	92.43%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	86.27%	86.27%	82.89%	86.04%	82.39%
MEDICARE	0.50%	0.50%	11.40%	9.05%	11.10%
PRIVATE/OTHER	5.15%	5.15%	5.64%	4.91%	6.42%
<hr/>					
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$232.83	\$232.83	\$209.62	
CAPITAL		<u>\$9.13</u>	<u>\$7.88</u>	<u>\$27.14</u>	
TOTAL		\$241.96	\$240.71	\$236.76	

* 2009 patient days used

Financial Summary
Throgs Neck Extended Care

	FISCAL PERIOD ENDED				
	<u>9/30/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$3,160,388	\$3,236,664	\$4,440,269	\$3,631,502	\$4,413,396
ASSETS - FIXED AND OTHER	11,387,528	11,091,066	9,507,689	10,527,114	10,211,093
LIABILITIES - CURRENT	4,710,291	4,416,366	4,494,319	4,050,779	5,106,035
LIABILITIES - LONG-TERM	<u>5,593,233</u>	<u>5,960,472</u>	<u>6,049,131</u>	<u>6,346,947</u>	<u>6,455,890</u>
EQUITY	\$4,244,392	\$3,950,892	\$3,404,508	\$2,952,890	\$3,001,764
INCOME	\$16,687,251	\$22,843,164	\$22,903,974	\$21,061,647	\$20,269,530
EXPENSE	<u>16,393,752</u>	<u>22,296,778</u>	<u>22,394,853</u>	<u>19,973,021</u>	<u>19,970,042</u>
NET INCOME	\$293,499	\$546,386	\$509,121	\$1,088,626	\$299,488
DEPRECIATION	\$99,248	\$99,248	\$85,896	\$73,809	\$55,032
NUMBER OF BEDS	205	205	205	205	205
PERCENT OF OCCUPANCY (DAYS)	96.81%	96.81%	98.43%	94.38%	94.95%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	74.10%	74.10%	74.94%	72.69%	75.25%
MEDICARE	13.85%	13.85%	16.85%	18.73%	13.90%
PRIVATE/OTHER	12.05%	12.05%	8.21%	8.58%	10.84%
MEDICAID RATE BREAKDOWN:					
		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		\$247.40	\$247.40	\$236.12	
CAPITAL		<u>\$7.17</u>	<u>\$8.55</u>	<u>\$38.99</u>	
TOTAL		\$254.57	\$255.95	\$275.11	

* 2009 patient days used

Financial Summary
Townhouse Extended Care Facility

	FISCAL PERIOD ENDED				
	<u>9/30/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$8,744,812	\$7,614,750	\$5,133,913	\$6,394,845	\$5,318,827
ASSETS - FIXED AND OTHER	12,766,675	12,525,853	14,913,771	12,185,437	12,081,712
LIABILITIES - CURRENT	10,811,217	5,426,264	0,808,721	7,210,777	7,794,202
LIABILITIES - LONG-TERM	<u>5,571,398</u>	<u>10,694,448</u>	<u>6,906,527</u>	<u>7,529,739</u>	<u>6,845,281</u>
EQUITY	\$5,095,872	\$4,019,901	\$3,332,436	\$3,839,766	\$2,761,056
INCOME	\$25,130,279	\$34,045,641	\$32,925,683	\$32,365,444	\$30,388,158
EXPENSE	<u>24,054,312</u>	<u>33,358,176</u>	<u>33,345,513</u>	<u>31,374,234</u>	<u>30,009,673</u>
NET INCOME	\$1,075,967	\$687,465	(\$419,830)	\$991,210	\$378,485
DEPRECIATION	\$130,063	\$130,063	\$86,527	\$55,975	\$37,264
NUMBER OF BEDS	280	280	280	280	280
PERCENT OF OCCUPANCY (DAYS)	95.18%	95.18%	96.49%	96.53%	95.27%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	68.91%	68.91%	71.93%	73.70%	71.29%
MEDICARE	15.39%	15.39%	12.32%	13.75%	16.65%
PRIVATE/OTHER	15.70%	15.70%	15.75%	12.56%	9.06%
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$254.31	\$254.31	\$222.68	
CAPITAL		<u>\$17.49</u>	<u>\$15.71</u>	<u>\$50.66</u>	
TOTAL		\$271.80	\$270.02	\$273.34	
Vent		2010	2009	2008	
OPERATING		\$554.26	\$554.26	\$539.85	
CAPITAL		<u>\$22.26</u>	<u>\$20.89</u>	<u>\$40.95</u>	
TOTAL		\$576.52	\$575.15	\$580.80	

* 2009 patient days used

Financial Summary
West Lawrence Care Center, LLC

FISCAL PERIOD ENDED

	<u>9/30/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$2,730,336	\$2,876,188	\$2,387,571	\$3,664,454	\$2,763,036
ASSETS - FIXED AND OTHER	3,878,262	4,061,144	4,067,307	4,104,304	3,314,001
LIABILITIES - CURRENT	3,134,643	2,868,406	2,967,536	3,636,297	3,562,595
LIABILITIES - LONG-TERM	<u>551,449</u>	<u>1,016,813</u>	<u>1,175,187</u>	<u>1,644,836</u>	<u>1,153,888</u>
EQUITY	\$2,922,506	\$3,052,113	\$2,312,155	\$2,487,625	\$1,360,554
<hr/>					
INCOME	\$15,313,750	\$21,680,456	\$20,796,727	\$20,171,414	\$20,832,445
EXPENSE	<u>14,548,462</u>	<u>19,290,498</u>	<u>18,996,187</u>	<u>18,194,225</u>	<u>18,121,974</u>
NET INCOME	\$765,288	\$2,389,958	\$1,800,540	\$1,977,189	\$2,710,471
<hr/>					
DEPRECIATION	\$212,031	\$212,031	\$214,621	\$162,850	\$174,807
<hr/>					
NUMBER OF BEDS	215	215	215	215	215
PERCENT OF OCCUPANCY (DAYS)	98.67%	98.67%	98.51%	97.91%	96.75%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	91.51%	91.51%	86.98%	86.35%	86.19%
MEDICARE	7.96%	7.96%	9.31%	10.44%	11.63%
PRIVATE/OTHER	0.54%	0.54%	3.71%	3.21%	2.18%
<hr/>					
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$220.41	\$220.41	\$225.40	
CAPITAL		6.24	\$6.80	\$15.40	
TOTAL		\$226.65	\$227.21	\$240.88	

* 2009 patient days used

Financial Summary

Split Rock Rehabilitation and Health Care Center, LLC

	<u>FISCAL PERIOD ENDED</u>		
	<u>12/31/2008</u>	<u>12/31/07</u>	<u>12/31/06</u>
ASSETS - CURRENT	\$5,884,811	\$7,247,324	\$7,010,442
ASSETS - FIXED AND OTHER	14,551,722	14,680,691	14,818,865
LIABILITIES - CURRENT	9,641,441	11,214,161	13,754,519
LIABILITIES - LONG-TERM	<u>7,043,424</u>	<u>8,668,964</u>	<u>5,793,453</u>
EQUITY	\$3,751,668	\$2,044,890	\$2,281,335
<hr/>			
INCOME	\$27,679,201	\$25,993,270	\$25,757,420
EXPENSE	<u>25,972,423</u>	<u>26,231,420</u>	<u>26,654,935</u>
NET INCOME	\$1,706,778	(\$238,150)	(\$897,515)
<hr/>			
DEPRECIATION	\$181,426	\$220,507	\$210,077
<hr/>			
NUMBER OF BEDS	240	240	240
PERCENT OF OCCUPANCY (DAYS)	95.31%	95.3%	90.9%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	90.16%	90.0%	87.6%
MEDICARE	5.05%	6.2%	10.4%
PRIVATE/OTHER	4.79%	2.9%	2.0%
<hr/>			
MEDICAID RATE BREAKDOWN:	2010	<u>2009</u>	<u>2008</u>
OPERATING	\$248.77	\$248.77	230.4
CAPITAL	<u>5.37</u>	<u>7.09</u>	<u>16.42</u>
TOTAL	\$254.14	\$255.86	\$246.82

None of the applicants had ownership interest in the facility after 2008

As shown on BFA Attachment A, Bayview Nursing and Rehabilitation Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$710,335 during the period 2006 through 10/31/2010.

As shown on BFA Attachment B, Avalon Gardens Rehabilitation Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,292,069 during the period 2006 through 11/31/2010. In 2006, the facility generated a net loss of \$1,293,889. This was due to the level of resident acuity. Many of the residents had multiple wounds upon intake, which raised the cost of caring for these residents. In order to adjust or address the losses, the facility had to reduce costs. They implemented a cost reduction program and new residents exhibiting issues such as multiple wounds, were addressed at intake, therefore the new residents were of a lower acuity and they had a lower level of expense for their care.

As shown on BFA Attachment C, Susquehanna had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,043,538 during the period 2006 through 06/30/2010.

As shown on BFA Attachment D, Brookhaven Rehab and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,918,314 during the period 2006 through 10/31/2010.

As shown on BFA Attachment E, Eastchester Rehab and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$950,734 during the period 2006 through 9/30/2010.

As shown on BFA Attachment F, Woodmoro Rehab and Health Care Center had an average positive working capital position and net asset positions, and generated an average net income of \$1,274,839 during the period 2006 through 10/31/2010. The 2006 loss of \$1,055,883 was caused by the facility paying a management fee to the partners of \$1,225,000; prior to the payment, the facility had a net income of \$169,117. This was a one-time occurrence.

As shown on BFA Attachment G, Golden Gate Rehab and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$491,050 during the period 2006 through 10/31/2010. The 2006 loss of \$57,625 is due to the payment of Administrative Consultant fees paid to the operators, which were

treated as expenses. Without the payment, the facility would have had a positive net income. This was a one-time occurrence.

As shown on BFA Attachment H, Garden Care Center had an average positive working capital and net asset positions, and generated an average net income of \$793,566 during the period 2006 through 2010.

As shown on BFA Attachment I, The Hamptons Center for Rehab and Nursing had average negative working capital and net asset positions, and generated an average net loss of \$4,174,677 during the period 2008 through 2010. The loss was caused by the facility just opening in July 2006, and being under the initial budget based rate. Currently, their occupancy rate is 90.42%, up 5% from 2008. In 2009, the facility was able to reduce their losses by almost three million dollars from 2008. This was accomplished through a reduction in costs and a favorable working capital loan refinancing, as well as the facility receiving a rebased rate based on the 2008 cost report submission. Also, the facility reduced expenses by using more staff and reducing the use of outside agencies. By doing this, the operation expects to become profitable within the next 3 to 5 years; this can be seen with the continued reduction in losses for 2010 of over 1.5 million for 2009. During the first few years that the facility was in operation, the losses were covered by a credit line from the bank and from member's funds, which were more than sufficient to cover historical and projected losses.

As shown on BFA Attachment J, Meadow Park had average negative working capital and net asset positions, and generated an average net income of \$677,527 during the period 2006 through 2010. The 2007 loss was caused by a retroactive rate reduction for the May 2000 – May 2002 period based on a PRI audit of the facility's neurobiological program (NBP). Without this adjustment, the facility would have reported a positive net income in 2007. In order to prevent this adjustment from happening in the future, the facility, in 2005, eliminated NBP and replaced them with higher PRI patients, thus improving the facility's financial condition.

As shown on BFA Attachment K, White Plains had average negative working capital and net asset positions, and generated an average net loss of \$436,176 during the period 2006 through 10/31/2010. The loss was caused by the facility not receiving their rebased rates for several years after the change in ownership took place in October 2004. The facility started receiving the rebased rate in 2008, significantly reducing the net loss, but they are still waiting for a positive PRI adjustment in order to be operating profitably. In 2009, the facility finally received a positive PRI and as of May 2009, the facility started profitable operations, which can be seen on the financial summary, which shows a net income of \$789,852.

As shown on BFA Attachment L, Fort Tryon Center for Rehabilitation and Nursing had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,067,237 during the period 2006 through 2008. As of 8/1/08, none of the owners or proposed owners of Bayview had ownership interest in the facility.

As shown on BFA Attachment M, New Franklin Center for Rehabilitation and Nursing had an average negative working capital position and an average positive net asset position, and generated an average net income of \$2,300,330 during the period 2006 through 2008. As of 7/23/2008, none of the owners or proposed owners of Bayview had ownership interest in the facility.

As shown on BFA Attachment N, Park Avenue Extended Care Facility had an average positive working capital and an average positive net asset position, and generated an average net income of \$1,279,130 during the period 2006 through 8/31/2010.

As shown on BFA Attachment O, Nassau Extended Care Facility had average positive working capital and net asset positions, and generated an average net income of \$1,645,222 during the period 2006 through 8/31/2010.

As shown on BFA Attachment P, Nathan Miller had average negative working capital and net asset positions, and generated an average net loss of \$204,002 during the period 2006 through 8/31/2010. The loss was caused by the facility not receiving their rebased rates for several years after the change in ownership took place in October 2004. The facility started receiving the rebased rate in 2008, and in 2008 showed a positive net income due to them receiving all of the rebased rates and relevant adjustments in 2008. In 2009, the facility again had a negative net income. In 2009, the facility again had a loss. The operator indicates that the loss is due to the facility being too small to achieve a breakeven or profit. The facility had a plan to build, and add more beds in order to become financially feasible, but this expansion was stopped by a community effort. The operator has decided to sell the facility and it will be converted into an assisted living program (ALP). The closure plan calls for a February 2011 closing date.

As shown on BFA Attachment Q, Throgs Neck Extended Care Facility had an average negative working capital position and an average positive net asset position, and generated an average net income of \$547,424 during the period 2006 through 9/30/2010.

As shown on BFA Attachment R, Townhouse Extended Care Facility had an average negative working capital position and an average positive net asset

position, and generated an average net income of 542,659 during the period 2006 through 9/30/2010. The 2008 loss was caused by a prior period liability being accrued in 2008: the accrual was for \$1,054,509 for a Medicaid overpayment. This is a one time occurrence and without the accrual, the facility would have had positive income for the year.

As shown on BFA Attachment S, West Lawrence Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,028,680 during the period 2006 through 9/30/2010.

As shown on BFA Attachment T, Split Rock Rehabilitation and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$190,371 during the period 2006 through 2008. The losses in 2006 and 2007 were caused by issues with resident acuity; many of the residents had multiple wounds upon intake, which raised the cost of caring for these residents. The facility has implemented a cost reduction program in which new residents who are exhibiting issues such as multiple wounds, are now addressed at intake, which allows for lower acuity admission, thus reducing the level of expense for their care. As of 7/30/2008, none of the owners or proposed owners of Bayview had ownership interest in the facility.

ESTABLISHMENT CHECKLIST FOR NURSING HOMES

APPLICATION: 092041 Throgs Neck Extended Care Center

NATURE OF PROPOSAL: Transfer 35.75% of the ownership interest

EFFECT ON OPERATIONAL OWNERSHIP: proposed assignees Sandra Busell (.5%), Alan Chopp (1%), Edward Farbenblum (3%), Abraham Fishoff (1%), Benjamin Fishoff (5%), Donald Fishoff (1%), Norman Gold (1%), Jeffrey Goldstein (.5%), Anne Gottlieb (2.5%), Meryl Gross (1%), Francine Joseph (1%), Tibor Levovich (1%), Teresa Pocchia (.5%), Theodore Pollack (1%), Mayer Rispler (2%), Berish Rubinstein (1%), Ronald Stern (2%), Jennifer Strauss (.5%), Martha Sweet (1%), Naomi Tessler (2%), Cynthia Treff (1%), Regina Weinstock (1%), Rhea Gutman (1%), Esther Farkovits (2.25%), Alexander Hoffman (1%) and Elisa Taub (1%)

EFFECT ON REAL ESTATE OWNERSHIP: N/A

FIXED ASSET PURCHASE PRICE: N/A

FIXED ASSET MEDICAID VALUE: N/A

CAPITAL REIMBURSEMENT: N/A

Capitalized Lease
Historic Cost Method
Shortfall; Average Annual Amount
\$

BUSINESS PURCHASE PRICE: \$2,368,438 (\$66,250 per percent)

BFA PACKET A

Presented in BFA Packet A are the Net worth statements, financial summaries and explanations to the financial summaries for the facilities and related companies associated with projects 092035, 092037, 092038, 092041 and 092077. Net worth 1 is associated with projects 092035, 092037, 092038 and 092041. Net worth 2 is associated with project 092077. The financial summaries related to these projects are as follows:

- BFA Attachment A: Bayview Nursing and Rehabilitation Center
- BFA Attachment B: Avalon Gardens Rehab and Health Care Center
- BFA Attachment C: Susquehanna Nursing and Rehab
- BFA Attachment D: Brookhaven Rehab and Health Care Center
- BFA Attachment E: Eastchester Rehab and Health Care
- BFA Attachment F: Woodmere Rehab and Health Care Center
- BFA Attachment G: Golden Gate Rehab and Health Care Center
- BFA Attachment H: Gardon Care Center
- BFA Attachment I: The Hamptons Center for Rehab and Nursing
- BFA Attachment J: Meadow Park Care Center
- BFA Attachment K: White Plains Center for Nursing
- BFA Attachment L: Fort Tryon Center for Rehabilitation and Nursing
- BFA Attachment M: New Franklin Center for Rehabilitation and Nursing
- BFA Attachment N: Park Avenue Extended Care Center
- BFA Attachment O: Nassau Extended Care Center
- BFA Attachment P: Nathan Miller Center for Nursing
- BFA Attachment Q: Throgs Neck Extended Care Center
- BFA Attachment R: Townhouse Extended Care Center
- BFA Attachment S: West Lawrence Care Center
- BFA Attachment T: Split Rock Rehabilitation and Health Care Center

*Note not all of these facilities relate to all of the projects.

- Projects 092035, 092037, 092038 and 092041 include A,B,C,D,E,F,G,H,I,J,K and P
- Project 092035 also includes N
- Project 092037 also includes O,
- Project 092038 also includes R
- Project 092041 also includes Q.
- Project 092077 includes A,B,C,D,E,F,G,I,K,L,M,N,O,P,Q,R,S and T.

