



Public Health and Health Planning Council

Project # 121358-E
**Catholic Health Care System
d/b/a Archcare**

County: Kings (Brooklyn)
Purpose: Establishment

Program: Certified Home Health Agency
Submitted: May 1, 2012

Executive Summary

Description

Catholic Health Care System (CHCS) d/b/a Archcare, an existing not-for-profit corporation, requests approval to become the sole corporate member of Empire State Home Care Services (Empire), located at 111 Livingston Street, Brooklyn, and Visiting Nurse Association of Brooklyn, Inc. (VNA of Brooklyn), located at 15 Metrotech Center, 11th floor, Brooklyn. Each operates an Article 36 certified home health agency (CHHA) and long-term home health care program (LTHHCP).

Empire provides CHHA services in the following six counties: Bronx, Kings, New York, Queens, Richmond and Westchester, and provides LTHHCP services in New York County with a program capacity of 200. VNA of Brooklyn provides CHHA services in Kings County, and LTHHCP services in Kings and Queens Counties with program capacity of 750. Visiting Nurse Regional Health Care System will no longer be the non-member parent of the two CHHAs.

There is no acquisition cost or purchase agreement involved in the transition of Catholic Health Care System as the sole corporate member. The sole corporate member arrangement is expected to:

- promote the sharing of clinical best practices and joint training opportunities;
- integrate and centralize administrative functions; produce cost savings and efficiencies through group purchasing;
- improve staff recruitment and retention;
- and enhance the System's marketing presence.

There will be no change in lease arrangements nor any programmatic changes.

DOH Recommendation
Contingent approval.

Need Summary
As this project involves only a change in the ownership of a CHHA, no Need recommendation is required.

Program Summary
A review of all personal qualifying information indicates there is nothing in the background of the board members of Providence Health Services, Catholic Health Care System, d/b/a Archcare, Visiting Nurse Association of Brooklyn, Inc., and Empire State Home Care Services, Inc., to adversely effect their positions on the boards. The applicant has the appropriate character and competence under Article 36 of the Public Health Law.

Financial Summary
There are no project costs associated with this project and there will be no change in the daily operations.

It appears that the applicant has demonstrated the capability to proceed in a financially feasible manner.

Recommendations

Health Systems Agency

There will be no HSA recommendation for this application.

Office of Health Systems Management

Approval contingent upon:

1. Submission of completed, signed, and notarized Schedule 2As and Schedule 2Cs for Cardinal Timothy Dolan and Bishop Robert Brucato. [LTC]
2. Submission of Certificates of Good Standing for the following attorneys: Monsignor Gregory A. Mustaciuolo, Francis J. Serbaroli, John T. Dunlap, Rory Kelleher, and Kathryn K. Rooney. [LTC]
3. Submission of a photocopy of the executed Certificate of Incorporation of Empire State Home Care Services, Inc., and any amendments thereto, acceptable to the Department. [CSL]
4. Submission of a photocopy of the adopted Amended and Restated Bylaws of Empire State Home Care Services, Inc., acceptable to the Department. [CSL]
5. Submission of a photocopy of the executed Certificate of Incorporation of Visiting Nurse Association of Brooklyn, Inc., and any amendments thereto, acceptable to the Department. [CSL]
6. Submission of a photocopy of the adopted Amended and Restated Bylaws of Visiting Nurse Association of Brooklyn, Inc., acceptable to the Department. [CSL]

Council Action Date

October 11, 2012.

Programmatic Analysis

Background

Empire State Home Care Services, Inc., is a not-for-profit Article 36 certified home health agency (CHHA) serving Bronx, Kings, New York, Queens, Richmond, and Westchester Counties, and long term home health care program (LTHHCP) serving New York County. Visiting Nurse Association of Brooklyn, Inc., is a not-for-profit Article 36 certified home health agency (CHHA) serving Kings County, and long term home health care program (LTHHCP) serving Kings and Queens Counties. The current non-member parent corporation of both is Visiting Nurse Regional Health Care System, a not-for-profit corporation.

The current proposal seeks to de-establish Visiting Nurse Regional Health Care System as the non-member parent corporation, and to establish Catholic Health Care System, d/b/a Archcare, a not-for-profit corporation, as the active sole member (parent) corporation of both Empire State Home Care Services, Inc. CHHA and LTHHCP, and Visiting Nurse Association of Brooklyn, Inc. CHHA and LTHHCP. The sole member (parent) corporation of Catholic Health Care System, d/b/a Archcare, is Providence Health Services, a not-for-profit corporation.

