



Public Health and Health Planning Council

Project # 121079-C
Boro Park Operating Co., LLC
d/b/a Boro Park Center for Rehabilitation and Healthcare

County: Kings (Brooklyn)
Purpose: Construction

Program: Residential Health Care Facility
Submitted: February 13, 2012

Executive Summary

Description

Boro Park Operating Co., LLC, the existing operator of the 354-bed Boro Park Center for Rehabilitation and Healthcare (Boro Park) located at 4915 10th Avenue, Brooklyn, requests approval to acquire 156 residential health care facility (RHCF) beds from Cabrini Center for Nursing and Rehabilitation, a 240-bed RHCF located less than 11 miles away in Manhattan which is slated for closure.

While the applicant is currently licensed for 354 beds, it has the capacity to house 510 licensed beds, which was the number of RHCF beds licensed at one time when the facility was operated by MJG Nursing Home Company, Inc. as Metropolitan Jewish Geriatric Center. After the completion of this application, the nursing home will be certified for 510 beds.

The current members of Boro Park Operating Co., LLC are as follows:

Jeremy Strauss	2.00%
Boro Park KR Holding, LLC	98.00%

The members of Boro Park KR Holding, LLC are Kenneth Rozenberg (98.98%) and Jeffrey Sicklick (1.02%). The current members commenced operating the facility on May 1, 2011.

Total project costs are estimated at \$4,814,353.

DOH Recommendation
Contingent approval

Need Summary

The closure of Cabrini Center for Nursing and Rehabilitation will result in the discharge of 234 patients.

Through this CON, Boro Park will transfer 156 patients from Cabrini. Boro Park will have a total of 510 RHCF beds following the completion of this project.

The projected 2016 bed need for the New York City region is 6,982. Occupancy at Boro Park was 97.5% in 2010, 93.1% in Kings County, and 94.8% in the New York City region.

Program Summary

Boro Park Center for Rehabilitation and Healthcare is currently in substantial compliance with all applicable codes, rules and regulations. Subject to the noted contingencies for acceptable floor plans, approval is recommended.

Financial Summary

The acquisition price for the 156 beds is \$3,600,000, which will be met via bank loan of \$3,600,000 (10 yrs. @ 6.00%). Total project costs will be met with \$1,214,353 equity and a \$3,600,000 bank loan (10 yrs. @ 6.00%).

Budget:	Revenues	\$58,239,528
	Expenses	<u>50,259,340</u>
	Net Income	\$7,980,188

Subject to the noted contingencies, it appears that the applicant has demonstrated the capability to proceed in a financially feasible manner.

Architectural Summary

The space for the additional beds currently exists. Only minor renovations will be required to recondition the space on the second and third floors of the existing facility for the incoming population.

Recommendations

Health Systems Agency

There will be no HSA recommendation for this application.

Office of Health Systems Management

Approval contingent upon:

1. Submission of a check for the amount enumerated in the approval letter, payable to the New York State Department of Health. Section 2802.7 states that all sponsors whose applications require review by the Public Health and Health Planning Council shall pay an additional fee of fifty-five hundredths of one percent of the total capital value of the project, exclusive of CON fees. [PMU]
2. Submission and programmatic review and approval of the final floor plans. [LTC]
3. Submission of a bank loan for the construction portion that is acceptable to the Department of Health. [BFA]
4. Submission of a bank loan for the purchase of the beds that is acceptable to the Department of Health. [BFA]
5. Submission of a working capital loan that is acceptable to the Department of Health. [BFA]
6. The submission of an architect's letter of certification confirming the newly acquired beds will be compliant with the 2010 FGI, Facility Guidelines Institute for new residential health care facility beds. [AER]

Council Action Date

April 5, 2012.