Financial Summary

Bayview Nursing and Rehabilitation Center, LLC

	FISCAL PERIOD ENDED				
	<u>10/31/10 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$4,020,886	\$3,849,524	\$3,740,009	\$4,271,325	\$3,582,473
ASSETS - FIXED AND OTHER	6,371,106	6,481,206	6,564,414	6,733,653	6,951,801
LIABILITIES - CURRENT	4,289,795	4,214,338	4,050,953	4,545,704	3,543,473
LIABILITIES - LONG-TERM	<u>3,067,811</u>	<u>3,504,380</u>	<u>4,097,566</u>	<u>4,379,519</u>	<u>4,690,346</u>
EQUITY	\$3,034,386	\$2,612,012	\$2,155,904	\$2,079,755	\$2,300,455
<hr/>					
INCOME	\$15,050,204	\$18,186,850	\$17,839,331	\$16,873,402	\$16,839,993
EXPENSE	<u>13,827,826</u>	<u>17,080,742</u>	<u>17,269,182</u>	<u>16,838,107</u>	<u>16,222,246</u>
NET INCOME	\$1,222,378	\$1,106,108	\$570,149	\$35,295	\$617,747
<hr/>					
DEPRECIATION	\$252,076	\$252,076	\$259,398	\$246,282	\$212,500
<hr/>					
NUMBER OF BEDS	185	185	185	185	185
PERCENT OF OCCUPANCY (DAYS)	97.17%	97.17%	96.30%	91.4%	95.1%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	88.99%	88.99%	91.11%	86.4%	90.1%
MEDICARE	8.19%	8.19%	7.00%	11.6%	8.5%
PRIVATE/OTHER	2.82%	2.82%	1.89%	2.0%	1.4%
<hr/>					
MEDICAID RATE BREAKDOWN:		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		\$249.20	\$249.20	\$231.75	
CAPITAL		<u>\$2.48</u>	<u>\$3.89</u>	<u>\$23.64</u>	
TOTAL		\$251.68	\$253.09	<u>\$255.39</u>	

* 2009 patient days used

Financial Summary

Avalon Gardens

FISCAL PERIOD ENDED

	11/31/2010 Internal	12/31/2009	12/31/2008	12/31/2007	12/31/2006
ASSETS - CURRENT	\$15,508,935	\$13,278,739	\$14,258,136	\$15,199,203	\$10,422,843
ASSETS - FIXED AND OTHER	11,149,242	10,753,482	10,817,314	10,998,172	11,267,206
LIABILITIES - CURRENT	18,678,097	18,602,940	21,377,355	23,271,860	18,890,675
LIABILITIES - LONG-TERM	<u>258,939</u>	<u>436,941</u>	<u>635,029</u>	<u>1,218,237</u>	<u>1,540,395</u>
EQUITY	\$7,721,141	\$4,992,340	\$3,063,066	\$1,705,278	\$1,258,979
INCOME	\$38,303,721	\$42,171,474	\$38,338,722	\$36,807,742	\$35,415,854
EXPENSE	<u>35,574,918</u>	<u>40,242,200</u>	<u>36,980,934</u>	<u>36,361,443</u>	<u>36,709,743</u>
NET INCOME	\$2,728,803	\$1,929,274	\$1,357,788	\$446,299	(\$1,293,889)
DEPRECIATION	\$303,329	\$303,329	\$291,734	\$284,473	\$251,043
NUMBER OF BEDS	353	353	353	353	353
PERCENT OF OCCUPANCY (DAYS)	87.65%	97.8%	90.6%	91.1%	90.9%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	88.37%	88.21%	87.28%	86.8%	87.8%
MEDICARE	6.91%	7.50%	7.84%	7.2%	7.9%
PRIVATE/OTHER	4.72%	4.29%	4.88%	6.0%	4.3%
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$283.74	\$283.74	\$230.16	
CAPITAL		<u>\$6.16</u>	<u>\$2.28</u>	<u>\$23.05</u>	
TOTAL		\$289.90	\$286.02	\$253.21	
Ped					
OPERATING		\$519.44	\$514.24		
CAPITAL		<u>\$12.45</u>	<u>\$9.28</u>		
TOTAL		\$531.89	\$523.52		

Financial Summary-Susquehanna

FINANCIAL PERIOD ENDED:

	<u>6/30/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$3,101,752	\$2,662,283	\$3,612,699	\$3,562,162	\$2,278,349
ASSETS - FIXED AND OTHER	7,034,440	7,130,657	6,800,494	5,651,714	5,317,977
LIABILITIES - CURRENT	2,649,083	2,564,957	5,656,874	3,422,518	3,334,769
LIABILITIES - LONG-TERM	<u>3,096,271</u>	<u>3,205,864</u>	<u>905,520</u>	<u>2,617,025</u>	<u>3,159,210</u>
EQUITY	\$4,390,838	\$4,022,119	\$3,850,799	\$3,174,333	\$1,102,347
<hr/>					
INCOME	\$6,839,393	\$13,113,122	\$13,710,625	\$12,254,921	\$11,190,007
EXPENSE	<u>6,238,174</u>	<u>12,441,801</u>	<u>11,928,247</u>	<u>10,893,280</u>	<u>10,388,877</u>
NET INCOME	\$601,219	\$671,321	\$1,782,378	\$1,361,641	\$801,130
<hr/>					
DEPRECIATION	\$327,224	\$327,224	\$246,522	\$159,296	\$225,409
<hr/>					
NUMBER OF BEDS	160	160	160	160	160
PERCENT OF OCCUPANCY (DAYS)	89.92%	89.92%	94.58%	94.85%	94.13%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	62.76%	62.76%	63.43%	63.62%	67.0%
MEDICARE	19.51%	19.51%	21.17%	21.86%	20.7%
PRIVATE/OTHER	17.73%	17.73%	15.40%	14.52%	12.3%

MEDICAID RATE BREAKDOWN:

	2010	2009	2008
OPERATING	\$167.76	\$167.76	\$155.10
CAPITAL	<u>(\$5.61)</u>	<u>(\$8.21)</u>	<u>\$16.83</u>
Total	\$162.15	\$159.55	\$171.93

Financial Summary

Brookhaven Rehab and Health Care Center, LLC

FISCAL PERIOD ENDED:

	<u>10/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$6,002,118	\$5,488,360	\$5,718,012	\$7,193,256	\$5,052,362
ASSETS - FIXED AND OTHER	4,995,711	4,926,918	5,028,390	5,501,873	5,438,965
LIABILITIES - CURRENT	4,347,881	4,884,865	6,220,517	7,150,873	7,507,942
LIABILITIES - LONG-TERM	<u>813,623</u>	<u>750,291</u>	<u>801,314</u>	<u>1,230,695</u>	<u>1,539,976</u>
EQUITY	\$5,836,325	\$4,780,122	\$3,724,571	\$4,313,561	\$1,443,409
<hr/>					
INCOME	\$24,109,202	\$28,020,901	\$27,739,000	\$28,204,207	\$25,925,361
EXPENSE	<u>21,653,064</u>	<u>25,915,351</u>	<u>26,426,420</u>	<u>24,898,161</u>	<u>25,574,224</u>
NET INCOME	\$2,456,198	\$2,105,550	\$1,312,640	\$3,366,046	\$351,137
<hr/>					
DEPRECIATION	\$441,664	\$441,664	\$500,575	\$563,513	\$597,043
<hr/>					
NUMBER OF BEDS	298	298	298	298	298
PERCENT OF OCCUPANCY (DAYS)	97.45%	97.45%	98.15%	96.90%	92.90%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	87.76%	87.76%	87.04%	85.37%	86.84%
MEDICARE	1.19%	1.19%	1.91%	10.03%	8.09%
PRIVATE/OTHER	4.45%	4.45%	4.99%	4.60%	5.07%

MEDICAID RATE BREAKDOWN:	2010	2009	2008
OPERATING	\$208.27	208.27	207.11
CAPITAL	<u>\$6.73</u>	<u>11.66</u>	<u>\$27.32</u>
TOTAL	\$215.00	219.82	234.43

* 2009 patient days used

Financial Summary-Eastchester Rehab and Health Care Center

	<u>FISCAL PERIOD ENDED</u>				
	<u>9/30/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$4,969,006	\$5,596,567	\$6,548,764	\$8,392,469	\$6,090,720
ASSETS - FIXED AND OTHER	11,383,181	11,480,543	11,387,666	11,477,587	11,090,654
LIABILITIES - CURRENT	8,131,057	5,079,528	10,675,593	7,887,509	10,972,881
LIABILITIES - LONG-TERM	<u>102,010</u>	<u>4,540,005</u>	<u>370,775</u>	<u>4,749,025</u>	<u>223,079</u>
EQUITY	\$8,058,317	\$7,456,897	\$6,890,062	\$7,232,922	\$5,984,814
<hr/>					
INCOME	\$16,765,773	\$21,987,877	\$21,958,425	\$21,360,192	\$20,793,403
EXPENSE	<u>15,804,352</u>	<u>20,951,140</u>	<u>21,455,297</u>	<u>20,112,004</u>	<u>19,729,131</u>
NET INCOME	\$901,421	\$1,036,731	\$503,138	\$1,248,108	\$1,064,272
<hr/>					
DEPRECIATION	\$166,473	\$166,473	\$178,680	\$155,905	\$101,177
<hr/>					
NUMBER OF BEDS	200	200	200	200	200
PERCENT OF OCCUPANCY (DAYS)	96.41%	96.41%	95.42%	95.64%	93.95%
<hr/>					
<u>PERCENT OCCUPANCY (DAYS):</u>					
MEDICAID	87.26%	87.26%	87.38	85.86%	84.05%
MEDICARE	11.48%	11.48%	6.71	10.45%	10.82%
PRIVATE/OTHER	1.26%	1.26%	5.91	3.69%	5.13%
<hr/>					
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$233.87	\$233.87	\$229.80	
CAPITAL		(\$6.36)	(\$6.65)	\$16.21	
TOTAL		\$227.51	\$227.22	\$245.81	
<hr/>					
Vent					
OPERATING		\$649.41	\$649.41	\$664.33	
CAPITAL		\$10.04	\$8.10	\$49.71	
TOTAL		\$659.45	\$657.51	\$714.04	

Financial Summary

Woodmere Rehab and Health Care Center

	FISCAL PERIOD ENDED				
	<u>10/31/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$8,914,900	\$9,542,103	\$9,754,481	\$8,307,434	\$6,288,965
ASSETS - FIXED AND OTHER	8,653,032	9,312,660	8,720,602	9,082,641	9,378,119
LIABILITIES - CURRENT	5,337,209	7,484,824	7,544,213	7,826,746	9,290,350
LIABILITIES - LONG-TERM	<u>2,432,147</u>	<u>2,736,388</u>	<u>2,957,999</u>	<u>3,019,225</u>	<u>1,040,922</u>
EQUITY	\$9,798,576	\$8,633,551	\$7,972,871	\$6,544,104	\$5,315,812
INCOME	\$32,032,237	\$39,680,997	\$39,506,393	\$33,574,461	\$30,828,189
EXPENSE	<u>30,667,211</u>	<u>38,173,008</u>	<u>36,177,623</u>	<u>32,346,170</u>	31,884,072
NET INCOME	\$1,365,026	\$1,507,989	\$3,328,770	\$1,228,291	(\$1,055,883)
DEPRECIATION	\$466,279	\$466,279	\$466,682	\$520,208	\$577,881
NUMBER OF BEDS	336	336	336	336	336
PERCENT OF OCCUPANCY (DAYS)	95.5%	95.5%	91.7%	90.1%	85.2%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	72.9%	72.9%	69.5%	69.7%	69.9%
MEDICARE	21.5%	21.5%	22.9%	21.7%	21.3%
PRIVATE/OTHER	5.6%	5.6%	7.6%	8.6%	8.8%

MEDICAID RATE BREAKDOWN.

	2010	2009	2008
OPERATING	\$255.42	\$255.42	\$221.59
CAPITAL	\$4.58	-\$9.10	\$22.49
TOTAL	\$260.00	\$246.32	\$244.08
Vent			
OPERATING	\$610.85	\$610.85	\$623.00
CAPITAL	<u>\$94.37</u>	<u>\$53.32</u>	<u>\$61.41</u>
TOTAL	\$705.22	\$664.17	\$684.41

* 2009 patient day information used

Financial Summary

Golden Gate Rehabilitation and Health Care Center, LLC

	FISCAL PERIOD ENDED				
	<u>10/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$5,768,045	\$4,798,953	\$3,752,124	\$3,703,341	\$3,251,314
ASSETS - FIXED AND OTHER	12,777,558	12,986,641	12,817,685	13,004,277	13,227,598
LIABILITIES - CURRENT	6,188,669	5,639,849	5,089,732	5,647,393	5,257,810
LIABILITIES - LONG-TERM	<u>800,441</u>	<u>1,512,516</u>	<u>1,233,809</u>	<u>1,813,097</u>	<u>2,502,327</u>
EQUITY	\$11,556,493	\$10,633,229	\$10,246,268	\$9,247,128	\$8,718,775
INCOME	\$20,105,209	\$23,404,069	\$23,925,968	\$21,528,660	\$21,520,505
EXPENSE	<u>19,175,667</u>	<u>23,017,108</u>	<u>22,926,829</u>	<u>21,331,425</u>	<u>21,578,130</u>
NET INCOME	\$929,542	\$386,961	\$999,139	\$197,235	(\$57,625)
DEPRECIATION	\$420,399	\$420,399	\$375,183	\$367,092	\$358,389
NUMBER OF BEDS	238	238	238	238	238
PERCENT OF OCCUPANCY (DAYS)	92.97%	92.97%	94.01%	95.2%	92.9%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	82.06%	82.06%	81.22%	78.6%	70.6%
MEDICARE	13.27%	13.27%	10.51%	14.4%	14.9%
PRIVATE/OTHER	4.67%	4.67%	8.27%	7.0%	5.5%
MEDICAID RATE BREAKDOWN:					
		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		\$267.25	\$267.25	\$226.55	
CAPITAL		\$5.19	\$10.93	\$31.36	
Total		\$272.44	\$278.18	\$257.91	

*2009 patient days used

Financial Summary-Garden Care Center

	FISCAL PERIOD ENDED				
	12/31/2010	12/31/2009	12/31/2008	12/31/2007	12/31/2006
ASSETS - CURRENT	\$3,877,869	\$3,787,552	\$3,553,978	\$3,213,503	\$2,863,088
ASSETS - FIXED AND OTHER	1,527,297	1,510,741	1,533,775	1,584,683	1,664,382
LIABILITIES - CURRENT	2,281,465	1,315,774	1,541,118	1,586,092	2,217,717
LIABILITIES - LONG-TERM	<u>235,888</u>	<u>631,987</u>	<u>758,012</u>	<u>753,492</u>	<u>402,451</u>
EQUITY	\$2,887,813	\$3,350,532	\$2,788,623	\$2,458,602	\$1,907,302
<hr/>					
INCOME	\$16,980,503	\$17,118,846	\$16,803,777	\$16,206,643	\$15,768,353
EXPENSE	<u>16,743,228</u>	<u>16,456,939</u>	<u>15,973,753</u>	<u>15,511,042</u>	<u>14,225,332</u>
NET INCOME	\$237,275	\$661,907	\$830,024	\$695,601	\$1,543,021
<hr/>					
DEPRECIATION	\$166,458	\$166,458	\$191,035	\$200,943	\$189,587
<hr/>					
NUMBER OF BEDS	150	150	150	150	150
PERCENT OF OCCUPANCY (DAYS)	92.05%	92.05%	93.50%	92.40%	92.90%
<hr/>					
<u>PERCENT OCCUPANCY (DAYS):</u>					
MEDICAID	63.15%	63.15%	63.57%	62.00%	60.70%
MEDICARE	23.64%	23.64%	18.88%	20.80%	25.40%
PRIVATE/OTHER	13.21%	13.21%	17.55%	17.20%	13.90%

MEDICAID RATE BREAKDOWN:

	2010	2009
OPERATING	\$234.93	\$234.93
CAPITAL	(\$21.54)	(\$11.05)
TOTAL	\$213.39	\$223.88

* 2009 patient days used

Financial Summary-The Hamptons Center for Rehab and Nursing

	<u>FISCAL PERIOD ENDED</u>		
	<u>11/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>
ASSETS - CURRENT	\$9,304,787	\$9,878,779	\$12,067,655
ASSETS - FIXED AND OTHER	4,152,345	3,727,361	5,775,926
LIABILITIES - CURRENT	27,014,145	15,251,482	12,489,009
LIABILITIES - LONG-TERM	6,136,404	16,218,596	15,970,883
EQUITY	(\$19,693,417)	(\$17,863,938)	(\$10,616,311)
INCOME	\$28,233,615	\$33,115,928	\$29,638,350
EXPENSE	30,280,594	36,910,555	36,320,776
NET INCOME	(\$2,046,979)	(\$3,794,627)	(\$6,682,426)
DEPRECIATION	\$34,429	\$34,429	\$19,548
NUMBER OF BEDS	280	280	280
PERCENT OF OCCUPANCY (DAYS)	94.63%	96.42%	91.55%
<u>PERCENT OCCUPANCY (DAYS):</u>			
MEDICAID	73.26%	79.60%	74.68%
MEDICARE	14.71%	13.28%	15.92%
PRIVATE/OTHER	12.03%	7.12%	9.40%
MEDICAID RATE BREAKDOWN:			
		2010	2009
OPERATING		\$243.22	243.22
CAPITAL		(\$8.02)	\$28.45
Total		\$235.20	\$271.67

Financial Summary
Meadow Park Rehabilitation and Health Care Center

	<u>FISCAL PERIOD ENDED</u>				
	<u>12/31/10</u>	<u>12/31/09</u>	<u>12/31/08</u>	<u>12/31/07</u>	<u>12/31/06</u>
ASSETS - CURRENT	\$5,555,500	\$4,435,406	\$3,635,885	\$4,035,839	\$2,834,140
ASSETS - FIXED AND OTHER	6,602,579	6,694,367	6,922,439	7,153,785	7,116,569
LIABILITIES - CURRENT	7,946,692	8,561,741	6,002,050	5,846,112	4,199,917
LIABILITIES - LONG-TERM	<u>5,675,058</u>	<u>5,192,257</u>	<u>5,402,198</u>	<u>5,560,127</u>	<u>5,677,112</u>
EQUITY	(\$1,463,572)	(\$2,624,225)	(\$845,924)	(\$216,615)	\$73,689
<hr/>					
INCOME	\$15,028,501	\$15,221,672	\$14,771,409	\$12,960,016	\$13,084,970
EXPENSE	<u>13,667,847</u>	<u>13,932,389</u>	<u>14,418,520</u>	<u>13,208,208</u>	<u>12,451,968</u>
NET INCOME	\$1,360,654	\$1,289,283	\$352,889	(\$248,192)	\$633,002
<hr/>					
DEPRECIATION	\$347,136	\$347,136	\$343,519	\$328,644	\$309,448
<hr/>					
NUMBER OF BEDS	143	143	143	143	143
PERCENT OF OCCUPANCY (DAYS)	95.63%	95.63%	96.28%	96.06%	94.49%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	76.58%	76.58%	77.37%	76.90%	74.58%
MEDICARE	17.11%	17.11%	16.53%	16.98%	19.45%
PRIVATE/OTHER	6.31%	6.31%	6.10%	6.12%	5.97%
<hr/>					
MEDICAID RATE BREAKDOWN:					
		2010	2009	2008	
OPERATING		\$216.09	\$216.09	\$183.00	
CAPITAL		(\$9.32)	-\$10.78	\$16.89	
TOTAL		\$206.77	\$205.31	\$199.89	

* 2009 patient days used

Financial Summary

White Plains Center for Nursing

	FISCAL PERIOD ENDED				
	<u>10/31/2010</u> <i>interim</i>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$1,402,208	\$1,238,212	\$1,449,063	\$1,490,267	\$1,243,042
ASSETS - FIXED AND OTHER	5,213,473	5,032,462	4,975,693	4,863,132	4,328,703
LIABILITIES - CURRENT	7,707,329	4,016,147	7,475,442	7,416,380	2,117,576
LIABILITIES - LONG-TERM	1,128,888	4,110,337	1,594,979	1,340,059	4,729,432
EQUITY	(\$2,220,536)	(\$1,855,810)	(\$2,645,665)	(\$2,403,040)	(\$1,275,263)
INCOME	\$7,795,378	\$10,852,833	\$8,797,253	\$7,491,153	\$7,034,832
EXPENSE	8,160,099	10,062,981	9,045,876	8,612,929	8,270,446
NET INCOME	(\$364,721)	\$789,852	(\$248,623)	(\$1,121,776)	(\$1,235,614)
DEPRECIATION	\$79,386	\$79,386	\$61,815	\$44,991	\$43,267
NUMBER OF BEDS	88	88	88	88	88
PERCENT OF OCCUPANCY (DAYS)	95.82%	95.82%	96.88%	93.70%	93.62%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	74.84%	74.84%	75.46%	82.22%	76.57%
MEDICARE	17.22%	17.22%	17.80%	14.81%	18.70%
PRIVATE/OTHER	7.94%	7.94%	6.75%	2.97%	4.73%
MEDICAID RATE BREAKDOWN:		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		\$266.15	\$266.15	\$217.04	
CAPITAL		<u>\$0.50</u>	<u>\$0.69</u>	<u>\$27.10</u>	
TOTAL		\$266.65	\$266.84	\$244.14	

* 2009 patient day information used

Financial Summary

Fort Tryon Center for Rehabilitation and Nursing

	<u>FISCAL PERIOD ENDED</u>		
	<u>12/31/08</u>	<u>12/31/07</u>	<u>12/31/06</u>
ASSETS - CURRENT	\$3,634,119	\$4,612,436	\$4,302,838
ASSETS - FIXED AND OTHER	14,453,536	14,887,768	15,116,114
LIABILITIES - CURRENT	7,124,420	8,519,893	6,965,054
LIABILITIES - LONG-TERM	<u>6,178,700</u>	<u>7,221,680</u>	<u>9,413,614</u>
EQUITY	\$4,784,535	\$3,758,631	\$3,040,284
INCOME	\$22,409,448	\$21,774,971	\$21,958,534
EXPENSE	<u>21,312,876</u>	<u>21,056,624</u>	<u>20,571,743</u>
NET INCOME	\$1,096,572	\$718,347	\$1,386,791
DEPRECIATION	\$137,232	\$156,359	\$191,464
NUMBER OF BEDS	205	205	205
PERCENT OF OCCUPANCY (DAYS)	94.9%	95.4%	94.0%
PERCENT OCCUPANCY (DAYS):			
MEDICAID	74.2%	74.1%	68.8%
MEDICARE	17.1%	19.9%	21.5%
PRIVATE/OTHER	8.6%	6.0%	9.8%
MEDICAID RATE BREAKDOWN:	2010	<u>2009</u>	<u>2008</u>
OPERATING	\$263.12	\$263.12	\$251.39
CAPITAL	<u>(5.05)</u>	<u>0.24</u>	<u>20.74</u>
TOTAL	\$258.07	\$263.36	\$272.13