In addition to becoming the sole member corporation of Empire State Home Care Services, Inc. CHHA and LTHHCP, and Visiting Nurse Association of Brooklyn, Inc. CHHA and LTHHCP, Catholic Health Care System, d/b/a Archcare is also the member corporation of the following health care corporations:

- Calvary Hospital, Inc. - including Calvary Hospital (Hospital), Calvary Hospital Home Health Agency (CHHA), and Calvary Hospital Home Health Agency and Hospice Care (Hospice),
- Carmel Richmond Healthcare and Rehabilitation Center (RHCF),
- Ferncliff Nursing Home (RHCF),
- Kateri Residence (RHCF),
- Mary Manning Walsh Nursing Home (RHCF),
- St. Vincent DePaul Residence (RHCF),
- St. Teresa's Nursing and Rehabilitation Center (RHCF),
- Terence Cardinal Cooke Health Care Center (RHCF),
- CMLTC, Inc., d/b/a Archcare Senior Life (PACE Program and proposed Managed Long Term Care Plan), and
- CSNP, LLC, d/b/a Archcare Advantage (Medicare Advantage Special Needs Plan)

All of the above health care facilities and providers in the Catholic Health Care System, d/b/a Archcare corporate structure are listed as affiliations for each board member named below.

The governing body of the ultimate member (parent) corporation, Providence Health Services, consists of the following board members:

Cardinal Timothy Dolan (disclosure pending – see contingency)	Bishop Robert Brucato (disclosure pending – see contingency)
Bishop Dennis J. Sullivan Vicar General, Archdiocese of New York (Religious Organization)	Monsignor Gregory A. Mustaciuolo, Esq. Chancellor, Archdiocese of New York (Religious Organization)

The governing bodies of the member (parent) corporation, Catholic Health Care System, d/b/a Archcare, and of Empire State Home Care Services, Inc. CHHA and LTHHCP, and Visiting Nurse Association of Brooklyn, Inc. CHHA and LTHHCP, all consist of the same individual board members as follows:

Francis J. Serbaroli, Esq. (Chairperson) Partner, Greenberg Traurig, LLP (Law Firm)	Karl P. Adler, MD (Vice-Chairperson / Secretary) CEO, New York Medical College (Medical School)
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	<p><u>Additional Affiliations:</u> St. Vincent's Hospital, St. Clare's / St. Vincent's Midtown Hospital, Our Lady of Mercy Hospital, St. Agnes Hospital, Benedictine Hospital, St. Francis Hospital, Center for Comprehensive Health Practice (D&TC)</p>
<p>Thomas M. O'Brien (Vice-Chairperson) Self Employed Banking Consultant</p>	<p>Bishop Dennis J. Sullivan (disclosed above)</p>
<p>Monsignor Gregory A. Mustaciuolo, Esq. (disclosed above)</p>	<p>Manfred Altstadt, CPA Retired COO, Mutual of America (Insurance Corp)</p>
<p>Joseph P. Anderson Retired CEO, Schaller Anderson, Inc. (Health Care Management / Administrative Services)</p>	<p>Monsignor William Belford Diocesan Administrator / Parish Priest, Archdiocese of New York (Religious Organization)</p>
<p>John T. Dunlap, Esq. Partner, Dunnington, Bartholow, and Miller, LLP (Law Firm)</p>	<p>Monsignor Charles J. Fahey, LMSW Retired Professor, Fordham University (Higher Education) <u>Additional Affiliations:</u> Village Center for Care, d/b/a VillageCare (RHCF, CHHA, and LTHHCP), Isabella Geriatric Center, Inc. (RHCF and LTHHCP)</p>
<p>Thomas J. Fahey, MD Retired Senior VP, Memorial Sloan Kettering Cancer Center (Cancer Health Care), Retired Associate Dean, Cornell University Medical College (Medical College)</p>	<p>Eric P. Feldmann, Real Estate Broker CEO / Executive Director, Sisters of Charity Housing Development Corporation (Affordable Housing)</p>
<p>Rory Kelleher, Esq. Senior Counsel, Sidley Austin, LLP (Law Firm)</p>	<p>Scott La Rue, Registered Dietician / Nutritionist CEO / President, Catholic Health Care System, d/b/a Archcare (NFP Health Care System)</p>
<p>John Marinelli Managing Director, Arc Partners, Inc. (Consulting Firm)</p>	<p>Kathryn K. Rooney, Esq. Retired Intern / Counsel to Senator Marchi, NYS Senate (State Government Legislature) <u>Additional Affiliations:</u> Richmond University Medical Center (Hospital), Homemakers of Staten Island, Inc., d/b/a Safe Harbor Healthcare Services (LHCSA)</p>

The applicant has confirmed that the proposed financial/referral structure has been assessed in light of anti-kickback and self-referral laws, and with the consultation of legal counsel, it is concluded that proceeding with the proposal is appropriate.