Need Analysis

Background

Boro Park Center for Rehabilitation and Healthcare, a 354-bed residential health care facility (RHCF) located at 4915 10th Avenue, Brooklyn (Kings County), seeks approval to acquire 156 RHCF beds from Cabrini Center for Nursing and Rehabilitation, which is slated for closure.

Analysis

Staff will be retained during expansion and a family setting for patients will be set up. Boro Park Center currently has 354 beds and will have a total bed count of 510 with the addition of 156 beds from Cabrini.

<u>Boro Park Center</u>	
Current Beds	354
Change Upon Project Completion	156
Final Bed Count	510

Boro Park Center has had consistent occupancy from 2008 to 2010 of approximately 98%. Cabrini's occupancy has been approximately 97% for the same time period.

<u>RHCF Bed Need</u>	<u>New York City</u>
2016 Projected Need	51,071
Current Beds	43,454
Beds Under Construction	635
Total Resources	44,089
Unmet Need	6,982

Notwithstanding that there is an indication of need in a planning area for additional residential health care facility beds as determined in accordance with subdivisions (d) or (e) of 10 NYCRR 709.3, there shall be a rebuttable presumption that there is no need for any additional residential health care facility beds in such planning area if the overall occupancy rate for existing residential health care facility beds in such planning area is less than 97% based on the most recently available data. It shall be the responsibility of the applicant in such instances to demonstrate that there is a need for additional RHCF beds despite the less than 97% occupancy rate in the applicant's planning area utilizing the factors set forth in subdivision (h) of 10 NYCRR 709.3.

The applicant addressed the above regulation to the Department's satisfaction. Some local factor arguments addressed the closure of Cabrini Center for Nursing and Rehabilitation. The loss of the 240 beds would put a strain on the local long-term care system. With Boro Park absorbing some of the beds and discharged patients they will help relieve some of this strain in the area. In addition it will also allow for area jobs to be retained.

<u>RHCF Occupancy</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Boro Park Center	98.0%	97.7%	97.5%
Cabrini Center for Rehab	97.4%	97.2%	97.2%
<i>Kings County</i>	92.1%	93.7%	93.1%
<i>New York City</i>	94.5%	95.0%	94.8%

Both Boro Park Center for Rehabilitation and Healthcare and Cabrini Center are operating over the 97% planning optimum for all years in question and both facilities are also over the county and regional averages for 2008 to 2010. The New York City region has a projected 2016 bed need of 6,982.

Conclusion

Upon completion of this project Boro Park Center will acquire 156 beds, and accept transfer of the same number of patients from Cabrini, which is closing. Boro Park Center will have a total of 510 beds.

Recommendation

From a need perspective, approval is recommended.

Programmatic Analysis

Facility Information

	<i>Existing</i>	<i>Proposed</i>
<i>Facility Name</i>	Boro Park Center for Rehabilitation and Healthcare	Same
<i>Address</i>	4915 Tenth Avenue Brooklyn, New York 11219	Same
<i>RHCF Capacity</i>	354	510
<i>ADHCP Capacity</i>	N/A	N/A
<i>Type Of Operator</i>	Limited Liability Company	Same
<i>Class Of Operator</i>	Proprietary	Same
<i>Operator</i>	Boro Park Operating Company, LLC	Same

Program

Boro Park Center for Rehabilitation and Health Care (Boro Park) is a 354 bed proprietary nursing home located in Brooklyn. Boro Park is proposing to certify 156 additional beds to be located in vacant space on the second and third floors. The proposed project would essentially restore the bed configuration in place when the facility was operated by MJG Nursing Home Company, Inc., a voluntary nursing home operator. In 2009, Metropolitan Jewish Geriatric Center had decertified the 156 beds as part of a Rightsizing application. Boro Park acquired the nursing home from MJG on May 1, 2011. The applicant has agreed to accept up to 156 residents of Cabrini Center.

The programs and services that will be offered to these additional 156 residents will be identical to the programs currently offered at the facility.