None of the applicants had ownership interest in the facility after 2008

Financial Summary

Franklin Center For Rehabilitation and Nursing

	FISCAL PERIOD ENDED		
	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$6,984,380	\$7,813,762	\$7,820,646
ASSETS - FIXED AND OTHER	22,430,066	22,562,470	22,235,193
LIABILITIES - CURRENT	9,552,399	11,737,365	10,055,224
LIABILITIES - LONG-TERM	<u>10,515,208</u>	<u>11,338,800</u>	<u>12,255,806</u>
EQUITY	\$9,346,839	\$7,300,067	\$7,744,809
<hr/>			
INCOME	\$39,078,819	\$37,574,394	\$38,375,035
EXPENSE	<u>\$36,714,464</u>	<u>\$35,555,700</u>	<u>\$35,857,093</u>
NET INCOME	\$2,364,355	\$2,018,694	\$2,517,942
<hr/>			
DEPRECIATION	\$336,622	\$353,287	\$318,926
<hr/>			
NUMBER OF BEDS	320	320	320
PERCENT OF OCCUPANCY (DAYS)	97.89%	98.57%	95.96%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	76.14%	76.00%	73.40%
MEDICARE	10.76%	11.50%	21.80%
PRIVATE/OTHER	13.11%	12.50%	4.70%
<hr/>			
MEDICAID RATE BREAKDOWN:	<u>2010</u>	<u>2009</u>	<u>2008</u>
OPERATING	\$255.24	\$255.24	\$254.52
CAPITAL	(2.13)	(0.37)	21.07
TOTAL	\$253.11	\$254.87	\$275.59

None of the applicants had ownership interest in the facility after 2008

BFA Attachment N

Park Avenue Operating Co. LLC d/b/a Park Avenue Extended Care Facility

Financial Summary

Park Avenue Extended Care Facility

FISCAL PERIOD ENDED	<u>8/31/2010</u> internal	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$11,334,603	\$7,407,046	\$7,198,373	\$9,169,593	\$7,354,291
ASSETS - FIXED AND OTHER	11,364,930	14,083,106	14,418,390	10,692,680	10,528,183
LIABILITIES - CURRENT	4,523,297	3,986,804	4,430,048	4,416,698	5,637,753
LIABILITIES - LONG-TERM	<u>7,072,858</u>	<u>7,345,091</u>	<u>7,771,859</u>	<u>8,716,500</u>	<u>7,669,256</u>
EQUITY	\$11,103,378	\$10,158,257	\$9,414,856	\$6,729,075	\$4,575,465
<hr/>					
INCOME	\$17,967,343	\$27,963,018	\$29,248,621	\$26,122,503	\$23,042,912
EXPENSE	<u>17,022,222</u>	<u>27,219,617</u>	<u>26,475,340</u>	<u>24,306,390</u>	<u>22,925,179</u>
NET INCOME	\$945,121	\$743,401	\$2,773,281	\$1,816,113	\$117,733
<hr/>					
DEPRECIATION	\$127,962	\$127,962	\$71,834	\$40,803	\$18,408
<hr/>					
NUMBER OF BEDS	240	240	240	240	240
PERCENT OF OCCUPANCY (DAYS)	97.12%	97.12%	98.30%	97.92%	95.26%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	74.52%	74.52%	77.50%	77.25%	77.30%
MEDICARE	14.48%	14.48%	13.62%	12.43%	16.03%
PRIVATE/OTHER	11.00%	11.00%	8.88%	10.32%	6.68%
<hr/>					
MEDICAID RATE BREAKDOWN:			2010	<u>2009</u>	<u>2008</u>
OPERATING			\$248.77	\$248.77	\$223.24
CAPITAL			\$3.64	\$5.34	\$37.45
TOTAL			\$252.41	\$254.11	\$260.69

*2009 patient days used

Financial Summary
Nassau Extended Care Facility

	FISCAL PERIOD ENDED				
	<u>8/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$9,470,688	\$8,872,863	\$9,956,878	\$7,438,626	\$7,945,673
ASSETS - FIXED AND OTHER	17,854,488	16,027,120	14,497,907	14,904,709	12,370,406
LIABILITIES - CURRENT	5,766,513	4,725,367	5,426,493	5,079,401	4,200,499
LIABILITIES - LONG-TERM	<u>7,150,481</u>	<u>7,387,690</u>	<u>7,788,087</u>	<u>8,162,120</u>	<u>8,496,099</u>
EQUITY	\$14,408,182	\$12,786,926	\$11,240,205	9,101,814	7,533,481
<hr/>					
INCOME	\$21,970,244	\$33,906,046	\$33,159,574	\$29,362,607	\$28,610,268
EXPENSE	<u>20,348,988</u>	<u>32,359,325</u>	<u>30,933,683</u>	<u>27,881,774</u>	<u>27,258,857</u>
NET INCOME	\$1,621,256	\$1,546,721	\$2,225,891	\$1,480,833	\$1,351,411
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DEPRECIATION	\$71,312	\$71,312	\$71,312	\$48,354	\$26,577
<hr/>					
NUMBER OF BEDS	280	280	280	280	280
PERCENT OF OCCUPANCY (DAYS)	94.96%	94.96%	96.23%	95.52%	94.87%
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PERCENT OCCUPANCY (DAYS):					
MEDICAID	71.50%	74.50%	76.83%	80.41%	82.66%
MEDICARE	15.66%	15.66%	14.89%	14.85%	13.66%
PRIVATE/OTHER	9.84%	9.84%	8.27%	4.74%	3.68%

MEDICAID RATE BREAKDOWN:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
OPERATING	239.34	271.59	216.81
CAPITAL	<u>9.90</u>	<u>46.34</u>	<u>55.25</u>
TOTAL	249.24	267.93	272.06

* 2009 patient days used

Financial Summary

Nathan Miller Extended Care Center

FISCAL PERIOD ENDED

	<u>8/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$1,204,237	\$739,447	\$1,571,593	\$1,270,727	\$975,533
ASSETS - FIXED AND OTHER	1,079,253	947,077	884,873	748,215	737,650
LIABILITIES - CURRENT	2,922,678	1,934,814	3,384,684	3,270,045	2,072,760
LIABILITIES - LONG-TERM	<u>737,572</u>	<u>1,000,794</u>	<u>233,346</u>	<u>140,436</u>	<u>319,652</u>
EQUITY	(\$1,376,760)	(\$1,249,084)	(\$1,161,564)	(\$1,391,539)	(\$679,229)
<hr/>					
INCOME	\$3,802,646	\$7,081,174	\$6,510,244	\$4,767,374	\$4,838,398
EXPENSE	<u>3,930,320</u>	<u>7,168,695</u>	<u>6,280,270</u>	<u>5,479,684</u>	<u>5,160,878</u>
NET INCOME	(\$127,674)	(\$87,521)	\$229,974	(\$712,310)	(\$322,480)
<hr/>					
DEPRECIATION	\$61,992	\$61,992	\$55,033	\$43,988	\$27,285
<hr/>					
NUMBER OF BEDS	65	65	65	65	65
PERCENT OF OCCUPANCY (DAYS)	96.15%	96.15%	95.31%	91.71%	92.43%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	86.27%	86.27%	82.89%	86.04%	82.39%
MEDICARE	8.58%	8.58%	11.48%	9.05%	11.10%
PRIVATE/OTHER	5.15%	5.15%	5.64%	4.91%	6.42%
<hr/>					
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$232.83	\$232.83	\$209.62	
CAPITAL		<u>\$9.13</u>	<u>\$7.88</u>	<u>\$27.14</u>	
TOTAL		\$241.96	\$240.71	\$236.76	

* 2009 patient days used

Financial Summary
Throgs Neck Extended Care

	FISCAL PERIOD ENDED				
	<u>9/30/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$3,160,388	\$3,236,664	\$4,440,269	\$3,631,502	\$4,413,396
ASSETS - FIXED AND OTHER	11,387,528	11,091,066	9,507,689	10,527,114	10,211,093
LIABILITIES - CURRENT	1,710,291	1,116,366	4,194,319	4,869,770	5,166,835
LIABILITIES - LONG-TERM	<u>5,593,233</u>	<u>5,960,472</u>	<u>6,049,131</u>	<u>6,346,947</u>	<u>6,455,890</u>
EQUITY	\$4,244,392	\$3,950,892	\$3,404,508	\$2,952,890	\$3,001,764
INCOME	\$16,687,251	\$22,843,164	\$22,903,974	\$21,061,647	\$20,269,530
EXPENSE	<u>16,393,752</u>	<u>22,296,778</u>	<u>22,394,853</u>	<u>19,973,021</u>	<u>19,970,042</u>
NET INCOME	\$293,499	\$546,386	\$509,121	\$1,088,626	\$299,488
DEPRECIATION	\$99,248	\$99,248	\$85,896	\$73,809	\$55,032
NUMBER OF BEDS	205	205	205	205	205
PERCENT OF OCCUPANCY (DAYS)	96.81%	96.81%	98.43%	94.38%	94.95%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	74.10%	74.10%	74.94%	72.69%	75.25%
MEDICARE	13.85%	13.85%	16.85%	18.73%	13.90%
PRIVATE/OTHER	12.05%	12.05%	8.21%	8.58%	10.84%
MEDICAID RATE BREAKDOWN:					
		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		\$247.40	\$247.40	\$236.12	
CAPITAL		<u>\$7.17</u>	<u>\$8.55</u>	<u>\$38.99</u>	
TOTAL		\$254.57	\$255.95	\$275.11	

* 2009 patient days used

Financial Summary
Townhouse Extended Care Facility

	FISCAL PERIOD ENDED				
	<u>9/30/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$8,744,812	\$7,614,750	\$5,133,913	\$6,394,845	\$5,318,827
ASSETS - FIXED AND OTHER	12,766,675	12,525,853	14,913,771	12,185,437	12,081,712
LIABILITIES - CURRENT	10,844,217	5,426,254	9,808,721	7,210,777	7,794,202
LIABILITIES - LONG-TERM	<u>5,571,398</u>	<u>10,694,448</u>	<u>6,906,527</u>	<u>7,529,739</u>	<u>6,845,281</u>
EQUITY	\$5,095,872	\$4,019,901	\$3,332,436	\$3,839,766	\$2,761,056
INCOME	\$25,130,279	\$34,045,641	\$32,925,683	\$32,365,444	\$30,388,158
EXPENSE	<u>24,054,312</u>	<u>33,358,176</u>	<u>33,345,513</u>	<u>31,374,234</u>	<u>30,009,673</u>
NET INCOME	\$1,075,967	\$687,465	(\$419,830)	\$991,210	\$378,485
DEPRECIATION	\$130,063	\$130,063	\$86,527	\$55,975	\$37,264
NUMBER OF BEDS	280	280	280	280	280
PERCENT OF OCCUPANCY (DAYS)	95.18%	95.18%	96.49%	96.53%	95.27%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	68.91%	68.91%	71.93%	73.70%	74.29%
MEDICARE	15.39%	15.39%	12.32%	13.75%	16.65%
PRIVATE/OTHER	15.70%	15.70%	15.75%	12.56%	9.06%
MEDICAID RATE BREAKDOWN:					
	2010	2009	2008		
OPERATING	\$254.31	\$254.31	\$222.68		
CAPITAL	<u>\$17.49</u>	<u>\$15.71</u>	<u>\$50.66</u>		
TOTAL	\$271.80	\$270.02	\$273.34		
Vent					
	2010	2009	2008		
OPERATING	\$554.26	\$554.26	\$539.85		
CAPITAL	<u>\$22.26</u>	<u>\$20.89</u>	<u>\$40.95</u>		
TOTAL	\$576.52	\$575.15	\$580.80		

* 2009 patient days used

Financial Summary
West Lawrence Care Center, LLC

FISCAL PERIOD ENDED

	<u>9/30/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$2,730,336	\$2,876,188	\$2,387,571	\$3,664,454	\$2,763,036
ASSETS - FIXED AND OTHER	3,878,262	4,061,144	4,067,307	4,104,304	3,314,001
LIABILITIES - CURRENT	3,134,043	2,808,406	2,967,536	3,636,297	3,562,595
LIABILITIES - LONG-TERM	<u>551,449</u>	<u>1,016,813</u>	<u>1,175,187</u>	<u>1,644,836</u>	<u>1,153,888</u>
EQUITY	\$2,922,506	\$3,052,113	\$2,312,155	\$2,487,625	\$1,360,554
<hr/>					
INCOME	\$15,313,750	\$21,000,450	\$20,796,727	\$20,171,414	\$20,832,445
EXPENSE	<u>14,548,462</u>	<u>19,290,498</u>	<u>18,996,187</u>	<u>18,194,225</u>	<u>18,121,974</u>
NET INCOME	\$765,288	\$2,389,958	\$1,800,540	\$1,977,189	\$2,710,471
<hr/>					
DEPRECIATION	\$212,031	\$212,031	\$214,621	\$162,050	\$114,007
<hr/>					
NUMBER OF BEDS	215	215	215	215	215
PERCENT OF OCCUPANCY (DAYS)	98.67%	98.67%	98.51%	97.91%	96.75%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	91.51%	91.51%	86.98%	86.35%	86.19%
MEDICARE	7.96%	7.96%	9.31%	10.44%	11.63%
PRIVATE/OTHER	0.54%	0.54%	3.71%	3.21%	2.18%
<hr/>					
MEDICAID RATE BREAKDOWN:		2010	2009	<u>2008</u>	
OPERATING		\$220.41	\$220.41	\$225.48	
CAPITAL		6.24	\$6.80	\$15.40	
TOTAL		\$226.65	\$227.21	\$240.88	

* 2009 patient days used

Financial Summary

Split Rock Rehabilitation and Health Care Center, LLC

	<u>FISCAL PERIOD ENDED</u>		
	<u>12/31/2008</u>	<u>12/31/07</u>	<u>12/31/06</u>
ASSETS - CURRENT	\$5,884,811	\$7,247,324	\$7,010,442
ASSETS - FIXED AND OTHER	14,551,722	14,680,691	14,818,865
LIABILITIES - CURRENT	9,641,441	11,214,161	13,754,519
LIABILITIES - LONG-TERM	<u>7,043,424</u>	<u>8,668,964</u>	<u>5,793,453</u>
EQUITY	\$3,751,668	\$2,044,890	\$2,281,335
<hr/>			
INCOME	\$27,679,201	\$25,993,270	\$25,757,420
EXPENSE	<u>25,972,423</u>	<u>26,231,420</u>	<u>26,654,935</u>
NET INCOME	\$1,706,778	(\$238,150)	(\$897,515)
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DEPRECIATION	\$181,426	\$220,507	\$210,077
<hr/>			
NUMBER OF BEDS	240	240	240
PERCENT OF OCCUPANCY (DAYS)	95.31%	95.3%	90.9%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	90.16%	90.0%	87.6%
MEDICARE	5.05%	6.2%	10.4%
PRIVATE/OTHER	4.79%	2.9%	2.0%
<hr/>			
MEDICAID RATE BREAKDOWN:	2010	<u>2009</u>	<u>2008</u>
OPERATING	\$248.77	\$248.77	230.4
CAPITAL	<u>5.37</u>	<u>7.09</u>	<u>16.42</u>
TOTAL	\$254.14	\$255.86	\$246.82

None of the applicants had ownership interest in the facility after 2008

As shown on BFA Attachment A, Bayview Nursing and Rehabilitation Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$710,335 during the period 2006 through 10/31/2010.

As shown on BFA Attachment B, Avalon Gardens Rehabilitation Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,292,069 during the period 2006 through 11/31/2010. In 2006, the facility generated a net loss of \$1,293,889. This was due to the level of resident acuity. Many of the residents had multiple wounds upon intake, which raised the cost of caring for these residents. In order to adjust or address the losses, the facility had to reduce costs. They implemented a cost reduction program and new residents exhibiting issues such as multiple wounds, were addressed at intake, therefore the new residents were of a lower acuity and they had a lower level of expense for their care.

As shown on BFA Attachment C, Susquehanna had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,043,538 during the period 2006 through 06/30/2010.

As shown on BFA Attachment D, Brookhaven Rehab and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,918,314 during the period 2006 through 10/31/2010.

As shown on BFA Attachment E, Eastchester Rehab and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$950,734 during the period 2006 through 9/30/2010.

As shown on BFA Attachment F, Woodmere Rehab and Health Care Center had an average positive working capital position and net asset positions, and generated an average net income of \$1,274,839 during the period 2006 through 10/31/2010. The 2006 loss of \$1,055,803 was caused by the facility paying a management fee to the partners of \$1,225,000; prior to the payment, the facility had a net income of \$169,117. This was a one-time occurrence.

As shown on BFA Attachment G, Golden Gate Rehab and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$491,050 during the period 2006 through 10/31/2010. The 2006 loss of \$57,625 is due to the payment of Administrative Consultant fees paid to the operators, which were

treated as expenses. Without the payment, the facility would have had a positive net income. This was a one-time occurrence.

As shown on BFA Attachment H, Garden Care Center had an average positive working capital and net asset positions, and generated an average net income of \$793,566 during the period 2006 through 2010.

As shown on BFA Attachment I, The Hamptons Center for Rehab and Nursing had average negative working capital and net asset positions, and generated an average net loss of \$4,174,677 during the period 2008 through 2010. The loss was caused by the facility just opening in July 2006, and being under the initial budget based rate. Currently, their occupancy rate is 96.42%, up 5% from 2008. In 2009, the facility was able to reduce their losses by almost three million dollars from 2008. This was accomplished through a reduction in costs and a favorable working capital loan refinancing, as well as the facility receiving a rebased rate based on the 2008 cost report submission. Also, the facility reduced expenses by using more staff and reducing the use of outside agencies. By doing this, the operation expects to become profitable within the next 3 to 5 years; this can be seen with the continued reduction in losses for 2010 of over 1.5 million for 2009. During the first few years that the facility was in operation, the losses were covered by a credit line from the bank and from member's funds, which were more than sufficient to cover historical and projected losses.

As shown on BFA Attachment J, Meadow Park had average negative working capital and net asset positions, and generated an average net income of \$677,527 during the period 2006 through 2010. The 2007 loss was caused by a retroactive rate reduction for the May 2000 – May 2002 period based on a PRI audit of the facility's neurobiological program (NBP). Without this adjustment, the facility would have reported a positive net income in 2007. In order to prevent this adjustment from happening in the future, the facility, in 2005, eliminated NBP and replaced them with higher PRI patients, thus improving the facility's financial condition.

As shown on BFA Attachment K, White Plains had average negative working capital and net asset positions, and generated an average net loss of \$436,176 during the period 2006 through 10/31/2010. The loss was caused by the facility not receiving their rebased rates for several years after the change in ownership took place in October 2004. The facility started receiving the rebased rate in 2008, significantly reducing the net loss, but they are still waiting for a positive PRI adjustment in order to be operating profitably. In 2009, the facility finally received a positive PRI and as of May 2009, the facility started profitable operations, which can be seen on the financial summary, which shows a net income of \$789,852.

As shown on BFA Attachment L, Fort Tryon Center for Rehabilitation and Nursing had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,067,237 during the period 2006 through 2008. As of 8/1/08, none of the owners or proposed owners of Bayview had ownership interest in the facility.

As shown on BFA Attachment M, New Franklin Center for Rehabilitation and Nursing had an average negative working capital position and an average positive net asset position, and generated an average net income of \$2,300,330 during the period 2006 through 2008. As of 7/23/2008, none of the owners or proposed owners of Bayview had ownership interest in the facility.

As shown on BFA Attachment N, Park Avenue Extended Care Facility had an average positive working capital and an average positive net asset position, and generated an average net income of \$1,279,130 during the period 2006 through 8/31/2010.