A search of all of the above named board members, employers, and affiliations revealed no matches on either the Medicaid Disqualified Provider List or the Office of the Inspector General's Provider Exclusion List.

The NYS Education Department's Office of the Professions, NYSDOH Office of Professional Medical Conduct, NYSDOH Physician Profile, NYS Department of State Occupational Licensing, and NYS Unified Court System all indicate no issues with the licensure of the health professionals and other licensed professionals associated with this application. Submissions of Certificates of Good Standing by the attorneys listed above are pending (see contingency).

The Division of Hospital Certification and Surveillance reviewed the compliance history of all affiliated hospitals, and diagnostic and treatment center, for the time period 2002 to 2012, or for the time periods specified as the affiliations, whichever applied.

An enforcement action was taken against St. Vincent's Hospital in 2006 citing violations in medical resident working hours regulations. This action was resolved with a \$6,000 civil penalty. An additional enforcement action was taken against St. Vincent's Hospital in 2007 citing violations in medical resident working hours regulations. This action was resolved with a \$25,000 civil penalty. An additional enforcement action was taken against St. Vincent's Hospital in 2007 citing the elopement of two psychiatric patients, one of which committed suicide. This action was resolved with a \$6,000 civil penalty. An additional enforcement action was taken against St. Vincent's Hospital in 2008 citing violations in medical resident working hours regulations. This action was resolved with a \$12,000 civil penalty.

It has been determined that the hospitals, and diagnostic and treatment center, have provided a substantially consistent high level of care.

The Division of Residential Services reviewed the compliance history of the affiliated nursing homes for the time period 2002 to 2012, or for the time periods specified as the affiliations, whichever applied.

An enforcement action was taken against Kateri Residence in 2009 based on a March, 2008 survey citing violations in Quality of Care; and Quality of Care: Accidents. The action was resolved with a \$4000 civil penalty.

An enforcement action was taken against Mary Manning Walsh Nursing Home in 2005 based on May 2002, and September 2003, surveys citing violations in Quality of Care; and Quality of Care: Medication Errors. The action was resolved with a \$3000 civil penalty.

An enforcement action was taken against St. Teresa's Nursing Home in 2004 based on an August, 2003 survey citing violations in Quality of Care: Accidents. The action was resolved with a \$2000 civil penalty.

An enforcement action was taken against Terence Cardinal Cooke Health Care Center in 2004 based on a November, 2002 survey citing violations in Quality of Care. The action was resolved with a \$1000 civil penalty. An additional enforcement action was taken against Terence Cardinal Cooke Health Care Center in 2005 based on an April, 2005 survey citing violations in Resident Assessment and Care Planning: Comprehensive Care Plans; Quality of Care: Accidents; Organization and Administration: Governing Body; and Organization and Administration: Nurse Aide Certification and Training. The action was resolved with a \$4000 civil penalty. An additional enforcement action was taken against Terence Cardinal Cooke Health Care Center in 2007 based on a February, 2007 survey citing violations in Quality of Care: Accidents; and Organization and Administration. The action was resolved with a \$3000 civil penalty. An additional enforcement action was taken against Terence Cardinal Cooke Health Care Center in 2009 based on a March, 2008 survey citing violations in Quality of Care: Accidents; Organization and Administration; and Organization and Administration: Governing Body. The action was resolved with a \$6000 civil penalty. An additional enforcement action was taken against Terence Cardinal Cooke Health Care Center in 2011 based on an April, 2010 survey citing violations in Quality of Care: Highest Practicable Potential. The action was resolved with a \$2000 civil penalty.

An enforcement action was taken against Village Center for Care, d/b/a VillageCare Rehabilitation and Nursing Center, in 2004 based on an April, 2003 survey citing violations in Quality of Care: Accidents. The action was resolved with a \$2000 civil penalty. An additional enforcement action was taken against Village Center for Care, d/b/a VillageCare Rehabilitation and Nursing Center, in 2009 based on an April, 2008 survey citing violations in Quality of Care. The action was resolved with a \$2000 civil penalty.