Physical Environment

The second and third floors share a very similar floor plan layout and the applicant is proposing to place 78 beds on each of those floors. Each 78 bed nursing unit includes two staff work stations, and three bathing areas. Minor renovation work is being proposed along with cosmetic upgrades.

The applicant is proposing to convert office space to a resident dining room and a smaller resident "private dining room". The floor plans submitted for review do not illustrate sufficient dining space for all of the residents on each of the floors, even when the "private dining room" is included.

The applicant is proposing to refurbish small open areas next to the nurses stations to be used as resident lounges. There are no other resident activity areas located on the floor and these small open areas appear unsuitable for resident group activities.

All of the other work proposed on these two floors is cosmetic in nature including wall and floor finishes.

Floor plan layouts have been submitted for each typical resident bedroom configuration. The floor plans available for review do not include dressers in the bedrooms. Also, floors plans available for review do not substantiate that the toilet rooms associated with the bedrooms are accessible by residents in wheelchairs.

Compliance

Boro Park Center for Rehabilitation and Healthcare is currently in substantial compliance with all applicable codes, rules and regulations.

Conclusion

No changes in program are proposed as part of this application. The floor plans available for review are generally acceptable except for the following items which remain to be resolved.

- Resident dining on the two floors appears to be insufficient for all residents to dine at a single seating.
- Resident lounge/activity areas are not of adequate size or design to allow for resident group activities.
- Bedrooms do not include a dresser for each resident.
- The toilet rooms associated with the resident bedrooms are not wheelchair accessible as currently configured.

Recommendation

From a programmatic perspective, contingent approval is recommended.

Financial Analysis

Background

Jeremy Strauss has ownership interests in the following nursing homes: Dutchess Center for Rehabilitation (BFA Attachment D), Queens Center for Rehabilitation (BFA Attachment E), Brooklyn Center for Rehabilitation (BFA Attachment I) and Suffolk Center for Rehabilitation (BFA Attachment H).

Kenneth Rozenberg has ownership interests in the following nursing homes: Williamsbridge Manor Nursing Home (BFA Attachment C), Bronx Center for Rehabilitation & Health (BFA Attachment G), University Nursing Home (BFA Attachment F), Dutchess Center for Rehabilitation (BFA Attachment D), Queens Center for Rehabilitation (BFA Attachment E) and Brooklyn Center for Rehabilitation (BFA Attachment I).

Jeffrey Sicklick has ownership interests in the following nursing homes: Dutchess Center for Rehabilitation (BFA Attachment D) and Queens Center for Rehabilitation (BFA Attachment E). Also, the members of the applicant have ownership interests in Bushwick Center for Rehabilitation, which they acquired the interests in May 20, 2011, and Chittenango Center for Rehabilitation and Health Care, which they acquired interests on May 1, 2011. There is no financial data available for these two facilities.

Asset Purchase Agreement

The applicant has submitted an executed asset purchase agreement for the purchase of the 156 beds, which is summarized below:

<i>Date:</i>	March 13, 2012
<i>Purpose:</i>	Purchaser desires to purchase 156 skilled nursing home beds
<i>Seller:</i>	Cabrini Center for Nursing and Rehabilitation
<i>Purchaser:</i>	Boro Park Operating Co., LLC
<i>Purchase Price:</i>	\$3,600,000
<i>Payment of Purchase Price:</i>	\$500,000 down payment upon the execution of this agreement. \$3,100,000 Due at Closing

Total Project Cost and Financing

Total project cost, which is for renovations and the acquisition of moveable equipment, is estimated at \$4,814,353, further broken down as follows:

Renovation and Demolition	\$3,400,000
Design Contingency	340,000
Construction Contingency	340,000
Architect/Engineering Fees	272,000

Moveable Equipment	354,510
Financing Costs	43,520
Interim Interest Expense	36,000
CON Fee	2,000
Additional Processing Fee	<u>26,323</u>
Total Project Cost	\$4,814,353

Project costs are based on a June 1, 2012 construction start date and a two month construction period.