As shown on BFA Attachment O, Nassau Extended Care Facility had average positive working capital and net asset positions, and generated an average net income of \$1,645,222 during the period 2006 through 8/31/2010.

As shown on BFA Attachment P, Nathan Miller had average negative working capital and net asset positions, and generated an average net loss of \$204,002 during the period 2006 through 8/31/2010. The loss was caused by the facility not receiving their rebased rates for several years after the change in ownership took place in October 2004. The facility started receiving the rebased rate in 2008, and in 2008 showed a positive net income due to them receiving all of the rebased rates and relevant adjustments in 2008. In 2009, the facility again had a negative net income. In 2009, the facility again had a loss. The operator indicates that the loss is due to the facility being too small to achieve a breakeven or profit. The facility had a plan to build, and add more beds in order to become financially feasible, but this expansion was stopped by a community effort. The operator has decided to sell the facility and it will be converted into an assisted living program (ALP). The closure plan calls for a February 2011 closing date.

As shown on BFA Attachment Q, I throgs Neck Extended Care Facility had an average negative working capital position and an average positive net asset position, and generated an average net income of \$547,424 during the period 2006 through 9/30/2010.

As shown on BFA Attachment R, Townhouse Extended Care Facility had an average negative working capital position and an average positive net asset

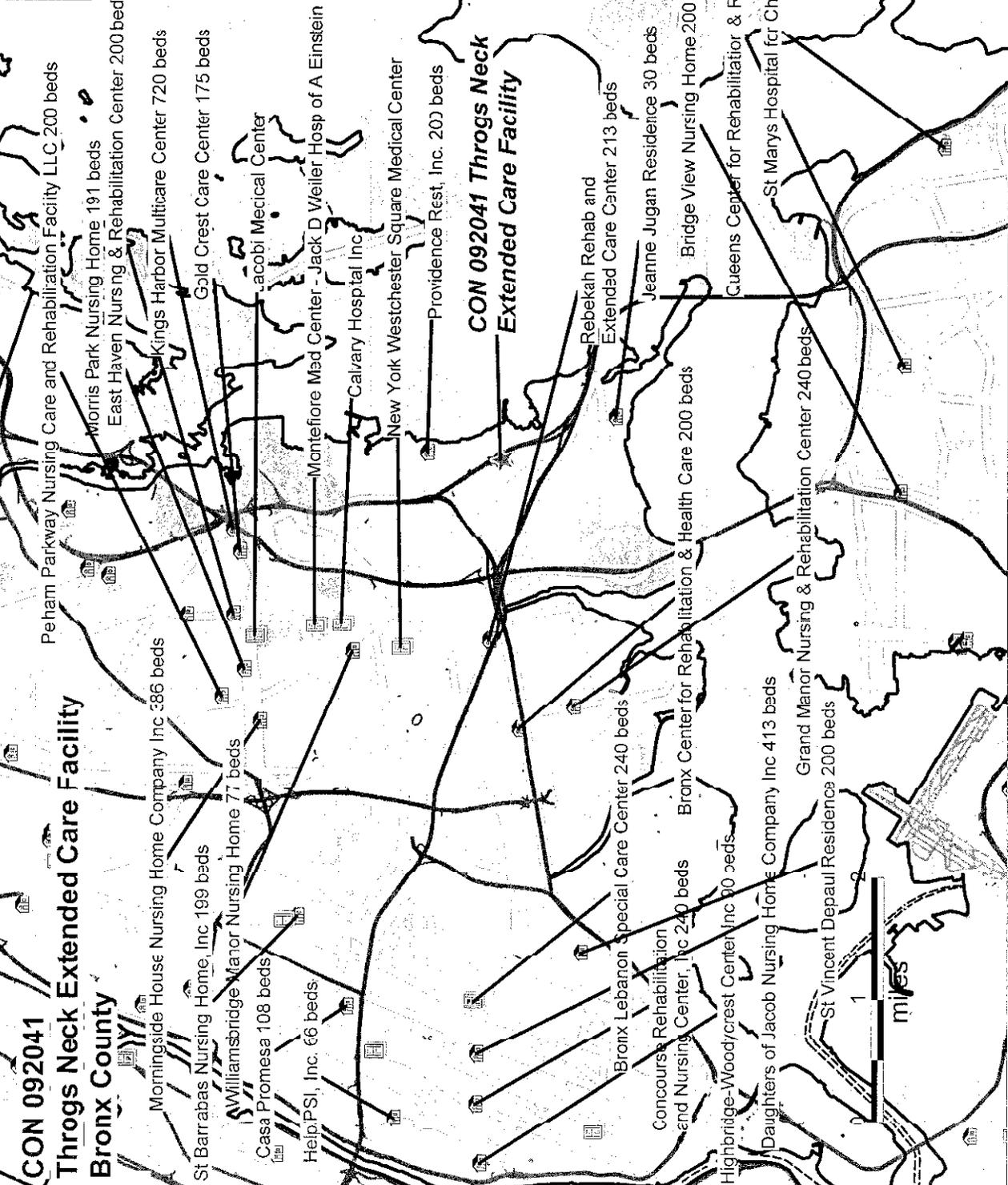
position, and generated an average net income of 542,659 during the period 2006 through 9/30/2010. The 2008 loss was caused by a prior period liability being accrued in 2008: the accrual was for \$1,054,509 for a Medicaid overpayment. This is a one time occurrence and without the accrual, the facility would have had positive income for the year.

As shown on BFA Attachment S, West Lawrence Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,028,680 during the period 2006 through 9/30/2010.

As shown on BFA Attachment T, Split Rock Rehabilitation and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$190,371 during the period 2006 through 2008. The losses in 2006 and 2007 were caused by issues with resident acuity; many of the residents had multiple wounds upon intake, which raised the cost of caring for these residents. The facility has implemented a cost reduction program in which new residents who are exhibiting issues such as multiple wounds, are now addressed at intake, which allows for lower acuity admission, thus reducing the level of expense for their care. As of 7/30/2008, none of the owners or proposed owners of Bayview had ownership interest in the facility.

**CON 092041
Throgs Neck Extended Care Facility
Bronx County**

 Hospital
 Nursing Home



ESTABLISHMENT CHECKLIST FOR NURSING HOMES

APPLICATION: 092077 Bayview Nursing and Rehabilitation Center

NATURE OF PROPOSAL: Transfer 33% of the ownership interest

EFFECT ON OPERATIONAL OWNERSHIP: Proposed assignees New members:
Ronald Stern (6%), Irina Kostetsky (1.5%). Current Members
gaining interest: Bent Philipson (+10.5%), Benjamin Ianda (+.5%),
Anthony Bacchi, M.D. (+3.75%), Martin Farbenblum (+3.75%),
Tibor Lebovich (+4%), Mayer Fischl (+3%)

EFFECT ON REAL ESTATE OWNERSHIP: N/A

FIXED ASSET PURCHASE PRICE: N/A

FIXED ASSET MEDICAID VALUE: N/A

CAPITAL REIMBURSEMENT: N/A

Capitalized Lease
Historic Cost Method
Shortfall; Average Annual Amount
\$

BUSINESS PURCHASE PRICE: \$1,419,000 (\$43,000 per percent)

BFA PACKET A

Presented in BFA Packet A are the Net worth statements, financial summaries and explanations to the financial summaries for the facilities and related companies associated with projects 092035, 092037, 092038, 092041 and 092077. Net worth 1 is associated with projects 092035, 092037, 092038 and 092041. Net worth 2 is associated with project 092077. The financial summaries related to these projects are as follows:

- BFA Attachment A: Bayview Nursing and Rehabilitation Center
- BFA Attachment B: Avalon Gardens Rehab and Health Care Center
- BFA Attachment C: Susquehanna Nursing and Rehab
- BFA Attachment D: Brookhaven Rehab and Health Care Center
- BFA Attachment E: Eastchester Rehab and Health Care
- BFA Attachment F: Woodmere Rehab and Health Care Center
- BFA Attachment G: Golden Gate Rehab and Health Care Center
- BFA Attachment H: Garden Care Center
- BFA Attachment I: The Hamptons Center for Rehab and Nursing
- BFA Attachment J: Meadow Park Care Center
- BFA Attachment K: White Plains Center for Nursing
- BFA Attachment L: Fort Tryon Center for Rehabilitation and Nursing
- BFA Attachment M: New Franklin Center for Rehabilitation and Nursing
- BFA Attachment N: Park Avenue Extended Care Center
- BFA Attachment O: Nassau Extended Care Center
- BFA Attachment P: Nathan Millor Center for Nursing
- BFA Attachment Q: Throgs Neck Extended Care Center
- BFA Attachment R: Townhouse Extended Care Center
- BFA Attachment S: West Lawrence Care Center
- BFA Attachment T: Split Rock Rehabilitation and Health Care Center

*Note not all of these facilities relate to all of the projects.

- Projects 092035, 092037, 092038 and 092041 include A,B,C,D,E,F,G,H,I,J,K and P
- Project 092035 also includes N
- Project 092037 also includes O,
- Project 092038 also includes R
- Project 092041 also includes Q.
- Project 092077 includes A,B,C,D,E,F,G,I,K,L,M,N,O,P,Q,R,S and T.

Financial Summary

Bayview Nursing and Rehabilitation Center, LLC

	FISCAL PERIOD ENDED				
	<u>10/31/10 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$4,020,886	\$3,849,524	\$3,740,009	\$4,271,325	\$3,582,473
ASSETS - FIXED AND OTHER	6,371,106	6,481,206	6,564,414	6,733,653	6,951,801
LIABILITIES - CURRENT	4,289,795	4,214,338	4,050,953	4,545,704	3,543,473
LIABILITIES - LONG-TERM	<u>3,067,811</u>	<u>3,504,380</u>	<u>4,097,566</u>	<u>4,379,519</u>	<u>4,690,346</u>
EQUITY	\$3,034,386	\$2,612,012	\$2,155,904	\$2,079,755	\$2,300,455
<hr/>					
INCOME	\$15,050,204	\$18,186,850	\$17,839,331	\$16,873,102	\$16,839,993
EXPENSE	<u>13,827,826</u>	<u>17,080,742</u>	<u>17,269,182</u>	<u>16,838,107</u>	<u>16,222,246</u>
NET INCOME	\$1,222,378	\$1,106,108	\$570,149	\$35,295	\$617,747
<hr/>					
DEPRECIATION	\$252,076	\$252,076	\$250,398	\$246,282	\$212,600
<hr/>					
NUMBER OF BEDS	185	185	185	185	185
PERCENT OF OCCUPANCY (DAYS)	97.17%	97.17%	96.30%	91.4%	95.1%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	88.99%	88.99%	91.11%	86.4%	90.1%
MEDICARE	8.19%	8.19%	7.00%	11.6%	8.5%
PRIVATE/OTHER	2.82%	2.82%	1.89%	2.0%	1.4%
<hr/>					
MEDICAID RATE BREAKDOWN:		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		\$249.20	\$249.20	\$231.75	
CAPITAL		<u>\$2.48</u>	<u>\$3.89</u>	<u>\$23.64</u>	
TOTAL		\$251.68	\$253.09	<u>\$255.39</u>	

* 2009 patient days used

Financial Summary

Avalon Gardens

FISCAL PERIOD ENDED

	11/31/2010 Internal	12/31/2009	12/31/2008	12/31/2007	12/31/2006
ASSETS - CURRENT	\$15,508,935	\$13,278,739	\$14,258,136	\$15,199,203	\$10,422,843
ASSETS - FIXED AND OTHER	11,149,242	10,753,482	10,817,314	10,996,172	11,267,206
LIABILITIES - CURRENT	18,678,097	18,602,940	21,377,355	23,271,860	18,890,675
LIABILITIES - LONG-TERM	<u>258,939</u>	<u>436,941</u>	<u>635,029</u>	<u>1,218,237</u>	<u>1,540,395</u>
EQUITY	\$7,721,141	\$4,992,340	\$3,063,066	\$1,705,278	\$1,258,979
INCOME	\$38,303,721	\$42,171,474	\$38,338,722	\$36,807,742	\$35,415,854
EXPENSE	<u>35,574,918</u>	<u>40,242,200</u>	<u>\$36,980,934</u>	<u>\$36,361,443</u>	<u>\$36,709,743</u>
NET INCOME	\$2,728,803	\$1,929,274	\$1,357,788	\$446,299	(\$1,293,889)
DEPRECIATION	\$303,329	\$303,329	\$291,734	\$284,473	\$251,043
NUMBER OF BEDS	353	353	353	353	353
PERCENT OF OCCUPANCY (DAYS)	87.65%	97.8%	90.6%	91.1%	90.9%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	88.37%	88.21%	87.28%	86.8%	87.8%
MEDICARE	6.91%	7.50%	7.84%	7.2%	7.9%
PRIVATE/OTHER	4.72%	4.29%	4.88%	6.0%	4.3%
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$283.74	\$283.74	\$230.16	
CAPITAL		<u>\$6.16</u>	<u>\$2.28</u>	<u>\$23.05</u>	
TOTAL		\$289.90	\$286.02	\$253.21	
Ped					
OPERATING		\$519.44	\$514.24		
CAPITAL		<u>\$12.45</u>	<u>\$9.28</u>		
TOTAL		\$531.89	\$523.52		

Financial Summary-Susquehanna

FINANCIAL PERIOD ENDED:

	<u>6/30/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$3,101,752	\$2,662,283	\$3,612,699	\$3,562,162	\$2,278,349
ASSETS - FIXED AND OTHER	7,034,440	7,130,657	6,800,494	5,651,714	5,317,977
LIABILITIES - CURRENT	2,649,083	2,564,957	5,656,874	3,422,518	3,334,769
LIABILITIES - LONG-TERM	<u>3,096,271</u>	<u>3,205,864</u>	<u>905,520</u>	<u>2,617,025</u>	<u>3,159,210</u>
EQUITY	\$4,390,838	\$4,022,119	\$3,850,799	\$3,174,333	\$1,102,347
<hr/>					
INCOME	\$6,839,393	\$13,113,122	\$13,710,625	\$12,254,921	\$11,190,007
EXPENSE	<u>6,238,174</u>	<u>12,441,801</u>	<u>11,928,247</u>	<u>10,893,280</u>	<u>10,388,877</u>
NET INCOME	\$601,219	\$671,321	\$1,782,378	\$1,361,641	\$801,130
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DEPRECIATION	\$327,224	\$327,224	\$246,522	\$159,296	\$225,409
<hr/>					
NUMBER OF BEDS	160	160	160	160	160
PERCENT OF OCCUPANCY (DAYS)	89.92%	89.92%	94.58%	94.85%	94.13%
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PERCENT OCCUPANCY (DAYS):					
MEDICAID	62.76%	62.76%	63.43%	63.62%	67.0%
MEDICARE	19.51%	19.51%	21.17%	21.86%	20.7%
PRIVATE/OTHER	17.73%	17.73%	15.40%	14.52%	12.3%

MEDICAID RATE BREAKDOWN:

	2010	2009	2008
OPERATING	\$167.76	\$167.76	\$155.10
CAPITAL	<u>(\$5.61)</u>	<u>(\$8.21)</u>	<u>\$16.83</u>
Total	\$162.15	\$159.55	\$171.93

Financial Summary

Brookhaven Rehab and Health Care Center, LLC

FISCAL PERIOD ENDED:

	<u>10/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$6,002,118	\$5,488,360	\$5,718,012	\$7,193,256	\$5,052,362
ASSETS - FIXED AND OTHER	4,995,711	4,926,918	5,028,390	5,501,873	5,438,965
LIABILITIES - CURRENT	4,347,881	4,884,865	6,220,517	7,150,873	7,507,942
LIABILITIES - LONG-TERM	<u>813,623</u>	<u>750,291</u>	<u>801,314</u>	<u>1,230,695</u>	<u>1,539,976</u>
EQUITY	\$5,836,325	\$4,780,122	\$3,724,571	\$4,313,561	\$1,443,409
<hr/>					
INCOME	\$24,109,202	\$26,020,901	\$27,739,000	\$26,264,207	\$25,925,301
EXPENSE	<u>21,653,064</u>	<u>25,915,351</u>	<u>26,426,420</u>	<u>24,898,161</u>	<u>25,574,224</u>
NET INCOME	\$2,456,198	\$2,105,550	\$1,312,640	\$3,366,046	\$351,137
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DEPRECIATION	\$441,664	\$441,664	\$500,575	\$563,513	\$597,043
<hr/>					
NUMBER OF BEDS	298	298	298	298	298
PERCENT OF OCCUPANCY (DAYS)	97.15%	97.15%	98.15%	96.90%	92.90%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	87.76%	87.76%	87.04%	85.37%	86.84%
MEDICARE	7.19%	7.19%	7.97%	10.03%	8.09%
PRIVATE/OTHER	4.45%	4.45%	4.99%	4.60%	5.07%

MEDICAID RATE BREAKDOWN:

	2010	2009	2008
OPERATING	\$208.27	208.27	207.11
CAPITAL	<u>\$6.73</u>	<u>11.66</u>	<u>\$27.32</u>
TOTAL	\$215.00	219.82	234.43

* 2009 patient days used

Financial Summary-Eastchester Rehab and Health Care Center

	FISCAL PERIOD ENDED				
	<u>9/30/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$4,969,006	\$5,596,567	\$6,548,764	\$8,392,469	\$6,090,720
ASSETS - FIXED AND OTHER	11,383,181	11,480,543	11,387,666	11,477,587	11,090,654
LIABILITIES - CURRENT	8,131,057	5,079,528	10,675,593	7,887,509	10,972,881
LIABILITIES - LONG-TERM	<u>102,613</u>	<u>4,540,085</u>	<u>370,775</u>	<u>4,749,025</u>	<u>223,679</u>
EQUITY	\$8,058,317	\$7,456,897	\$6,890,062	\$7,232,922	\$5,984,814
<hr/>					
INCOME	\$16,765,773	\$21,987,877	\$21,958,425	\$21,360,192	\$20,793,403
EXPENSE	<u>15,864,352</u>	<u>20,951,140</u>	<u>21,455,287</u>	<u>20,112,084</u>	<u>19,729,131</u>
NET INCOME	\$901,421	\$1,036,731	\$503,138	\$1,248,108	\$1,064,272
<hr/>					
DEPRECIATION	\$166,473	\$166,473	\$178,680	\$155,905	\$101,177
<hr/>					
NUMBER OF BEDS	200	200	200	200	200
PERCENT OF OCCUPANCY (DAYS)	96.41%	96.41%	95.42%	95.64%	93.95%
<hr/>					
<u>PERCENT OCCUPANCY (DAYS):</u>					
MEDICAID	87.26%	87.26%	87.38	85.86%	84.05%
MEDICARE	11.48%	11.48%	6.71	10.45%	10.82%
PRIVATE/OTHER	1.26%	1.26%	5.91	3.69%	5.13%
<hr/>					
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$233.87	\$233.87	\$229.60	
CAPITAL		(\$6.36)	(\$6.65)	\$16.21	
TOTAL		\$227.51	\$227.22	\$245.81	
Vent					
OPERATING		\$649.41	\$649.41	\$664.33	
CAPITAL		\$10.04	\$8.10	\$49.71	
TOTAL		\$659.45	\$657.51	\$714.04	

Financial Summary

Woodmere Rehab and Health Care Center

	FISCAL PERIOD ENDED				
	10/31/2010 internal	12/31/2009	12/31/2008	12/31/2007	12/31/2006
ASSETS - CURRENT	\$8,914,900	\$9,542,103	\$9,754,481	\$8,307,434	\$6,268,965
ASSETS - FIXED AND OTHER	8,653,032	9,312,660	8,720,602	9,082,641	9,378,119
LIABILITIES - CURRENT	5,337,209	7,484,824	7,544,213	7,826,746	9,290,350
LIABILITIES - LONG-TERM	<u>2,432,147</u>	<u>2,736,388</u>	<u>2,957,999</u>	<u>3,019,225</u>	<u>1,040,922</u>
EQUITY	\$9,798,576	\$8,633,551	\$7,972,871	\$6,544,104	\$5,315,812
INCOME	\$32,032,237	\$39,680,997	\$39,506,393	\$33,574,461	\$30,828,189
EXPENSE	<u>30,667,211</u>	<u>38,173,008</u>	<u>36,177,623</u>	32,346,170	31,884,072
NET INCOME	\$1,365,026	\$1,507,989	\$3,328,770	\$1,228,291	(\$1,055,883)
DEPRECIATION	\$466,279	\$466,279	\$466,682	\$520,208	\$577,881
NUMBER OF BEDS	336	336	336	336	336
PERCENT OF OCCUPANCY (DAYS)	95.5%	95.5%	91.7%	90.1%	85.2%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	72.9%	72.9%	69.5%	69.7%	69.9%
MEDICARE	21.5%	21.5%	22.9%	21.7%	21.3%
PRIVATE/OTHER	5.6%	5.6%	7.6%	8.6%	8.8%