The applicant's financing plan appears as follows:

Equity (members)	\$1,214,353
Bank Loan (6.00% interest rate for a ten year term)	3,600,000

Operating Budget

The applicant has submitted an operating budget for the 510-bed facility, in 2012 dollars, for the third year after the acquisition of the 156 beds, which is summarized below:

	<u>Per Diem</u>	<u>Total</u>
Revenues:		
Medicaid*	\$287.15	\$36,492,718
Medicaid Managed Care	270.45	922,235
Medicare	468.22	9,959,116
Medicare Managed Care	472.11	4,915,137
Private Pay	411.86	1,471,180
Commercial Managed Care	366.75	<u>4,479,142</u>
Total Revenues		\$58,239,528
Expenses:		
Operating	\$243.39	\$43,313,520
Capital	<u>39.03</u>	<u>6,945,820</u>
Total Expenses	\$282.42	\$50,259,340
Net Income		\$7,980,188
Utilization: (patient days)		177,960

* Includes Assessment Revenues.

The following is noted with respect to the submitted RHCF operating budget:

- Expenses include lease rental.
- Expenses for the 156 beds during the first and third years are estimated at \$13,480,419 and \$13,377,133, respectively. Revenues for the 156 beds during the first and third years are estimated at \$15,266,665 and \$15,226,665, respectively.
- Budgeted case mix of 1.0759 was utilized, which is based on their current experience.
- The capital component of the Medicaid rate is based on the return on and return of equity.
- Private and Medicare rates are consistent with historical experience.
- Medicaid rates are based on actual 2011 rates with no trend to 2012 and adjustment for incremental capital.
- Overall utilization for year three is projected at 95.60%. Utilization by payor source is expected as follows:

Medicaid	71.41%
Medicaid Managed Care	1.91%
Medicare	11.95%
Medicare Managed Care	5.85%
Private Pay	2.00%
Commercial Managed Care	6.88%

- Breakeven occupancy is projected at 80.00%.

Capability and Feasibility

The purchase price for the 156 beds is \$3,600,000 and will be met as follows: bank loan of \$3,600,000 at an interest rate of 6.00% for a ten year term. Also, there is a total project cost of \$4,814,353, which will be met as follows: equity of \$1,214,353 and a bank loan of \$3,600,000 at an interest rate of 6.00% for a ten year term. Bank letter of interests have been provided for the purchase of the beds and financing related to the renovations.

Working capital requirements are estimated at \$1,979,522, which is equivalent to two months of incremental third year expenses. The applicant will finance \$989,761 at an interest rate of 6.00% for a five year term. The remainder, \$989,761, will be met via equity from the members of Boro Park Operating Co., LLC. Presented as BFA Attachment A are the personal net worth statements of the members of Boro Park Operating Co., LLC, which indicates the availability of sufficient funds for the equity portion of the bed purchase, total project cost and the working capital requirement.

The submitted budget indicates a net income of \$7,980,188 for the third year after the purchase of the 156 beds. The budget appears reasonable. As shown on Attachment B, the facility achieved a net income of \$3,138,263 from May 1, 2011 through September 30, 2011, for the operation of a 354-bed facility. The additional projected net income would result from operating an additional 156 beds and operating during a twelve month period.

Presented as BFA Attachment B is the September 30, 2011 internal financial statements of Boro Park Center for Rehabilitation and Healthcare. As shown on Attachment B, the facility had a negative working capital position and a positive net asset position through September 30, 2011. Also, the facility achieved a net income of \$3,138,263 through September 30, 2011.

Presented as BFA Attachment C is a financial summary of Williamsbridge Manor Nursing Home, indicates that the facility has maintained a negative working capital position and a positive equity position and experienced an average net income of \$376,218.

Presented as BFA Attachment D is a financial summary of Dutchess Center for Rehabilitation, indicates a negative working capital position and a positive net asset position and experienced an average net income of \$440,648. Also, the facility achieved a net income of \$1,934,234 through October 31, 2011.

Presented as BFA Attachment E is a financial summary of Queens Center for Rehabilitation, indicates a negative working capital position and a positive net asset position and experienced an average net income of \$566,018. Also, the facility achieved a net income of \$2,566,361 through October 31, 2011.

Presented as BFA Attachment F is a financial summary of University Nursing Home, indicates a positive working capital position and a positive net asset position and experienced an average net income of \$415,645. Also, the facility achieved a net income of \$629,913 through September 30, 2011.

Presented as BFA Attachment G is a financial summary of Bronx Center for Rehabilitation & Health, indicates a positive working capital position and a positive net asset position and experienced an average net income of \$1,073,647. Also, the facility achieved a net income of \$3,074,725 through October 31, 2011.

Presented as BFA Attachment H is a financial summary of Suffolk Center for Rehabilitation, indicates a negative working capital position and a negative net asset position and experienced an average net income of \$122,845. The facility incurred a net loss of \$996,608 in 2008. The facility is awaiting its rebased Medicaid rate as a result of the

recent change in ownership. The applicant indicates once the facility reflects the current operator's Medicaid expenses, the operating loss will be eliminated. Also, the facility achieved a net income of \$856,820 through June 30, 2011.

Presented as BFA Attachment I is a financial summary for Brooklyn Center for Rehabilitation indicates that the facility has a negative working capital position and a positive net asset position and experienced an average net income of \$270,803. This facility was acquired in March 2007, at which the new operator has submitted for rebasing. The applicant indicates that the facility has not been getting the proper reimbursement rate from Medicaid, which would offset the losses.

This was not promulgated until 2009. Also, the facility achieved a net income of \$3,823,775 through September 30, 2011.

Subject to the noted contingencies, it appears that the applicant has demonstrated the capability to proceed in a financially feasible manner, and approval is recommended.

Recommendation

From a financial perspective, contingent approval is recommended.

Architectural Analysis

Review Summary

This project will include renovations to nurse stations, dining rooms, recreation rooms, resident rooms, tub rooms and resident room toilets. Renovations will expand resident lounge space with the conversion of underutilized office space. Some additional barrier free toilets will be configured adjacent to these new amenity spaces. All existing toilet rooms and tub rooms will be gut renovated.

Additionally, an undefined area near the nursing stations will be configured as a lounge through the installation of new finishes. The existing second and third floors are currently vacant, but are already built to accommodate 78 nursing beds each. The configuration of these vacant floors is consistent with the level of care provided in the rest of the facility.

The cellar level contains the facilities maintenance, mechanical and service areas along with a central kitchen. The first (ground) floor houses the building's main entry along with central loading and materials handling areas. Central administration and a variety of resident amenity areas are also situated on the first floor. The majority of the proposed work will be cosmetic in nature including furnishings and finishes.

The alterations will be phased in such a manner as to have minimum impact on the facility and to maintain the safety and welfare of the residents. All work will be done in vacant space.

Environmental Review

The Department has deemed this project to be a TYPE II Action and will not have a significant effect on the environment. An Environmental Impact Statement is not required. However, any agency that has an interest in this project may make their own independent determination of significance and necessity for an EIS in accordance with the procedures specified within Part 97.8 of Title 10: Rules and Regulations.

Recommendation

From an architectural perspective, contingent approval is recommended.