MEDICAID RATE BREAKDOWN:

	2010	2009	2008
OPERATING	\$255.42	\$255.42	\$221.59
CAPITAL	<u>\$4.58</u>	<u>-\$9.10</u>	<u>\$22.49</u>
TOTAL	\$260.00	\$246.32	\$244.08
Vent			
OPERATING	\$610.85	\$610.85	\$623.00
CAPITAL	<u>\$94.37</u>	<u>\$53.32</u>	<u>\$61.41</u>
TOTAL	\$705.22	\$664.17	\$684.41

* 2009 patient day information used

Financial Summary

Golden Gate Rehabilitation and Health Care Center, LLC

	FISCAL PERIOD ENDED				
	<u>10/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$5,768,045	\$4,798,953	\$3,752,124	\$3,703,341	\$3,251,314
ASSETS - FIXED AND OTHER	12,777,558	12,986,641	12,817,685	13,004,277	13,227,598
LIABILITIES - CURRENT	6,188,669	5,639,849	5,089,732	5,647,393	5,257,810
LIABILITIES - LONG-TERM	800,441	1,512,516	1,233,809	1,813,097	2,502,327
EQUITY	\$11,556,493	\$10,633,229	\$10,246,268	\$9,247,128	\$8,718,775
<hr/>					
INCOME	\$20,105,209	\$23,404,069	\$23,925,968	\$21,528,660	\$21,520,505
EXPENSE	<u>19,175,667</u>	<u>23,017,108</u>	<u>22,926,829</u>	<u>21,331,425</u>	<u>21,578,130</u>
NET INCOME	\$929,542	\$386,961	\$999,139	\$197,235	(\$57,625)
<hr/>					
DEPRECIATION	\$420,399	\$420,399	\$375,183	\$367,092	\$358,389
<hr/>					
NUMBER OF BEDS	238	238	238	238	238
PERCENT OF OCCUPANCY (DAYS)	92.97%	92.97%	94.01%	95.2%	92.9%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	82.06%	82.06%	81.22%	78.6%	70.6%
MEDICARE	13.27%	13.27%	10.51%	14.4%	14.9%
PRIVATE/OTHER	4.67%	4.67%	8.27%	7.0%	5.5%
<hr/>					
MEDICAID RATE BREAKDOWN:					
		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		\$267.25	\$267.25	\$226.55	
CAPITAL		\$5.19	\$10.93	\$31.36	
Total		\$272.44	\$278.18	\$257.91	

*2009 patient days used

Financial Summary-Garden Care Center

	FISCAL PERIOD ENDED				
	<u>12/31/2010</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$3,877,869	\$3,787,552	\$3,553,978	\$3,213,503	\$2,863,088
ASSETS - FIXED AND OTHER	1,527,297	1,510,741	1,533,775	1,584,683	1,661,382
LIABILITIES - CURRENT	2,281,465	1,315,774	1,541,118	1,586,092	2,217,717
LIABILITIES - LONG-TERM	<u>235,888</u>	<u>631,987</u>	<u>758,012</u>	<u>753,492</u>	<u>402,451</u>
EQUITY	\$2,887,813	\$3,350,532	\$2,788,623	\$2,458,602	\$1,907,302
INCOME	\$16,980,503	\$17,118,846	\$16,803,777	\$16,206,643	\$15,768,353
EXPENSE	<u>16,743,228</u>	<u>16,456,939</u>	<u>15,973,753</u>	<u>15,511,042</u>	<u>14,225,332</u>
NET INCOME	\$237,275	\$661,907	\$830,024	\$695,601	\$1,543,021
DEPRECIATION	\$166,458	\$166,458	\$191,035	\$200,943	\$189,587
NUMBER OF BEDS	150	150	150	150	150
PERCENT OF OCCUPANCY (DAYS)	92.05%	92.05%	93.50%	92.40%	92.90%
<u>PERCENT OCCUPANCY (DAYS):</u>					
MEDICAID	63.15%	63.15%	63.57%	62.00%	60.70%
MEDICARE	23.64%	23.64%	18.88%	20.80%	25.40%
PRIVATE/OTHER	13.21%	13.21%	17.55%	17.20%	13.90%

MEDICAID RATE BREAKDOWN:

	2010	2009
OPERATING	\$234.93	\$234.93
CAPITAL	(\$21.54)	(\$11.05)
TOTAL	\$213.39	\$223.88

* 2009 patient days used

Financial Summary-The Hamptons Center for Rehab and Nursing

	<u>FISCAL PERIOD ENDED</u>		
	<u>11/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>
ASSETS - CURRENT	\$9,304,787	\$9,878,779	\$12,067,655
ASSETS - FIXED AND OTHER	4,152,345	3,727,361	5,775,926
LIABILITIES - CURRENT	27,014,145	15,251,482	12,489,009
LIABILITIES - LONG-TERM	6,136,404	16,218,596	15,970,883
EQUITY	(\$19,693,417)	(\$17,863,938)	(\$10,616,311)
<hr/>			
INCOME	\$28,233,615	\$33,115,928	\$29,638,350
EXPENSE	30,280,594	36,910,555	36,320,776
NET INCOME	(\$2,046,979)	(\$3,794,627)	(\$6,682,426)
<hr/>			
DEPRECIATION	\$34,429	\$34,429	\$19,548
<hr/>			
NUMBER OF BEDS	280	280	280
PERCENT OF OCCUPANCY (DAYS)	94.63%	96.42%	91.55%
<hr/>			
<u>PERCENT OCCUPANCY (DAYS):</u>			
MEDICAID	73.26%	79.60%	74.68%
MEDICARE	14.71%	13.28%	15.92%
PRIVATE/OTHER	12.03%	7.12%	9.40%
<hr/>			
MEDICAID RATE BREAKDOWN:			
		2010	2009
OPERATING		\$243.22	243.22
CAPITAL		<u>(\$8.02)</u>	<u>\$28.45</u>
Total		\$235.20	\$271.67

Financial Summary
Meadow Park Rehabilitation and Health Care Center

	<u>FISCAL PERIOD ENDED</u>				
	<u>12/31/10</u>	<u>12/31/09</u>	<u>12/31/08</u>	<u>12/31/07</u>	<u>12/31/06</u>
ASSETS - CURRENT	\$5,656,600	\$4,436,406	\$3,635,886	\$1,035,830	\$2,834,140
ASSETS - FIXED AND OTHER	6,602,579	6,694,367	6,922,439	7,153,785	7,116,569
LIABILITIES - CURRENT	7,946,692	8,561,741	6,002,050	5,846,112	4,199,917
LIABILITIES - LONG-TERM	<u>5,675,058</u>	<u>5,192,257</u>	<u>5,402,198</u>	<u>5,560,127</u>	<u>5,677,112</u>
EQUITY	(\$1,463,572)	(\$2,624,225)	(\$845,924)	(\$216,615)	\$73,689
<hr/>					
INCOME	\$15,028,501	\$15,221,672	\$14,771,409	\$12,960,016	\$13,084,970
EXPENSE	<u>13,667,847</u>	<u>13,932,389</u>	<u>14,418,520</u>	<u>13,206,208</u>	<u>12,451,968</u>
NET INCOME	\$1,360,654	\$1,289,283	\$352,889	(\$248,192)	\$633,002
<hr/>					
DEPRECIATION	\$347,136	\$347,136	\$343,519	\$328,644	\$309,448
<hr/>					
NUMBER OF BEDS	143	143	143	143	143
PERCENT OF OCCUPANCY (DAYS)	95.63%	95.63%	96.28%	96.06%	94.49%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	76.58%	76.58%	77.37%	76.90%	74.58%
MEDICARE	17.11%	17.11%	16.53%	16.98%	19.45%
PRIVATE/OTHER	0.31%	0.31%	0.10%	0.12%	5.97%
<hr/>					
MEDICAID RATE BREAKDOWN:					
		2010	2009	2008	
OPERATING		\$216.09	\$216.09	\$183.00	
CAPITAL		(\$9.32)	-\$10.78	\$16.89	
TOTAL		\$206.77	\$205.31	\$199.89	

* 2009 patient days used

Financial Summary

White Plains Center for Nursing

	FISCAL PERIOD ENDED				
	<u>10/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$1,402,208	\$1,238,212	\$1,449,063	\$1,490,267	\$1,243,042
ASSETS - FIXED AND OTHER	5,213,473	5,032,462	4,975,693	4,863,132	4,328,703
LIABILITIES - CURRENT	7,707,329	4,016,147	7,475,442	7,416,380	2,117,576
LIABILITIES - LONG-TERM	<u>1,128,888</u>	<u>4,110,337</u>	<u>1,594,979</u>	<u>1,340,059</u>	<u>4,729,432</u>
EQUITY	(\$2,220,536)	(\$1,855,810)	(\$2,645,665)	(\$2,403,040)	(\$1,275,263)
INCOME	\$7,795,378	\$10,852,833	\$8,797,253	\$7,491,153	\$7,034,832
EXPENSE	<u>8,160,099</u>	<u>10,062,981</u>	<u>9,045,876</u>	<u>8,612,929</u>	<u>8,270,446</u>
NET INCOME	(\$364,721)	\$789,852	(\$248,623)	(\$1,121,776)	(\$1,235,614)
DEPRECIATION	\$79,386	\$79,386	\$61,815	\$44,991	\$43,267
NUMBER OF BEDS	88	88	88	88	88
PERCENT OF OCCUPANCY (DAYS)	95.82%	95.82%	96.88%	93.70%	93.62%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	74.84%	74.84%	75.46%	82.22%	76.57%
MEDICARE	17.22%	17.22%	17.80%	14.81%	18.70%
PRIVATE/OTHER	7.94%	7.94%	6.75%	2.97%	4.73%
MEDICAID RATE BREAKDOWN:		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		\$266.15	\$266.15	\$217.04	
CAPITAL		<u>\$0.50</u>	<u>\$0.69</u>	<u>\$27.10</u>	
TOTAL		\$266.65	\$266.84	\$244.14	

* 2009 patient day information used

Financial Summary

Fort Tryon Center for Rehabilitation and Nursing

	<u>FISCAL PERIOD ENDED</u>		
	<u>12/31/08</u>	<u>12/31/07</u>	<u>12/31/06</u>
ASSETS - CURRENT	\$3,634,119	\$4,612,436	\$4,302,838
ASSETS - FIXED AND OTHER	14,453,536	14,887,768	15,116,114
LIABILITIES - CURRENT	7,124,420	8,519,893	6,965,054
LIABILITIES - LONG-TERM	<u>6,178,700</u>	<u>7,221,680</u>	<u>9,413,614</u>
EQUITY	\$4,784,535	\$3,758,631	\$3,040,284
<hr/>			
INCOME	\$22,409,448	\$21,774,971	\$21,958,534
EXPENSE	<u>21,312,876</u>	<u>21,056,624</u>	20,571,743
NET INCOME	\$1,096,572	\$718,347	\$1,386,791
<hr/>			
DEPRECIATION	\$137,232	\$156,359	\$191,464
<hr/>			
NUMBER OF BEDS	205	205	205
PERCENT OF OCCUPANCY (DAYS)	94.9%	95.4%	94.0%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	74.2%	74.1%	68.8%
MEDICARE	17.1%	19.9%	21.5%
PRIVATE/OTHER	8.6%	6.0%	9.8%
<hr/>			
MEDICAID RATE BREAKDOWN:	2010	<u>2009</u>	<u>2008</u>
OPERATING	\$263.12	\$263.12	\$251.39
CAPITAL	(5.05)	0.24	<u>20.74</u>
TOTAL	\$258.07	\$263.36	\$272.13

None of the applicants had ownership interest in the facility after 2008

Financial Summary

Franklin Center For Rehabilitation and Nursing

FISCAL PERIOD ENDED

	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$6,984,380	\$7,813,762	\$7,820,646
ASSETS - FIXED AND OTHER	22,430,066	22,562,470	22,235,193
LIABILITIES - CURRENT	9,552,399	11,737,365	10,055,224
LIABILITIES - LONG-TERM	<u>10,515,208</u>	<u>11,338,800</u>	<u>12,255,806</u>
EQUITY	\$9,346,839	\$7,300,067	\$7,744,809
<hr/>			
INCOME	\$39,078,819	\$37,574,394	\$38,375,035
EXPENSE	<u>\$36,714,464</u>	<u>\$35,555,700</u>	<u>\$35,857,093</u>
NET INCOME	\$2,364,355	\$2,018,694	\$2,517,942
<hr/>			
DEPRECIATION	\$336,622	\$353,287	\$318,926
<hr/>			
NUMBER OF BEDS	320	320	320
PERCENT OF OCCUPANCY (DAYS)	97.89%	98.57%	95.96%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	76.14%	76.00%	73.40%
MEDICARE	10.76%	11.50%	21.80%
PRIVATE/OTHER	13.11%	12.50%	4.70%
<hr/>			
MEDICAID RATE BREAKDOWN:	<u>2010</u>	<u>2009</u>	<u>2008</u>
OPERATING	\$255.24	\$255.24	\$254.52
CAPITAL	<u>(2.13)</u>	<u>(0.37)</u>	<u>21.07</u>
TOTAL	\$253.11	\$254.87	\$275.59

None of the applicants had ownership interest in the facility after 2008

BFA Attachment N

Park Avenue Operating Co. LLC d/b/a Park Avenue Extended Care Facility

Financial Summary

Park Avenue Extended Care Facility

FISCAL PERIOD ENDED	<u>8/31/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$11,334,603	\$7,407,046	\$7,198,373	\$9,169,593	\$7,354,291
ASSETS - FIXED AND OTHER	11,364,930	14,083,106	14,418,390	10,692,680	10,528,183
LIABILITIES - CURRENT	4,523,297	3,986,804	4,430,048	4,416,698	5,637,753
LIABILITIES - LONG-TERM	<u>7,072,858</u>	<u>7,345,091</u>	<u>7,771,859</u>	<u>8,716,500</u>	<u>7,669,256</u>
EQUITY	\$11,103,378	\$10,158,257	\$9,414,856	\$6,729,075	\$4,575,465
<hr/>					
INCOME	\$17,967,343	\$27,963,018	\$29,248,621	\$26,122,503	\$23,042,912
EXPENSE	<u>17,022,222</u>	<u>27,219,617</u>	<u>26,475,340</u>	<u>24,306,390</u>	<u>22,925,179</u>
NET INCOME	\$945,121	\$743,401	\$2,773,281	\$1,816,113	\$117,733
<hr/>					
DEPRECIATION	\$127,962	\$127,962	\$71,834	\$40,803	\$18,408
<hr/>					
NUMBER OF BEDS	240	240	240	240	240
PERCENT OF OCCUPANCY (DAYS)	97.12%	97.12%	98.30%	97.92%	95.26%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	74.52%	74.52%	77.50%	77.25%	77.30%
MEDICARE	14.48%	14.48%	13.62%	12.43%	16.03%
PRIVATE/OTHER	11.00%	11.00%	8.88%	10.32%	6.68%
<hr/>					
MEDICAID RATE BREAKDOWN:			<u>2010</u>	<u>2009</u>	<u>2008</u>
OPERATING			\$248.77	\$248.77	\$223.24
CAPITAL			<u>\$3.64</u>	<u>\$5.34</u>	<u>\$37.45</u>
TOTAL			\$252.41	\$254.11	\$260.69

*2009 patient days used

Financial Summary
Nassau Extended Care Facility

	FISCAL PERIOD ENDED				
	<u>8/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$9,470,688	\$8,872,863	\$9,956,878	\$7,438,626	\$7,945,673
ASSETS - FIXED AND OTHER	17,854,488	16,027,120	14,497,907	14,904,709	12,370,406
LIABILITIES - CURRENT	5,766,513	4,725,367	5,426,493	5,079,401	4,286,499
LIABILITIES - LONG-TERM	<u>7,150,481</u>	<u>7,387,690</u>	<u>7,788,087</u>	<u>8,162,120</u>	<u>8,496,099</u>
EQUITY	\$14,408,182	\$12,786,926	\$11,240,205	9,101,814	7,533,481
<hr/>					
INCOME	\$21,970,244	\$33,906,046	\$33,159,574	\$29,362,607	\$28,610,268
EXPENSE	<u>20,348,988</u>	<u>32,359,325</u>	<u>30,933,683</u>	<u>27,881,774</u>	<u>27,258,857</u>
NET INCOME	\$1,621,256	\$1,546,721	\$2,225,891	\$1,480,833	\$1,351,411
<hr/>					
DEPRECIATION	\$71,312	\$71,312	\$71,312	\$48,354	\$26,577
<hr/>					
NUMBER OF BEDS	280	280	280	280	280
PERCENT OF OCCUPANCY (DAYS)	94.96%	94.96%	96.23%	95.52%	94.87%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	74.50%	74.50%	76.83%	80.41%	82.66%
MEDICARE	15.66%	15.66%	14.89%	14.85%	13.66%
PRIVATE/OTHER	9.84%	9.84%	8.27%	4.74%	3.68%
<hr/>					
MEDICAID RATE BREAKDOWN:					
		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		239.34	221.59	216.81	
CAPITAL		<u>9.90</u>	<u>46.34</u>	<u>55.25</u>	
TOTAL		249.24	267.93	272.06	

* 2009 patient days used

Financial Summary

Nathan Miller Extended Care Center

FISCAL PERIOD ENDED

	<u>8/31/2010 Internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$1,204,237	\$739,447	\$1,571,593	\$1,270,727	\$975,533
ASSETS - FIXED AND OTHER	1,079,253	947,077	884,873	748,215	737,650
LIABILITIES - CURRENT	2,922,678	1,934,814	3,384,684	3,270,045	2,072,760
LIABILITIES - LONG-TERM	<u>737,572</u>	<u>1,000,794</u>	<u>233,346</u>	<u>140,436</u>	<u>319,652</u>
EQUITY	(\$1,376,760)	(\$1,249,084)	(\$1,161,564)	(\$1,391,539)	(\$679,229)
<hr/>					
INCOME	\$3,802,646	\$7,081,174	\$6,510,244	\$4,767,374	\$4,838,398
EXPENSE	<u>3,930,320</u>	<u>7,168,695</u>	<u>6,280,270</u>	<u>5,479,684</u>	<u>5,160,878</u>
NET INCOME	(\$127,674)	(\$87,521)	\$229,974	(\$712,310)	(\$322,480)
<hr/>					
DEPRECIATION	\$61,992	\$61,992	\$55,033	\$43,988	\$27,285
<hr/>					
NUMBER OF BEDS	65	65	65	65	65
PERCENT OF OCCUPANCY (DAYS)	96.15%	96.15%	95.31%	91.71%	92.43%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	86.27%	86.27%	82.89%	86.04%	82.39%
MEDICARE	0.50%	0.50%	11.48%	0.05%	11.10%
PRIVATE/OTHER	5.15%	5.15%	5.64%	4.91%	6.42%
<hr/>					
MEDICAID RATE BREAKDOWN:		2010	2009	2008	
OPERATING		\$232.83	\$232.83	\$209.62	
CAPITAL		<u>\$9.13</u>	<u>\$7.88</u>	<u>\$27.14</u>	
TOTAL		\$241.96	\$240.71	\$236.76	