Attachments

BFA Attachment A

Personal Net Worth Statement

BFA Attachment B	September 30, 2011 internal financial statement of Boro Park Center for Rehabilitation
BFA Attachment C	Financial Summary - Williamsbridge Manor Nursing Home
BFA Attachment D	Financial Summary - Dutchess Center for Rehabilitation
BFA Attachment E	Financial Summary - Queens Center for Rehabilitation
BFA Attachment F	Financial Summary - University Nursing Home
BFA Attachment G	Financial Summary - Bronx Center for Rehabilitation & Health
BFA Attachment H	Financial Summary - Suffolk Center for Rehabilitation
BFA Attachment I	Financial Summary - Brooklyn Center for Rehabilitation

BFA Attachment B

D PARK CENTER FOR REHABILITATION & REDIDENTIAL HC, LLC-COMBINED
BALANCE SHEET
FOR THE PERIOD ENDED 9/30/2011

	AMOUNT
ASSETS	
CURRENT ASSETS	
CASH & EQUIVALENTS	928,053
ACCOUNTS RECEIVABLE	7,859,867
INVENTORY	35,000
ESCROW	360,000
PREPAID EXPENSES	189,000
TOTAL CURRENT ASSETS	9,371,920
EQUIPMENT & OTHER ASSETS	
CAPITAL & LHI IMPROVEMENTS	21,956,197
LAND & BUILDING	19,000,000
FURNITURE & EQUIPMENT	333,723
ORGANIZATION COSTS	36,655
FINANCE & CLOSING COSTS	1,975,000
GOODWILL	16,500,000
TOTAL FIXED ASSETS	59,801,575
ACCUMULATED DEPRECIATION	550,000
NET UNDEPRECIATED VALUE	59,251,575
OTHER ASSETS	291,942
TOTAL EQUIPMENT & OTHER	59,543,517
TOTAL ASSETS	68,915,437
LIABILITIES & EQUITY	
CURRENT LIABILITIES	
ACCOUNTS PAYABLE	2,726,954
LOC PAYABLE	1,600,000
PATIENT FUNDS	291,942
ACCRUED PAYROLL&TAX	1,222,000
ACCRUED EXPENSES & TAXES	886,278
DUE AFF	1,250,000
MORTGAGE SHORT TERM	1,500,000
TOTAL CURRENT LIABILITIE	9,477,174
LONG TERM LIABILITIES	
MORTGAGE PAYABLE	46,000,000
TOTAL LONG TERM LIABILIT	46,000,000
EQUITY	
EQUITY	
TOTAL EQUITY	13,438,263
TOTAL LIABILITIES & EQUITY	68,915,437

BFA Attachment B (continued)

BORO PARK CENTER FOR REHAB AND HEALTHCARE LLC-COMBINED
STATEMENT OF OPERATIONS
EXECUTIVE SUMMARY
FOR THE PERIOD ENDED SEPTEMBER 30TH 2011

DEPARTMENT	CURRENT Y-T-D	CURRENT PERIOD	PER PAT DAY Y-T-D	PER PAT CURR PER
TOTAL REVENUE	\$18,949,640	\$18,949,640	\$361.41	\$361.41
EXPENSES				
NURSING & MEDICAL	5,732,883	5,732,883	109.34	109.34
THERAPY & ANCILLARIES	1,120,711	1,120,711	21.37	21.37
SOCIAL SERVICE	245,142	245,142	4.68	4.68
LEISURE TIME ACTIVITIES	242,328	242,328	4.62	4.62
CLEANLINESS & SAFETY	1,286,258	1,286,258	24.53	24.53
FOOD & NUTRITION	1,375,736	1,375,736	26.24	26.24
GENERAL & ADMINISTRATION	2,226,072	2,226,072	42.46	42.46
PROPERTY	2,404,767	2,404,767	45.86	45.86
NON COMPARABLE	1,177,480	1,177,480	22.46	22.46
TOTAL EXPENSES	15,811,377	15,811,377	301.55	301.55
INCOME(LOSS) FROM OPER	\$3,138,263	\$3,138,263	\$59.85	\$59.85