* 2009 patient days used

Financial Summary
Throgs Neck Extended Care

	FISCAL PERIOD ENDED				
	<u>9/30/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$3,160,388	\$3,236,664	\$4,440,269	\$3,631,502	\$4,413,396
ASSETS - FIXED AND OTHER	11,387,528	11,091,066	9,507,689	10,527,114	10,211,093
LIABILITIES - CURRENT	4,710,201	4,416,366	4,404,310	4,858,779	5,100,035
LIABILITIES - LONG-TERM	<u>5,593,233</u>	<u>5,960,472</u>	<u>6,049,131</u>	<u>6,346,947</u>	<u>6,455,890</u>
EQUITY	\$4,244,392	\$3,950,892	\$3,404,508	\$2,952,890	\$3,001,764
<hr/>					
INCOME	\$16,687,251	\$22,843,164	\$22,903,974	\$21,061,647	\$20,269,530
EXPENSE	<u>16,393,752</u>	<u>22,296,778</u>	<u>22,394,853</u>	<u>19,973,021</u>	<u>19,970,042</u>
NET INCOME	\$293,499	\$546,386	\$509,121	\$1,088,626	\$299,488
<hr/>					
DEPRECIATION	\$99,248	\$99,248	\$85,896	\$73,809	\$55,032
<hr/>					
NUMBER OF BEDS	205	205	205	205	205
PERCENT OF OCCUPANCY (DAYS)	96.81%	96.81%	98.43%	94.38%	94.95%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	74.10%	74.10%	74.94%	72.69%	75.25%
MEDICARE	13.85%	13.85%	16.85%	18.73%	13.90%
PRIVATE/OTHER	12.05%	12.05%	8.21%	8.58%	10.84%
<hr/>					
MEDICAID RATE BREAKDOWN:					
		<u>2010</u>	<u>2009</u>	<u>2008</u>	
OPERATING		\$247.40	\$247.40	\$236.12	
CAPITAL		<u>\$7.17</u>	<u>\$8.55</u>	<u>\$38.99</u>	
TOTAL		\$254.57	\$255.95	\$275.11	

* 2009 patient days used

Financial Summary
Townhouse Extended Care Facility

	FISCAL PERIOD ENDED				
	<u>9/30/2010 internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$8,744,812	\$7,614,750	\$5,133,913	\$6,394,845	\$5,318,827
ASSETS - FIXED AND OTHER	12,766,675	12,525,853	14,913,771	12,185,437	12,081,712
LIABILITIES - CURRENT	10,844,217	5,426,254	9,808,721	7,210,777	7,794,202
LIABILITIES - LONG-TERM	<u>5,571,398</u>	<u>10,694,448</u>	<u>6,906,527</u>	<u>7,529,739</u>	<u>6,845,281</u>
EQUITY	\$5,095,872	\$4,019,901	\$3,332,436	\$3,839,766	\$2,761,056
INCOME	\$25,130,279	\$34,045,641	\$32,925,683	\$32,365,444	\$30,388,158
EXPENSE	<u>24,054,312</u>	<u>33,358,176</u>	<u>33,345,513</u>	<u>31,374,234</u>	<u>30,009,673</u>
NET INCOME	\$1,075,967	\$687,465	(\$419,830)	\$991,210	\$378,485
DEPRECIATION	\$130,063	\$130,063	\$86,527	\$55,975	\$37,264
NUMBER OF BEDS	280	280	280	280	280
PERCENT OF OCCUPANCY (DAYS)	95.18%	95.18%	96.49%	96.53%	95.27%
PERCENT OCCUPANCY (DAYS):					
MEDICAID	68.91%	68.91%	71.93%	73.70%	74.29%
MEDICARE	15.39%	15.39%	12.32%	13.75%	16.65%
PRIVATE/OTHER	15.70%	15.70%	15.75%	12.56%	9.06%
MEDICAID RATE BREAKDOWN:					
	2010	2009	2008		
OPERATING	\$254.31	\$254.31	\$222.68		
CAPITAL	<u>\$17.49</u>	<u>\$15.71</u>	<u>\$50.66</u>		
TOTAL	\$271.80	\$270.02	\$273.34		
Vent	2010	2009	2008		
OPERATING	\$554.26	\$554.26	\$539.85		
CAPITAL	<u>\$22.26</u>	<u>\$20.89</u>	<u>\$40.95</u>		
TOTAL	\$576.52	\$575.15	\$580.80		

* 2009 patient days used

Financial Summary
West Lawrence Care Center, LLC

FISCAL PERIOD ENDED

	<u>9/30/2010</u> <u>internal</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
ASSETS - CURRENT	\$2,730,336	\$2,876,188	\$2,387,571	\$3,664,454	\$2,763,036
ASSETS - FIXED AND OTHER	3,878,262	4,061,144	4,067,307	4,104,304	3,314,001
LIABILITIES - CURRENT	3,134,043	2,668,406	2,967,536	3,536,297	3,562,595
LIABILITIES - LONG-TERM	<u>551,449</u>	<u>1,016,813</u>	<u>1,175,187</u>	<u>1,644,836</u>	<u>1,153,888</u>
EQUITY	\$2,922,506	\$3,052,113	\$2,312,155	\$2,487,625	\$1,360,554
<hr/>					
INCOME	\$15,313,750	\$21,660,456	\$20,796,727	\$20,171,414	\$20,632,445
EXPENSE	<u>14,548,462</u>	<u>19,290,498</u>	<u>18,996,187</u>	<u>18,194,225</u>	<u>18,121,974</u>
NET INCOME	\$765,288	\$2,389,958	\$1,800,540	\$1,977,189	\$2,710,471
<hr/>					
DEPRECIATION	\$212,001	\$212,001	\$214,021	\$162,650	\$114,607
<hr/>					
NUMBER OF BEDS	215	215	215	215	215
PERCENT OF OCCUPANCY (DAYS)	98.67%	98.67%	98.51%	97.91%	96.75%
<hr/>					
PERCENT OCCUPANCY (DAYS):					
MEDICAID	91.51%	91.51%	86.98%	86.35%	86.19%
MEDICARE	7.96%	7.96%	9.31%	10.44%	11.63%
PRIVATE/OTHER	0.54%	0.54%	3.71%	3.21%	2.18%
<hr/>					
MEDICAID RATE BREAKDOWN:		2010	2009	<u>2008</u>	
OPERATING		\$220.11	\$220.11	\$225.18	
CAPITAL		6.24	\$6.80	\$15.40	
TOTAL		\$226.65	\$227.21	\$240.88	

* 2009 patient days used

Financial Summary

Split Rock Rehabilitation and Health Care Center, LLC

	<u>FISCAL PERIOD ENDED</u>		
	<u>12/31/2008</u>	<u>12/31/07</u>	<u>12/31/06</u>
ASSETS - CURRENT	\$5,884,811	\$7,247,324	\$7,010,442
ASSETS - FIXED AND OTHER	14,551,722	14,680,691	14,818,865
LIABILITIES CURRENT	9,641,441	11,214,161	13,754,519
LIABILITIES - LONG-TERM	<u>7,043,424</u>	<u>8,668,964</u>	<u>5,793,453</u>
EQUITY	\$3,751,668	\$2,044,890	\$2,281,335
<hr/>			
INCOME	\$27,679,201	\$25,993,270	\$25,757,420
EXPENSE	<u>25,972,423</u>	26,231,420	<u>26,654,935</u>
NET INCOME	\$1,706,778	(\$238,150)	(\$897,515)
<hr/>			
DEPRECIATION	\$181,426	\$220,507	\$210,077
<hr/>			
NUMBER OF BEDS	240	240	240
PERCENT OF OCCUPANCY (DAYS)	95.31%	95.3%	90.9%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	90.16%	90.0%	87.6%
MEDICARE	5.05%	6.2%	10.4%
PRIVATE/OTHER	4.79%	2.9%	2.0%
<hr/>			
MEDICAID RATE BREAKDOWN:	2010	<u>2009</u>	<u>2008</u>
OPERATING	\$248.77	\$248.77	230.4
CAPITAL	<u>5.37</u>	<u>7.09</u>	<u>16.42</u>
TOTAL	\$254.14	\$255.86	\$246.82

None of the applicants had ownership interest in the facility after 2008

As shown on BFA Attachment A, Bayview Nursing and Rehabilitation Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$710,335 during the period 2006 through 10/31/2010.

As shown on BFA Attachment B, Avalon Gardens Rehabilitation Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,292,069 during the period 2006 through 11/31/2010. In 2006, the facility generated a net loss of \$1,293,889. This was due to the level of resident acuity. Many of the residents had multiple wounds upon intake, which raised the cost of caring for these residents. In order to adjust or address the losses, the facility had to reduce costs. They implemented a cost reduction program and new residents exhibiting issues such as multiple wounds, were addressed at intake, therefore the new residents were of a lower acuity and they had a lower level of expense for their care.

As shown on BFA Attachment C, Susquehanna had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,043,538 during the period 2006 through 06/30/2010.

As shown on BFA Attachment D, Brookhaven Rehab and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,918,314 during the period 2006 through 10/31/2010.

As shown on BFA Attachment E, Eastchester Rehab and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$950,731 during the period 2006 through 9/30/2010.

As shown on BFA Attachment F, Woodmere Rehab and Health Care Center had an average positive working capital position and net asset positions, and generated an average net income of \$1,274,839 during the period 2006 through 10/31/2010. The 2006 loss of \$1,055,883 was caused by the facility paying a management fee to the partners of \$1,225,000; prior to the payment, the facility had a net income of \$169,117. This was a one-time occurrence.

As shown on BFA Attachment G, Golden Gate Rehab and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$491,050 during the period 2006 through 10/31/2010. The 2006 loss of \$57,625 is due to the payment of Administrative Consultant fees paid to the operators, which were

treated as expenses. Without the payment, the facility would have had a positive net income. This was a one-time occurrence.

As shown on BFA Attachment H, Garden Care Center had an average positive working capital and net asset positions, and generated an average net income of \$793,566 during the period 2006 through 2010.

As shown on BFA Attachment I, The Hamptons Center for Rehab and Nursing had average negative working capital and net asset positions, and generated an average net loss of \$4,174,677 during the period 2008 through 2010. The loss was caused by the facility just opening in July 2006, and being under the initial budget based rate. Currently, their occupancy rate is 96.42%, up 5% from 2008. In 2009, the facility was able to reduce their losses by almost three million dollars from 2008. This was accomplished through a reduction in costs and a favorable working capital loan refinancing, as well as the facility receiving a rebased rate based on the 2008 cost report submission. Also, the facility reduced expenses by using more staff and reducing the use of outside agencies. By doing this, the operation expects to become profitable within the next 3 to 5 years; this can be seen with the continued reduction in losses for 2010 of over 1.5 million for 2009. During the first few years that the facility was in operation, the losses were covered by a credit line from the bank and from member's funds, which were more than sufficient to cover historical and projected losses.

As shown on BFA Attachment J, Meadow Park had average negative working capital and net asset positions, and generated an average net income of \$677,527 during the period 2006 through 2010. The 2007 loss was caused by a retroactive rate reduction for the May 2000 – May 2002 period based on a PRI audit of the facility's neurobiological program (NBP). Without this adjustment, the facility would have reported a positive net income in 2007. In order to prevent this adjustment from happening in the future, the facility, in 2005, eliminated NBP and replaced them with higher PRI patients, thus improving the facility's financial condition.

As shown on BFA Attachment K, White Plains had average negative working capital and net asset positions, and generated an average net loss of \$436,176 during the period 2006 through 10/31/2010. The loss was caused by the facility not receiving their rebased rates for several years after the change in ownership took place in October 2004. The facility started receiving the rebased rate in 2008, significantly reducing the net loss, but they are still waiting for a positive PRI adjustment in order to be operating profitably. In 2009, the facility finally received a positive PRI and as of May 2009, the facility started profitable operations, which can be seen on the financial summary, which shows a net income of \$789,852.

As shown on BFA Attachment L, Fort Tryon Center for Rehabilitation and Nursing had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,067,237 during the period 2006 through 2008. As of 8/1/08, none of the owners or proposed owners of Bayview had ownership interest in the facility.

As shown on BFA Attachment M, New Franklin Center for Rehabilitation and Nursing had an average negative working capital position and an average positive net asset position, and generated an average net income of \$2,300,330 during the period 2006 through 2008. As of 7/23/2008, none of the owners or proposed owners of Bayview had ownership interest in the facility.

As shown on BFA Attachment N, Park Avenue Extended Care Facility had an average positive working capital and an average positive net asset position, and generated an average net income of \$1,279,130 during the period 2006 through 8/31/2010.

As shown on BFA Attachment O, Nassau Extended Care Facility had average positive working capital and net asset positions, and generated an average net income of \$1,645,222 during the period 2006 through 8/31/2010.

As shown on BFA Attachment P, Nathan Miller had average negative working capital and net asset positions, and generated an average net loss of \$204,002 during the period 2006 through 8/31/2010. The loss was caused by the facility not receiving their rebased rates for several years after the change in ownership took place in October 2004. The facility started receiving the rebased rate in 2008, and in 2008 showed a positive net income due to them receiving all of the rebased rates and relevant adjustments in 2008. In 2009, the facility again had a negative net income. In 2009, the facility again had a loss. The operator indicates that the loss is due to the facility being too small to achieve a breakeven or profit. The facility had a plan to build, and add more beds in order to become financially feasible, but this expansion was stopped by a community effort. The operator has decided to sell the facility and it will be converted into an assisted living program (ALP). The closure plan calls for a February 2011 closing date.

As shown on BFA Attachment Q, Throgs Neck Extended Care Facility had an average negative working capital position and an average positive net asset position, and generated an average net income of \$547,424 during the period 2006 through 9/30/2010.

As shown on BFA Attachment R, Townhouse Extended Care Facility had an average negative working capital position and an average positive net asset

position, and generated an average net income of 542,659 during the period 2006 through 9/30/2010. The 2008 loss was caused by a prior period liability being accrued in 2008; the accrual was for \$1,054,509 for a Medicaid overpayment. This is a one time occurrence and without the accrual, the facility would have had positive income for the year.

As shown on BFA Attachment S, West Lawrence Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$1,928,689 during the period 2006 through 9/30/2010.

As shown on BFA Attachment T, Split Rock Rehabilitation and Health Care Center had an average negative working capital position and an average positive net asset position, and generated an average net income of \$190,371 during the period 2006 through 2008. The losses in 2006 and 2007 were caused by issues with resident acuity; many of the residents had multiple wounds upon intake, which raised the cost of caring for these residents. The facility has implemented a cost reduction program in which new residents who are exhibiting issues such as multiple wounds, are now addressed at intake, which allows for lower acuity admission, thus reducing the level of expense for their care. As of 7/30/2008, none of the owners or proposed owners of Bayview had ownership interest in the facility.

Financial Summary
BFA Attachment B

Niagara Rehabilitation and Nursing Center

	FISCAL PERIOD ENDED		
	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$2,226,853	\$2,248,615	\$2,772,131
ASSETS - FIXED AND OTHER	658,842	692,819	760,781
LIABILITIES - CURRENT	990,634	1,036,458	1,038,095
LIABILITIES - LONG-TERM	122,795	128,997	122,616
EQUITY	1,772,266	1,975,979	2,372,201
<hr/>			
INCOME	\$9,181,952	\$8,299,007	\$9,407,134
EXPENSE	9,508,834	9,295,229	9,473,189
NET INCOME	(\$326,882)	(\$996,222)	(\$66,055)
<hr/>			
OPERATOR/RELATIVE SALARIES	\$25,000	\$25,000	\$25,000
<hr/>			
NUMBER OF BEDS	160	160	160
PERCENT OF OCCUPANCY (DAYS)	94.64%	85.61%	92.25%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	90.43%	89.55%	90.79%
MEDICARE	5.62%	7.68%	4.54%
PRIVATE/OTHER	3.95%	2.78%	4.66%

MEDICAID RATE BREAKDOWN:

	<u>2010</u>	<u>2009</u>
OPERATING	\$131.07	135.20
CAPITAL	15.39	16.65
TOTAL	\$146.46	\$151.85

Pro Forma Balance Sheet Of
Amerifalls, LLC

ASSETS

Cash	\$1,011,868
Patient Funds	128,997
Nursing Home-Goodwill	<u>50,000</u>
TOTAL ASSETS	\$1,790,865

LIABILITIES

Mortgage	\$0
Patient Funds	128,997
Working Capital Loan	<u>805,934</u>
TOTAL LIABILITIES	\$934,931

MEMBER EQUITY	\$855,934
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Financial Summary

BFA Attachment D

Sunharbor Manor

	FISCAL PERIOD ENDED		
	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$6,722,687	\$5,091,033	\$4,617,054
ASSETS - FIXED AND OTHER	1,141,866	996,219	879,409
LIABILITIES - CURRENT	7,207,383	5,282,913	4,257,928
LIABILITIES - LONG-TERM	271,093	658,486	1,012,861
EQUITY	\$386,077	\$145,853	\$225,674
<hr/>			
INCOME	\$28,183,025	\$26,943,763	\$26,695,539
EXPENSE	27,517,801	26,492,573	26,258,064
NET INCOME	\$665,224	\$451,190	\$437,475
<hr/>			
OPERATOR/RELATIVE SALARIES	\$161,312	\$299,646	\$344,614
<hr/>			
NUMBER OF BEDS	266	266	266
PERCENT OF OCCUPANCY (DAYS)	89.50%	92.42%	90.69%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	65.60%	68.52%	66.77%
MEDICARE	16.77%	21.31%	18.27%
PRIVATE/OTHER	17.63%	10.17%	14.97%
<hr/>			
<u>*Ownership Interests</u>			
Israel Sherman	99%		
Sam Sherman	1%		

Financial Summary
BFA Attachment E

Absolut @ Alleghany

FISCAL PERIOD ENDED

	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$545,919	\$280,247	\$607,689
ASSETS - FIXED AND OTHER	273,210	614,008	307,964
LIABILITIES - CURRENT	237,453	234,255	358,843
LIABILITIES - LONG-TERM	94,289	119,346	130,430
EQUITY	\$487,387	\$540,654	\$426,380
<hr/>			
INCOME	\$2,617,033	\$2,738,439	\$2,779,735
EXPENSE	2,520,299	2,589,165	2,507,701
NET INCOME	\$96,734	\$149,274	\$272,034
<hr/>			
OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
<hr/>			
NUMBER OF BEDS	37	37	37
PERCENT OF OCCUPANCY (DAYS)	92.23%	95.53%	91.17%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	52.05%	54.60%	36.88%
MEDICARE	14.15%	11.58%	23.83%
PRIVATE/OTHER	33.80%	33.82%	39.29%

MEDICAID RATE:	<u>2010</u>
OPERATING	\$142.10
CAPITAL	<u>5.18</u>
TOTAL	\$147.37

***Ownership Interests:**

Israel Sherman	54%
Sam Sherman	1%
Absolut Facilities Management, LLC	45%

Members of Absolut Facilities Management

Israel Sherman	99%
Sam Sherman	1%

Financial Summary

BFA Attachment F

Absolut @ Aurora Park

	FISCAL PERIOD ENDED		
	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$4,254,403	\$2,768,848	\$4,388,387
ASSETS - FIXED AND OTHER	1,613,307	4,659,956	3,725,366
LIABILITIES - CURRENT	2,620,966	2,349,178	4,182,441
LIABILITIES - LONG-TERM	1,621,115	2,061,123	1,329,835
EQUITY	\$1,625,629	\$3,018,503	\$2,601,477
<hr/>			
INCOME	\$20,920,470	\$21,832,276	\$21,868,078
EXPENSE	20,113,344	21,065,250	19,824,719
NET INCOME	\$807,126	\$767,026	\$2,043,359
<hr/>			
OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
<hr/>			
NUMBER OF BEDS	320	320	320
PERCENT OF OCCUPANCY (DAYS)	92.34%	90.48%	91.74%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	76.51%	76.92%	78.34%
MEDICARE	13.76%	13.80%	12.44%
PRIVATE/OTHER	0.73%	0.28%	0.22%

MEDICAID RATE:	<u>2010</u>
OPERATING	\$165.64
CAPITAL	15.13
TOTAL	\$180.77

***Ownership Interests**

Israel Sherman	54%
Sam Sherman	1%
Absolut Facilities Management, LLC	45%

Members of Absolut Facilities Management:

Israel Sherman	99%
Sam Sherman	1%

Financial Summary

BFA Attachment G

Absolut @ Dunkirk

	FISCAL PERIOD ENDED		
	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$387,084	\$381,606	\$515,212
ASSETS - FIXED AND OTHER	135,890	207,555	222,459
LIABILITIES - CURRENT	251,916	347,910	560,313
LIABILITIES - LONG-TERM	165,927	240,445	206,555
EQUITY	\$105,131	\$806	(\$29,197)
<hr/>			
INCOME	\$2,651,282	\$2,743,153	\$2,682,092
EXPENSE	2,612,114	2,713,150	2,691,854
NET INCOME	\$39,168	\$30,003	(\$9,762)
<hr/>			
OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
<hr/>			
NUMBER OF BEDS	40	40	40
PERCENT OF OCCUPANCY (DAYS)	93.63%	89.05%	85.88%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	64.71%	61.31%	58.98%
MEDICARE	13.84%	21.23%	19.74%
PRIVATE/OTHER	21.45%	17.46%	21.28%

*Ownership Interests

Israel Sherman	54%
Sam Sherman	1%
Absolut Facilities Management, LLC	45%

Members of Absolut Facilities Management:

Israel Sherman	99%
Sam Sherman	1%

Financial Summary

BFA Attachment H

Absolut @ Eden

	FISCAL PERIOD ENDED		
	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$386,950	\$301,482	\$385,622
ASSETS - FIXED AND OTHER	150,738	237,313	211,162
LIABILITIES - CURRENT	251,070	258,053	526,049
LIABILITIES - LONG-TERM	296,215	909,383	543,674
EQUITY	(\$9,597)	(\$628,641)	(\$472,939)
<hr/>			
INCOME	\$2,349,206	\$2,555,973	\$2,580,873
EXPENSE	2,614,675	2,741,675	2,903,908
NET INCOME	(\$265,469)	(\$185,702)	(\$323,035)
<hr/>			
OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
<hr/>			
NUMBER OF BEDS	40	40	40
PERCENT OF OCCUPANCY (DAYS)	87.13%	91.16%	91.39%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	77.81%	81.05%	80.67%
MEDICARE	15.10%	10.33%	8.00%
PRIVATE/OTHER	7.00%	8.62%	11.34%
<hr/>			
MEDICAID RATE:			
OPERATING	\$168.16		
CAPITAL	9.68		
TOTAL	\$177.84		
*Ownership Interests:			
Israel Sherman	54%		
Sam Sherman	1%		
Absolut Facilities Management, LLC	45%		
Members of Absolut Facilities Management, LLC			
Israel Sherman	99%		
Sam Sherman	1%		

Financial Summary

BFA Attachment I

Absolut @ Endicott

	FISCAL PERIOD ENDED		
	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$1,814,272	\$1,283,139	\$1,514,786
ASSETS - FIXED AND OTHER	522,644	869,713	728,821
LIABILITIES - CURRENT	1,526,403	840,666	2,053,081
LIABILITIES - LONG-TERM	1,081,224	3,488,875	1,452,441
EQUITY	(\$270,711)	(\$2,176,689)	(\$1,261,915)
<hr/>			
INCOME	\$9,567,047	\$9,440,918	\$10,166,325
EXPENSE	10,161,268	10,355,492	11,019,124
NET INCOME	(\$594,221)	(\$914,574)	(\$852,799)
<hr/>			
OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
<hr/>			
NUMBER OF BEDS	160	160	160
PERCENT OF OCCUPANCY (DAYS)	94.95%	91.80%	93.15%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	85.71%	86.35%	83.39%
MEDICARE	9.45%	9.81%	12.82%
PRIVATE/OTHER	4.84%	3.83%	3.80%
<hr/>			
*Ownership Interests			
Israel Sherman	54%		
Sam Sherman	1%		
Absolut Facilities Management, LLC	45%		
<hr/>			
Members of Absolut Facilities Management, LLC			
Israel Sherman	99%		
Sam Sherman	1%		

Financial Summary

BFA Attachment J

Absolut @ Gasport

	FISCAL PERIOD ENDED		
	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$1,090,672	\$577,440	\$871,774
ASSETS - FIXED AND OTHER	484,231	860,456	784,793
LIABILITIES - CURRENT	778,260	763,377	1,179,840
LIABILITIES - LONG-TERM	730,487	1,128,075	953,200
EQUITY	\$66,156	(\$453,556)	(\$476,473)
<hr/>			
INCOME	\$5,507,251	\$5,821,173	\$5,527,959
EXPENSE	5,506,268	5,798,256	5,931,024
NET INCOME	\$983	\$22,917	(\$403,065)
<hr/>			
OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
<hr/>			
NUMBER OF BEDS	83	83	83
PERCENT OF OCCUPANCY (DAYS)	93.60%	93.27%	91.45%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	74.07%	71.31%	71.41%
MEDICARE	14.21%	15.98%	19.18%
PRIVATE/OTHER	11.12%	12.71%	9.41%

MEDICAID RATE:	<u>2010</u>
OPERATING	\$154.46
CAPITAL	<u>12.05</u>
TOTAL	\$166.51

*Ownership Interests:

Israel Sherman	54%
Sam Sherman	1%
Absolut Facilities Management, LLC	45%

Members of Absolut Facilities Management

Israel Sherman	99%
Sam Sherman	1%

Financial Summary

BFA Attachment K

Absolut @ Houghton

	FISCAL PERIOD ENDED		
	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$1,463,458	\$670,017	\$787,605
ASSETS - FIXED AND OTHER	248,475	1,003,075	1,093,279
LIABILITIES - CURRENT	1,793,689	530,502	1,288,731
LIABILITIES - LONG-TERM	151,561	1,112,627	509,608
EQUITY	(\$233,317)	\$29,963	\$82,545
<hr/>			
INCOME	\$5,033,208	\$5,641,745	\$5,432,247
EXPENSE	5,296,488	5,579,952	5,513,107
NET INCOME	(\$263,280)	\$61,793	(\$80,860)
<hr/>			
OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
<hr/>			
NUMBER OF BEDS	100	100	100
PERCENT OF OCCUPANCY (DAYS)	84.81%	89.13%	89.32%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	79.35%	78.88%	84.77%
MEDICARE	6.41%	8.68%	6.45%
PRIVATE/OTHER	14.24%	12.44%	8.77%

MEDICAID RATE:	2010
OPERATING	\$132.91
CAPITAL	<u>11.96</u>
TOTAL	\$144.87

*Ownership Interests:

Israel Sherman	54%
Sam Sherman	1%
Absolut Facilities Management, LLC	45%

Members of Absolut Facilities Management, LLC

Israel Sherman	99%
Sam Sherman	1%

Financial Summary

BFA Attachment L

Absolut @ Orchard Park

	FISCAL PERIOD ENDED		
	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$3,549,791	\$2,219,321	\$2,990,390
ASSETS - FIXED AND OTHER	715,833	2,381,755	1,185,535
LIABILITIES - CURRENT	1,565,158	1,619,730	2,028,178
LIABILITIES - LONG-TERM	2,906,637	3,420,234	1,696,466
EQUITY	(\$206,171)	(\$438,888)	(\$448,719)
<hr/>			
INCOME	\$14,329,534	\$14,728,563	\$13,975,060
EXPENSE	14,396,928	14,703,732	14,550,468
NET INCOME	(\$67,394)	\$24,831	(\$575,408)
<hr/>			
OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
<hr/>			
NUMBER OF BEDS	202	202	202
PERCENT OF OCCUPANCY (DAYS)	96.81%	96.25%	94.32%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	74.07%	76.11%	76.92%
MEDICARE	16.96%	14.33%	13.87%
PRIVATE/OTHER	8.97%	9.57%	9.20%
<hr/>			
MEDICAID RATE:	<u>2010</u>		
OPERATING	\$150.35		
CAPITAL	<u>5.77</u>		
TOTAL	\$156.12		
*Ownership Interests:			
Israel Sherman	54%		
Sam Sherman	1%		
Absolut Facilities Management	45%		
Members of Absolut Facilities Management, LLC			
Israel Sherman	99%		
Sam Sherman	1%		

Financial Summary

BFA Attachment M

Absolut @ Salamanca

	FISCAL PERIOD ENDED		
	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$2,475,990	\$1,062,151	\$1,175,230
ASSETS - FIXED AND OTHER	437,716	1,064,636	851,262
LIABILITIES - CURRENT	624,636	663,134	1,482,633
LIABILITIES - LONG-TERM	491,612	641,729	435,713
EQUITY	\$1,797,458	\$821,924	\$108,146
<hr/>			
INCOME	\$7,096,909	\$7,356,017	\$6,270,554
EXPENSE	6,487,744	6,642,239	6,709,889
NET INCOME	\$609,165	\$713,778	(\$439,335)
<hr/>			
OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
<hr/>			
NUMBER OF BEDS	120	120	120
PERCENT OF OCCUPANCY (DAYS)	80.82%	79.79%	73.74%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	80.31%	76.43%	79.19%
MEDICARE	12.39%	15.94%	14.54%
PRIVATE/OTHER	7.30%	7.63%	6.26%

MEDICAID RATE:	<u>2010</u>
OPERATING	\$169.17
CAPITAL	<u>9.17</u>
TOTAL	\$178.34

*Ownership Interests:

Israel Sherman	54%
Sam Sherman	1%
Absolut Facilities Management, LLC	45%

Members of Absolut Facilities Management, LLC

Israel Sherman	99%
Sam Sherman	1%

Financial Summary

BFA Attachment N

Absolut @ Three Rivers

	FISCAL PERIOD ENDED		
	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$2,454,729	\$1,279,864	\$2,078,483
ASSETS - FIXED AND OTHER	419,908	1,144,210	819,740
LIABILITIES - CURRENT	1,263,782	958,385	1,577,212
LIABILITIES - LONG-TERM	282,612	376,435	235,774
EQUITY	\$1,328,243	\$1,089,254	\$1,085,237
<hr/>			
INCOME	\$8,350,169	\$8,820,600	\$9,221,417
EXPENSE	8,311,179	8,616,583	8,735,508
NET INCOME	\$38,990	\$204,017	\$485,909
<hr/>			
OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
<hr/>			
NUMBER OF BEDS	120	120	120
PERCENT OF OCCUPANCY (DAYS)	85.03%	85.20%	90.40%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	70.83%	68.84%	67.49%
MEDICARE	22.12%	19.46%	19.88%
PRIVATE/OTHER	7.50%	11.70%	12.63%
<hr/>			
MEDICAID RATE:			
OPERATING	\$140.35		
CAPITAL	<u>9.60</u>		
TOTAL	\$149.95		
*Ownership Interests:			
Isreal Sherman	54%		
Sam Sherman	1%		
Absolut Facilities Management, LLC	45%		
Members of Absolut Facilities Maangement, LLC			
Israel Sherman	99%		
Sam Sherman	1%		

Financial Summary

BFA Attachment O

Absolut @ Westfield

	FISCAL PERIOD ENDED		
	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$1,973,603	\$1,277,147	\$2,268,770
ASSETS - FIXED AND OTHER	296,771	2,250,477	1,250,919
LIABILITIES - CURRENT	1,445,971	818,937	1,724,573
LIABILITIES - LONG-TERM	217,037	696,194	352,058
EQUITY	\$607,366	\$2,012,493	\$1,443,058
<hr/>			
INCOME	\$8,250,981	\$8,495,564	\$8,222,426
EXPENSE	7,292,895	7,626,129	7,457,448
NET INCOME	\$958,086	\$869,435	\$764,978
<hr/>			
OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
<hr/>			
NUMBER OF BEDS	120	120	120
PERCENT OF OCCUPANCY (DAYS)	96.10%	95.49%	91.81%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	77.96%	79.25%	76.34%
MEDICARE	12.01%	11.20%	11.71%
PRIVATE/OTHER	10.03%	9.54%	11.94%

MEDICAID RATE:	<u>2010</u>
OPERATING	\$141.51
CAPITAL	<u>21.33</u>
TOTAL	\$162.84

***Ownership Interests:**

Israel Sherman	54%
Sam Sherman	1%
Absolut Facilities Management, LLC	45%

Members of Absolut Facilities Management, LLC

Isreal Sherman	99%
Sam Sherman	1%

Financial Summary
BFA Attachment P

The Hampton Center

	FISCAL PERIOD ENDED		
	<u>11/31/2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$9,304,787	\$9,878,779	\$12,067,655
ASSETS - FIXED AND OTHER	4,152,345	3,727,361	5,775,926
LIABILITIES - CURRENT	27,014,145	15,251,482	12,489,009
LIABILITIES - LONG-TERM	6,136,404	16,218,596	15,970,883
EQUITY	(\$19,693,417)	(\$17,863,938)	(\$10,616,311)
<hr/>			
INCOME	\$28,233,615	\$33,115,928	\$29,638,350
EXPENSE	30,280,594	36,910,555	36,320,776
NET INCOME	(\$2,046,979)	(\$3,794,627)	(\$6,682,426)
<hr/>			
OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
<hr/>			
NUMBER OF BEDS	280	280	280
PERCENT OF OCCUPANCY (DAYS)	94.63%	96.42%	91.55%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	73.26%	79.60%	74.68%
MEDICARE	14.71%	13.28%	15.92%
PRIVATE/OTHER	12.03%	7.13%	9.40%

*Ownership Interests:

Jeffrey Goldstein .5%

Financial Summary

BFA Attachment Q

Avalon Gardens

	FISCAL PERIOD ENDED		
	<u>11/31/2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$15,508,935	\$13,278,739	\$14,258,136
ASSETS - FIXED AND OTHER	11,149,242	10,753,482	10,817,314
LIABILITIES - CURRENT	18,678,097	18,602,940	21,377,355
LIABILITIES - LONG-TERM	258,939	436,941	635,029
EQUITY	\$7,721,141	\$4,992,340	\$3,063,066
<hr/>			
INCOME	\$38,303,721	\$42,171,474	\$38,338,722
EXPENSE	35,574,918	40,242,200	36,980,934
NET INCOME	\$2,728,803	\$1,929,274	\$1,357,788
<hr/>			
OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
<hr/>			
NUMBER OF BEDS	353	353	353
PERCENT OF OCCUPANCY (DAYS)	87.65%	97.76%	90.57%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	88.31%	88.21%	87.28%
MEDICARE	6.91%	7.50%	7.84%
PRIVATE/OTHER	4.72%	4.29%	4.88%

***Ownership Interests:**

Israel Sherman 2%

**BFA Attachment R
ESTABLISHMENT CHECKLIST FOR NURSING HOMES**

APPLICATION: CON# 111132-E

Niagara Rehabilitation and Nursing Center

NATURE OF PROPOSAL: Change in ownership of Niagara Rehabilitation and Nursing Center.

EFFECT ON OPERATIONAL OWNERSHIP: Samuel Sherman 25%; Jeffrey Goldstein 25%; Israel Sherman 10% and Sherman Family Niagara Investors, LLC 40%

EFFECT ON REAL ESTATE OWNERSHIP: NA

FIXED ASSET PURCHASE PRICE: NA

FIXED ASSET MEDICAID VALUE: NA

CAPITAL REIMBURSEMENT:

X Arms Length Lease
_____ Historic Cost Method
Shortfall; Average Annual Amount

BUSINESS PURCHASE PRICE: \$50,000

JOPAL, BRONX, LLC
BALANCE SHEET
January 1, 2012

ASSETS

Current Assets	
Cash & Cash Equivalents	\$ 1,000,000
Account Receivable	9,500,000
Reserve for replacement	1,500,000
Prepaid expenses and other assets	400,000
	<hr/>
Total Current Assets	12,400,000
Other assets	
Resident Funds	800,000
Good Will	10,525,000
Fixed Assets - At Cost	60,000,000
	<hr/>
Total Other Assets	71,325,000
	<hr/>
Total Assets	\$ 83,725,000

LIABILITIES AND NET ASSETS

Liabilities	
Accounts payable and accrued exp	\$ 5,500,000
Accrued payroll & related expenses	2,000,000
Due to prior Operator	825,000
Current Portion-Mortgage Payable	925,000
	<hr/>
Total current liabilities	9,250,000
Long term liabilities	
Mortgage payable	68,000,000
Patient Funds	800,000
Due to prior Operator	4,675,000
	<hr/>
Total long-term liabilities	73,475,000
	<hr/>
Total liabilities	82,725,000
	<hr/>
Net assets (deficit) - unrestricted	1,000,000
	<hr/>
Total liabilities and net assets	\$ 83,725,000

Financial Summary

Workmen's Circle Multicare Center

	FISCAL PERIOD ENDED		
	<u>12/31/10</u>	<u>12/31/09</u>	<u>12/31/08</u>
ASSETS - CURRENT	\$20,944,346	\$9,729,557	\$8,026,813
ASSETS - FIXED AND OTHER	57,005,783	60,301,020	62,160,727
LIABILITIES - CURRENT	17,176,071	\$18,936,363	20,407,457
LIABILITIES - LONG-TERM	73,674,158	83,366,066	85,912,120
EQUITY	(12,900,100)	(32,271,852)	(36,132,037)
<hr/>			
INCOME	\$73,135,139	\$57,495,970	\$53,543,509
EXPENSE	48,641,595	48,571,353	48,651,761
NET INCOME	24,493,544	8,924,617	4,891,748
<hr/>			
OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
<hr/>			
NUMBER OF BEDS	524	524	483
PERCENT OF OCCUPANCY (DAYS)	99.0%	93.4%	97.8%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	76.7%	82.1%	84.0%
MEDICARE	14.8%	11.7%	14.5%
PRIVATE/OTHER	8.5%	6.2%	1.5%
<hr/>			
MEDICAID RATE BREAKDOWN:	<u>2010</u>	<u>2009</u>	<u>2008</u>
OPERATING	\$256.38	\$256.62	227.29
CAPITAL	<u>59.88</u>	<u>56.93</u>	<u>53.12</u>
TOTAL	\$316.26	\$313.55	280.41

Financial Summary

Carillon Nursing and Rehabilitation Center, LLC

	FISCAL PERIOD ENDED		
	<u>12/31/10</u>	<u>12/31/09</u>	<u>12/31/08</u>
ASSETS - CURRENT	\$9,401,922	\$9,568,417	\$8,225,026
ASSETS - FIXED AND OTHER	5,923,498	5,696,530	5,726,178
LIABILITIES - CURRENT	4,138,190	8,743,227	7,575,875
LIABILITIES - LONG-TERM	9,240,496	5,072,099	5,467,691
EQUITY	1,946,734	1,449,621	907,638
<hr/>			
INCOME	\$35,854,127	\$37,042,771	\$36,471,492
EXPENSE	35,285,364	36,418,488	36,055,844
NET INCOME	568,763	624,283	415,648
<hr/>			
OPERATOR/RELATIVE SALARIES	\$0	\$0	\$9,751
<hr/>			
NUMBER OF BEDS	315	315	315
PERCENT OF OCCUPANCY (DAYS)	95.9%	96.6%	96.3%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	69.0%	68.1%	68.1%
MEDICARE	21.1%	23.9%	21.4%
PRIVATE/OTHER	9.9%	8.0%	10.5%
<hr/>			
MEDICAID RATE BREAKDOWN:	<u>2010</u>	<u>2009</u>	<u>2008</u>
OPERATING	\$199.87	\$200.00	\$207.86
CAPITAL	<u>14.75</u>	<u>14.61</u>	<u>15.56</u>
TOTAL	\$214.62	\$214.61	\$223.42

Proposed member with ownership interest
Joseph Carillo II

Ownership Interest
11.11%

Financial Summary

St. James Plaza Nursing Facility, LLC.