Financial Summary

BFA Attachment C

Williamsbridge Manor Nursing Home

	FISCAL PERIOD ENDED		
	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$1,870,247	\$1,861,229	\$1,071,364
ASSETS - FIXED AND OTHER	2,269,700	962,622	964,545
LIABILITIES - CURRENT	1,734,511	1,795,170	1,416,674
LIABILITIES - LONG-TERM	2,104,478	819,533	786,429
EQUITY	\$300,958	\$209,148	(\$167,194)
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INCOME	\$7,971,179	\$7,646,510	\$7,308,347
EXPENSE	7,878,867	7,270,168	7,024,564
NET INCOME	\$92,312	376,342	\$283,783
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OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
<hr/>			
NUMBER OF BEDS	77	77	77
PERCENT OF OCCUPANCY (DAYS)	95.42%	96.85%	97.94%
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PERCENT OCCUPANCY (DAYS):			
MEDICAID	86.47%	82.31%	79.67%
MEDICARE	11.67%	14.54%	15.09%
PRIVATE/OTHER	1.86%	3.15%	5.24%

Financial Summary

BFA Attachment D

Dutchess Center for Rehabilitation

	FISCAL PERIOD ENDED		
	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$2,597,547	\$2,656,285	\$2,592,567
ASSETS - FIXED AND OTHER	6,903,061	7,213,966	7,704,183
LIABILITIES - CURRENT	4,094,458	4,399,295	5,066,383
LIABILITIES - LONG-TERM	3,908,329	4,023,225	4,374,598
EQUITY	\$1,497,821	\$1,447,731	\$855,769
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INCOME	\$11,315,724	\$10,372,091	\$10,701,744
EXPENSE	10,591,187	9,930,128	10,546,300
NET INCOME	\$724,537	441,963	\$155,444
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OPERATOR/RELATIVE SALARIES	\$0	\$77,885	\$0
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NUMBER OF BEDS	122	122	122
PERCENT OF OCCUPANCY (DAYS)	95.71%	96.72%	95.17%
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PERCENT OCCUPANCY (DAYS):			
MEDICAID	79.18%	75.09%	76.90%
MEDICARE	14.16%	17.14%	15.61%
PRIVATE/OTHER	6.66%	7.77%	7.48%

Financial Summary**BFA Attachment E****Queens Center for Rehabilitation**

	FISCAL PERIOD ENDED		
	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$4,655,534	\$4,509,254	\$4,871,412
ASSETS - FIXED AND OTHER	14,223,047	14,786,922	15,319,251
LIABILITIES - CURRENT	5,626,100	5,402,909	5,444,580
LIABILITIES - LONG-TERM	9,457,374	9,222,379	10,201,762
EQUITY	\$3,795,107	\$4,670,888	\$4,544,321
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INCOME	\$21,578,591	\$21,828,556	\$21,101,778
EXPENSE	21,036,667	21,301,987	20,472,215
NET INCOME	\$541,924	526,569	\$629,563
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OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
<hr/>			
NUMBER OF BEDS	179	179	179
PERCENT OF OCCUPANCY (DAYS)	95.47%	97.03%	96.50%
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PERCENT OCCUPANCY (DAYS):			
MEDICAID	62.37%	61.79%	64.39%
MEDICARE	24.22%	28.86%	17.86%
PRIVATE/OTHER	13.41%	9.35%	17.75%

Financial Summary

BFA Attachment F

University Nursing Home

FISCAL PERIOD ENDED

	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$1,122,518	\$1,401,553	\$1,354,621
ASSETS - FIXED AND OTHER	3,203,109	2,628,235	2,568,663
LIABILITIES - CURRENT	1,340,874	789,780	1,176,480
LIABILITIES - LONG-TERM	587,089	106,396	73,992
EQUITY	\$2,397,664	\$3,133,612	\$3,645,279
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INCOME	\$4,179,106	\$4,330,700	\$4,360,748
EXPENSE	3,915,054	3,869,901	3,838,663
NET INCOME	\$264,052	\$460,799	\$522,085
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OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
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NUMBER OF BEDS	46	46	46
PERCENT OF OCCUPANCY (DAYS)	97.58%	97.68%	98.14%
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PERCENT OCCUPANCY (DAYS):			
MEDICAID	88.60%	80.94%	77.48%
MEDICARE	7.17%	13.94%	15.01%
PRIVATE/OTHER	4.23%	5.12%	7.51%

Financial Summary

BFA Attachment G

Bronx Center for Rehabilitation & Health

	Fiscal Period		
	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$6,327,711	\$6,352,371	\$4,648,005
ASSETS - FIXED AND OTHER	9,637,320	9,940,011	10,740,742
LIABILITIES - CURRENT	5,820,823	5,487,219	5,142,604
LIABILITIES - LONG-TERM	6,130,265	6,395,815	6,600,864
EQUITY	\$4,013,943	\$4,409,348	\$3,645,279
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INCOME	\$21,279,712	\$21,934,099	\$20,951,570
EXPENSE	20,221,917	20,865,071	19,857,452
NET INCOME	\$1,057,795	\$1,069,028	\$1,094,118
<hr/>			
OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
<hr/>			
NUMBER OF BEDS	200	200	200
PERCENT OF OCCUPANCY (DAYS)	98.13%	98.52%	87.37%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	84.75%	84.18%	85.01%
MEDICARE	12.58%	13.16%	9.15%
PRIVATE/OTHER	2.67%	2.66%	5.84%
<hr/>			

Financial Summary

BFA Attachment H

Suffolk Center for Rehabilitation

FISCAL PERIOD ENDED

	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$6,211,972	\$3,665,873	\$3,123,232
ASSETS - FIXED AND OTHER	11,139,056	11,143,141	6,163,117
LIABILITIES - CURRENT	8,408,960	6,681,942	6,723,217
LIABILITIES - LONG-TERM	8,631,073	8,933,908	3,427,586
EQUITY	\$310,995	(\$806,836)	(\$864,454)
<hr/>			
INCOME	\$14,167,394	\$12,433,372	\$11,320,327
EXPENSE	13,049,866	12,275,756	12,226,935
NET INCOME	\$1,117,528	\$157,616	(\$906,608)
<hr/>			
OPERATOR/RELATIVE SALARIES	\$0	\$0	\$0
<hr/>			
NUMBER OF BEDS	215	215	215
PERCENT OF OCCUPANCY (DAYS)	96.83%	97.26%	97.81%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	81.19%	76.58%	84.46%
MEDICARE	13.12%	18.05%	10.40%
PRIVATE/OTHER	5.69%	5.37%	5.14%

Financial Summary
BFA Attachment I

Brooklyn Center for Rehabilitation

	Fiscal Period		
	<u>2010</u>	<u>2009</u>	<u>2008</u>
ASSETS - CURRENT	\$6,872,411	\$5,206,901	\$5,495,205
ASSETS - FIXED AND OTHER	9,247,898	9,320,437	8,573,205
LIABILITIES - CURRENT	5,922,623	6,029,843	5,761,554
LIABILITIES - LONG-TERM	8,063,432	7,333,246	7,383,495
EQUITY	\$2,134,254	\$1,164,249	\$923,361
<hr/>			
INCOME	\$21,447,040	\$19,414,322	\$19,361,884
EXPENSE	20,193,034	18,948,435	20,269,367
NET INCOME	\$1,254,006	\$465,887	(\$907,483)
<hr/>			
OPERATOR/RELATIVE SALARIES	\$0	\$0	\$225,000
<hr/>			
NUMBER OF BEDS	215	215	215
PERCENT OF OCCUPANCY (DAYS)	96.83%	98.17%	97.81%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	86.80%	86.07%	84.46%
MEDICARE	10.10%	11.34%	10.40%
PRIVATE/OTHER	3.10%	2.59%	5.13%