	FISCAL PERIOD ENDED		
	<u>12/31/10</u>	<u>12/31/09</u>	<u>12/31/08</u>
ASSETS - CURRENT	\$3,924,930	\$5,401,347	\$5,306,816
ASSETS - FIXED AND OTHER	17,079,776	4,763,789	5,215,626
LIABILITIES - CURRENT	3,373,136	2,056,640	2,190,179
LIABILITIES - LONG-TERM	16,433,334	4,052,404	4,172,914
EQUITY	1,198,236	4,056,092	4,159,349
INCOME	\$5,389,496	\$20,492,377	\$20,497,353
EXPENSE	5,003,561	20,244,382	19,838,052
NET INCOME	385,935	247,995	659,301
OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
NUMBER OF BEDS	250	252	252
PERCENT OF OCCUPANCY (DAYS)	92.2%	92.3%	94.0%
PERCENT OCCUPANCY (DAYS):			
MEDICAID	72.3%	77.3%	85.8%
MEDICARE	11.9%	16.6%	9.0%
PRIVATE/OTHER	15.8%	6.1%	5.2%
MEDICAID RATE BREAKDOWN:			
	<u>2010</u>	<u>2009</u>	<u>2008</u>
OPERATING	\$173.24	\$173.24	\$168.12
CAPITAL	<u>13.85</u>	<u>12.67</u>	<u>17.25</u>
TOTAL	\$187.09	\$185.91	\$185.37

Proposed members with ownership interest

Ownership Interest

Joseph Carillo II	33.33%
Alex Solovey	33.33%

Financial Summary

East Neck Nursing and Rehabilitation Center

	FISCAL PERIOD ENDED		
	<u>12/31/10</u>	<u>12/31/09</u>	<u>12/31/08</u>
ASSETS - CURRENT	\$10,315,507	\$11,216,518	\$7,848,201
ASSETS - FIXED AND OTHER	10,217,162	10,228,974	10,238,920
LIABILITIES - CURRENT	6,362,091	6,068,416	5,525,427
LIABILITIES - LONG-TERM	9,666,617	11,420,407	9,898,682
EQUITY	4,503,961	3,956,669	2,663,012
INCOME	\$35,773,336	\$35,318,103	\$36,442,312
EXPENSE	35,038,778	34,499,173	35,639,762
NET INCOME	734,558	818,930	802,550
OPERATOR/RELATIVE SALARIES	\$675,012	\$687,993	\$675,012
NUMBER OF BEDS	300	300	300
PERCENT OF OCCUPANCY (DAYS)	94.0%	95.7%	96.4%
PERCENT OCCUPANCY (DAYS):			
MEDICAID	67.2%	67.9%	69.5%
MEDICARE	19.6%	25.9%	25.4%
PRIVATE/OTHER	13.2%	6.2%	5.1%
MEDICAID RATE BREAKDOWN:	<u>2010</u>	<u>2009</u>	<u>2008</u>
OPERATING	\$233.57	\$233.69	\$231.22
CAPITAL	<u>22.90</u>	<u>22.67</u>	<u>21.23</u>
TOTAL	\$256.47	\$256.36	\$252.45

Proposed members with ownership interest	Ownership Interest
Joseph Carillo II	15.00%
Alex Solovey	26.68%
Pasquale DeBenedictis	15.00%

Financial Summary

Barnwell Nursing and Rehabilitation Center

	FISCAL PERIOD ENDED		
	<u>12/31/10</u>	<u>12/31/09</u>	<u>12/31/08</u>
ASSETS - CURRENT	\$7,240,898	\$3,495,181	\$3,666,042
ASSETS - FIXED AND OTHER	2,672,178	2,278,508	2,413,474
LIABILITIES - CURRENT	4,533,883	3,366,667	3,095,551
LIABILITIES - LONG-TERM	3,903,348	910,519	1,572,962
EQUITY	1,475,845	1,496,503	1,411,003
<hr/>			
INCOME	\$18,145,738	\$19,061,658	\$19,652,341
EXPENSE	17,858,683	18,676,158	19,193,820
NET INCOME	287,055	385,500	458,521
<hr/>			
OPERATOR/RELATIVE SALARIES	\$0	\$24,285	\$23,200
<hr/>			
NUMBER OF BEDS	236	236	236
PERCENT OF OCCUPANCY (DAYS)	92.1%	93.9%	95.2%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	70.0%	66.3%	67.1%
MEDICARE	14.1%	12.3%	17.6%
PRIVATE/OTHER	15.9%	21.4%	15.3%
<hr/>			
MEDICAID RATE BREAKDOWN:			
	<u>2010</u>	<u>2009</u>	<u>2008</u>
OPERATING	\$154.89	\$155.08	\$181.44
CAPITAL	<u>9.01</u>	<u>8.89</u>	<u>7.94</u>
TOTAL	\$163.90	\$163.97	\$189.38
<hr/>			

Proposed members with ownership interest	Ownership Interest
Joseph Carillo II	33.33%
Alex Solovey	33.33%
Pasquale DeBenedictis	33.34%

ESTABLISHMENT CHECKLIST FOR NURSING HOMES

APPLICATION: 111170-E JOPAL, Bronx, LLC

NATURE OF PROPOSAL: Change in operational ownership

EFFECT ON OPERATIONAL OWNERSHIP: Change from a not-for-profit corporation to a limited liability company with 100% new members.

EFFECT ON REAL ESTATE OWNERSHIP: N/A

FIXED ASSET PURCHASE PRICE: N/A

FIXED ASSET MEDICAID VALUE: N/A

CAPITAL REIMBURSEMENT:

- Arms Length Lease
- Historic Cost Method
- Shortfall; Average Annual Amount

BUSINESS PURCHASE PRICE: Assumed liabilities less assumed assets, which will be approximately \$12,404,587 at time of closing.

Central Park Rehabilitation and Nursing CenterPro Forma Balance Sheet Post-Public Health and Health Planning Council Approval

	<u>Current (Nov 2010)</u> <u>Balance Sheet</u>	<u>Change</u>	<u>Pro Forma</u> <u>Balance Sheet</u>
<u>Current Assets:</u>			
Cash & Cash Equivalents	\$978,367	\$1,037,041	\$2,015,408
Accounts Receivable	\$3,781,269		\$3,781,269
Inventories	\$40,336		\$40,336
Prepaid Expenses	\$54,849		\$54,849
Escrow Deposits	\$3,000		\$3,000
Total Current Assets	\$4,857,821	\$1,037,041	\$5,894,862
<u>Equipment & Other Assets</u>			
Capital & LHI Improvements	\$131,161		\$131,161
Furniture & Equipment	\$16,192		\$16,192
Organization Costs	\$80,561		\$80,561
Start Up Costs	\$8,035		\$8,035
Subtotal	\$235,949		\$235,949
Net Undepreciated Value	\$235,949		\$235,949
Total Assets before Patient Funds	\$5,093,770	\$1,037,041	\$6,130,811
Patients' Trust Fund	\$89,387		\$89,387
Security Deposits	\$11,270		\$11,270
Total Assets before Patient Funds	\$5,194,427	\$1,037,041	\$6,231,468
<u>Liabilities and Member's Equity</u>			
<u>Current Liabilities:</u>			
Accounts Payable	\$1,009,314		\$1,009,314
Withholding Taxes Payable	\$1,785		\$1,785
Accrued Payroll	\$424,116		\$424,116
Accrued Expenses & Taxes	\$46,000		\$46,000
Exchanges	\$10,766		\$10,766
Due to Third Party Payors	\$2,786,500		\$2,786,500
Total Current Liabilities	\$4,278,481	\$0	\$4,278,481
<u>Long Term Liabilities</u>			
Working Capital Loan	\$0	\$1,007,704	\$1,007,704
Patients Trust Fund payable	\$89,387		\$89,387
Total Long Term Liabilities	\$89,387	\$1,007,704	\$1,097,091
Member Equity	\$826,559	\$29,337	\$855,896
Total Liabilities and Member Equity	\$5,194,427	\$1,037,041	\$6,231,468

Financial Summary
CPRNC, LLC D/B/A Central Park Rehabilitation & Nursing Center

	FISCAL PERIOD ENDED		
	<u>12/31/2010</u>	<u>12/31/2009</u>	<u>12/31/2008</u>
ASSETS - CURRENT	\$4,196,180	\$3,847,556	\$2,282,696
ASSETS - FIXED AND OTHER	203,114	99,386	14,017,984
LIABILITIES - CURRENT	1,755,000	1,409,030	7,917,259
LIABILITIES - LONG-TERM	<u>2,800,345</u>	<u>2,755,002</u>	<u>23,529,039</u>
EQUITY	(\$156,051)	(\$217,090)	(\$15,145,618)
<hr/>			
INCOME	\$13,556,455	\$12,010,170	\$9,036,370
EXPENSE	13,329,645	12,078,595	13,755,359
NET INCOME	\$226,810	(\$68,425)	(\$4,718,989)
<hr/>			
OPERATOR/RELATIVE SALARIES			
<hr/>			
NUMBER OF BEDS	100	100	100
NUMBER OF DAYS IN YR	366	365	366
MAX PATIENT BED DAYS	58,560	58,400	58,560
MEDICAID PATIENT DAYS REPORTED	43858	43,858	42,389
MEDICARE PATIENT DAYS REPORTED	6912	6912	4,755
PRIVATE/OTHER PATIENT DAYS REPORTED	4776	4776	2,710
TOTAL PATIENT DAYS REPORTED	55,546	55,546	49,854
PERCENT OF OCCUPANCY (DAYS)	94.85%	95.11%	85.13%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	78.96%	78.96%	85.03%
MEDICARE	12.44%	12.44%	9.54%
PRIVATE/OTHER	8.60%	8.60%	5.44%
<hr/>			
MEDICAID RATE BREAKDOWN:			
	<u>2010</u>		
OPERATING	\$175.87		
CAPITAL	<u>25.69</u>		
TOTAL	\$201.56		

* 2009 patient data used for 2010

Financial Summary
Pine Valley Center, LLC

	FISCAL PERIOD ENDED		
	<u>12/31/2010</u>	<u>12/31/2009</u>	<u>12/31/2008</u>
ASSETS - CURRENT	\$3,892,029	\$3,682,401	\$2,657,177
ASSETS - FIXED AND OTHER	9,063,418	9,446,471	9,643,811
LIABILITIES - CURRENT	4,832,528	4,586,758	4,869,307
LIABILITIES - LONG-TERM	<u>5,328,884</u>	<u>6,162,551</u>	<u>6,397,960</u>
EQUITY	\$2,794,035	\$2,379,563	\$1,033,721
<hr/>			
INCOME	\$18,057,037	\$18,196,439	\$17,254,081
EXPENSE	16,550,957	16,850,602	16,883,138
NET INCOME	\$1,506,080	\$1,345,837	\$370,943
<hr/>			
OPERATOR/RELATIVE SALARIES			
<hr/>			
NUMBER OF BEDS	200	200	200
NUMBER OF DAYS IN YR	365	365	366
MAX PATIENT BED DAYS	73,000	73,000	73,200
MEDICAID PATIENT DAYS REPORTED	53145	53,145	52,029
MEDICARE PATIENT DAYS REPORTED	8870	8870	7,392
PRIVATE/OTHER PATIENT DAYS REPORTED	5217	5217	5,468
TOTAL PATIENT DAYS REPORTED	67,232	67,232	64,889
PERCENT OF OCCUPANCY (DAYS)	92.10%	92.10%	88.65%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	79.05%	79.05%	80.18%
MEDICARE	13.19%	13.19%	11.39%
PRIVATE/OTHER	7.76%	7.76%	8.43%
<hr/>			

* 2009 patient data used for 2010

Financial Summary
Bridgewater Rehabilitation

	FISCAL PERIOD ENDED		
	<u>12/31/2010</u>	<u>12/31/2009</u>	<u>12/31/2008</u>
ASSETS - CURRENT	\$3,866,708	\$3,469,992	\$4,186,524
ASSETS - FIXED AND OTHER	1,273,352	1,197,323	1,164,512
LIABILITIES - CURRENT	3,343,307	2,273,981	3,265,389
LIABILITIES - LONG-TERM	<u>823,410</u>	<u>1,048,549</u>	<u>137,600</u>
EQUITY	\$973,343	\$1,344,785	\$1,948,047
<hr/>			
INCOME	\$21,812,881	\$19,614,333	\$20,439,658
EXPENSE	21,596,994	19,138,738	18,434,058
NET INCOME	\$215,887	\$475,595	\$2,005,600
<hr/>			
OPERATOR/RELATIVE SALARIES			
<hr/>			
NUMBER OF BCDS	331	331	331
NUMBER OF DAYS IN YR	365	365	366
MAX PATIENT BED DAYS	120,815	120,815	121,146
MEDICAID PATIENT DAYS REPORTED	83384	83,384	84,249
MEDICARE PATIENT DAYS REPORTED	11962	11962	11,315
PRIVATE/OTHER PATIENT DAYS REPORTED	7772	7772	9,472
TOTAL PATIENT DAYS REPORTED	103,118	103,118	105,036
PERCENT OF OCCUPANCY (DAYS)	85.35%	85.35%	86.70%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	80.86%	80.86%	80.21%
MEDICARE	11.60%	11.60%	10.77%
PRIVATE/OTHER	7.54%	7.54%	9.02%
<hr/>			

* 2009 patient data used for 2010

ESTABLISHMENT CHECKLIST FOR NURSING HOMES

APPLICATION: 111347 Central Park Rehabilitation and Nursing Center

NATURE OF PROPOSAL: Establish CPRNC, LLC d/b/a Central Park Rehabilitation and Nursing Center as the new owner of Vivian Teal Howard Residential Health Care Facility

EFFECT ON OPERATIONAL OWNERSHIP: proposed assignees Uri Koenig, 27.50% ownership, Lawrence Koenig 27.50% ownership and David Camerota .1% and Efraim Steif with 44.90% ownership.

EFFECT ON REAL ESTATE OWNERSHIP: N/A

FIXED ASSET PURCHASE PRICE: N/A

FIXED ASSET MEDICAID VALUE: N/A

CAPITAL REIMBURSEMENT: N/A

Capitalized Lease
Historic Cost Method
Shortfall; Average Annual Amount
\$

BUSINESS PURCHASE PRICE: \$ 17,295,000 taking over the current HUD mortgage for remaining life of 26 years at 7.95% interest rate.

**New York State Department of Health
Public Health and Health Planning Council**

July/August 2011

ATTACHMENTS

Certified Home Health Agencies – Establish/Construct

Committee Exhibit #12

Number

Applicant/Facility

1. 071074 E

Excellent Home Care Services, LLC
(Kings County)

EXCELLENT HOME CARE SERVICES, LLCBALANCE SHEETAPRIL 30, 2011ASSETS

Current:

Cash	\$	783,390
Accounts receivable		26,322,686
Prepaid expenses		184,235
Loans receivable		208,770
Due from members		10,938,815
Deferred income tax		125,898
		<u>38,503,794</u>

Non-current:

Property and equipment		660,104
Deferred software costs		58,854
Security deposits		181,950
		<u>900,908</u>

\$ 39,464,702

LIABILITIES AND MEMBERS' EQUITY

Current liabilities:

Loans payable - bank	\$	3,000,000
Loans payable - other		553,950
Accounts payable		17,872,227
Accrued expenses and withheld payroll taxes		2,004,906
Income taxes payable		210,144
Rate adjustment liability		3,454,788
Third-party liability		2,462,702
Deferred revenue		3,813,539
		<u>33,372,256</u>

Members' equity

6,002,446

\$ 39,464,702

EXCELLENT HOME CARE SERVICES, LLCBALANCE SHEETS

	<u>December 31,</u>	
	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>		
Current:		
Cash	\$ 786,935	\$ 228,874
Accounts receivable	21,678,445	10,055,176
Medicaid escrow	-	4,680,563
Prepaid expenses	103,849	120,217
Loans receivable	130,925	31,540
Due from members	3,780,217	-
Deferred income tax	125,898	-
	<u>26,806,269</u>	<u>15,116,370</u>
Non-current:		
Property and equipment (net of accumulated depreciation of \$209,729 and \$139,451 in 2009 and 2008, respectively) (1)	340,528	385,806
Deferred software costs (net of accumulated amortization of \$69,553 and \$5,350 in 2009 and 2008, respectively)	123,057	187,260
Security deposits	31,950	1,950
	<u>495,535</u>	<u>575,016</u>
	<u>\$ 27,101,804</u>	<u>\$ 15,691,386</u>

LIABILITIES AND MEMBERS' EQUITY

Current liabilities:		
Demand loans payable	\$ 753,950	\$ 753,950
Loans payable - bank	409,000	409,000
Accounts payable	13,159,908	12,378,155
Accrued expenses and withheld payroll taxes	1,568,804	1,260,582
Income taxes payable	177,000	177,000
Rate adjustment liability	2,031,227	-
Third-party liability	4,380,270	-
Deferred revenue	3,813,539	638,114
	<u>26,293,698</u>	<u>15,616,801</u>
Commitments and contingencies		
Members' equity	<u>808,106</u>	<u>74,585</u>
	<u>\$ 27,101,804</u>	<u>\$ 15,691,386</u>

EXCELLENT HOME CARE SERVICES, LLC
STATEMENTS OF INCOME AND MEMBERS' EQUITY

	<u>Years Ended December 31,</u>	
	<u>2009</u>	<u>2008</u>
Net patient revenue	\$ <u>60,972,908</u>	\$ <u>44,541,483</u>
Cost of patient services:		
Salaries	7,031,473	5,105,758
Contract services	38,450,719	28,526,151
Payroll taxes and benefits	779,631	614,181
Other direct costs	<u> </u>	<u>162</u>
	<u>46,261,823</u>	<u>34,246,242</u>
Gross profit	14,711,085	10,295,241
General and administrative expenses	<u>11,182,419</u>	<u>9,041,455</u>
Income from operations	3,528,666	1,253,786
Litigation settlement	<u>(158,000)</u>	<u> </u>
Income before income tax	3,370,666	1,253,786
Provision for income tax	<u>(125,898)</u>	<u>188,243</u>
Net income	3,496,564	1,065,543
Members' equity, beginning of year	74,583	1,425,038
Members' distributions	<u>(2,763,043)</u>	<u>(2,416,000)</u>
Members' equity, end of year	\$ <u>808,108</u>	\$ <u>74,581</u>

EXCELLENT HOME CARE SERVICES, LLC

BALANCE SHEETS

	<u>December 31,</u>	
	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Current:		
Cash	\$ 5,577,292	\$ 636,935
Accounts receivable	20,130,169	21,678,445
Prepaid expenses	184,231	103,849
Loans receivable	196,822	130,925
Due from members	6,433,816	3,780,217
Deferred income tax	125,898	125,898
	<u>32,648,228</u>	<u>26,456,269</u>
Non-current:		
Property and equipment (net of accumulated depreciation of \$290,305 and \$200,729 in 2010 and 2009, respectively)	705,030	340,528
Deferred software costs (net of accumulated amortization of \$133,756 and \$69,553 in 2010 and 2009, respectively)	58,854	123,057
Security deposits	<u>181,950</u>	<u>181,950</u>
	<u>945,834</u>	<u>645,535</u>
	<u>\$ 33,594,062</u>	<u>\$ 27,101,804</u>

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PRELIMINARY AND TENTATIVE
For discussion purposes only
ROSENBERG, NEUWIRTH & KUCHNER

LIABILITIES AND MEMBERS' EQUITY

Current liabilities:		
Demand loans payable	\$ 553,950	\$ 753,950
Loans payable - bank	1,500,000	408,999
Accounts payable	13,557,580	13,159,909
Accrued expenses and withheld payroll taxes	2,003,215	1,568,804
Income taxes payable	537,000	177,000
Rate adjustment liability	3,454,788	2,031,227
Third-party liability	2,462,702	4,380,270
Deferred revenue	<u>3,813,539</u>	<u>3,813,539</u>
	27,882,774	26,293,698
Commitments and contingencies		
Members' equity	<u>5,711,288</u>	<u>808,106</u>
	<u>\$ 33,594,062</u>	<u>\$ 27,101,804</u>

EXCELLENT HOME CARE SERVICES, LLCSTATEMENTS OF INCOME AND MEMBERS' EQUITY

	Years Ended December 31,	
	2010	2009
Net patient revenue	\$ 87,679,389	\$ 60,972,908
Cost of patient services:		
Salaries	8,289,124	7,031,473
Contract services	57,619,724	38,450,719
Payroll taxes and benefits	745,113	779,631
	<u>66,653,961</u>	<u>46,261,823</u>
Gross profit	21,025,428	14,711,085
Concra and administrative expenses	<u>15,762,240</u>	<u>11,162,419</u>
Income from operations	5,263,182	3,528,666
Litigation settlement		<u>(158,000)</u>
Income before income tax	5,263,182	3,370,666
Provision for income tax	<u>360,000</u>	<u>(125,898)</u>
Net Income	4,903,182	3,496,564
Members' equity, beginning of year	808,106	74,585
Members' distributions	-	<u>(2,763,043)</u>
Members' equity, end of year	<u>\$ 5,711,288</u>	<u>\$ 808,106</u>

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PRELIMINARY AND TENTATIVE
For discussion purposes only
ROSENBERG, NEUWIRTH & KUCHNER