It has been determined that the affiliated nursing homes have provided a substantially consistent high level of care.

The Division of Home and Community Based Services reviewed the compliance history of all affiliated certified home health agencies, long term home health care programs, licensed home care service agencies, and hospices for the time period 2002 to 2012, or for the time periods specified as the affiliations, whichever applied.

An enforcement action was taken against Village Center for Care, d/b/a VillageCare Long Term Home Health Care Program in 2005 based on April 2005 and June 2005 surveys, citing violations in Policies and Procedures of Service Delivery; Patient Care; and Governing Authority. This action was resolved with a \$3000 civil penalty, \$1500 of which was suspended.

An enforcement action was taken against Village Center for Care, d/b/a VillageCare Certified Home Health Agency in 2005 based on an August 2005 survey, citing violations in Policies and Procedures of Service Delivery; and Governing Authority. This action was resolved with a \$4000 civil penalty.

It has been determined that the certified home health agencies, long term home health care programs, licensed home care service agencies, and hospices have exercised sufficient supervisory responsibility to protect the health, safety, and welfare of patients and to prevent the recurrence of code violations. When code violations did occur, it was determined that the operators investigated the circumstances surrounding the violation, and took steps appropriate to the gravity of the violation that a reasonably prudent operator would take to promptly correct and prevent the recurrence of the violation.

The Division of Managed Long Term Care reviewed the compliance history of the affiliated Medicare Advantage Special Needs Plan, and PACE Program, for the time period 2002 to 2012, or for the time periods specified as the affiliations, whichever applied. It has been determined that both plans have provided a substantially consistent high level of care.

A review of all personal qualifying information indicates there is nothing in the background of the board members of Providence Health Services, Catholic Health Care System, d/b/a Archcare, Visiting Nurse Association of Brooklyn, Inc., and Empire State Home Care Services, Inc., to adversely effect their positions on the boards. The applicant has the appropriate character and competence under Article 36 of the Public Health Law.

Recommendation

From a programmatic perspective, contingent approval is recommended.

Financial Analysis

Capability and Feasibility

There are no significant issues of capability or feasibility associated with this application. There will be no change in the daily operations of each health care facility, although each facility is expected to experience cost benefits from the sole corporate member designation.

Presented as BFA Attachment B is the pro-forma balance sheet of Catholic Health Care System as sole Member, which shows on the first day of operation of VNA and Empire there will be an allocation of investment assets of \$16,856,975 and \$7,384,727, respectively, to both CHHAs, therefore maintaining positive working capital.

Presented as BFA Attachment C is the financial summary of the Visiting Nurse Regional Health Care System, Inc., which has maintained positive net asset positions and generated excess revenues in 2011, and also through March 31, 2012. The applicant indicates that Visiting Nurse Regional Health Care System, Inc. allocates a significant proportion of their liquid investment assets as long term assets, which are available and should be taken into consideration in reviewing for positive working capital for 2011, as well as through March 31, 2012.

Presented as BFA Attachments D is the financial summary of the Catholic Health Care System, Inc., which has maintained positive working capital, net asset positions, and experienced a net loss from operations in the years shown for 2011, and also through March 31 2012. The net losses from operations are due to the start-up of its PACE program, a dual-eligible Managed Long Term Care Plan. The applicant indicates that the losses will be eliminated once the program is fully operational and generates revenue to cover its operating expenses.

Based on the preceding, 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, approval is recommended.

Attachments

BFA-Attachment A	Organizational Chart
BFA-Attachment B	Pro-forma Balance Sheet
BFA-Attachment C	Financial Summaries for Visiting Nurse Regional Health Care System, Inc., 2011 and March 31, 2012 internal
BFA-Attachment D	Financial Summary for Catholic Health Care System 2011 and March 31, 2012 internal

Hillside Polymedic & Diagnostic Treatment Center
Balance Sheet
As of December 31, 2010

Assets	GAAP	Debit	Credit	Tax
Cash	\$ 26,363			26,363
Account Receivable	141,517		12,117.40	129,400
Furniture & Equipment (Net)	59,420	29,050.00		88,470
Leasehold Improvements (Net)	30,089	10,030.00		40,119
Closing Cost (Net)	<u>7,342</u>			<u>7,342</u>
Total Assets	<u>264,732</u>			<u>291,694</u>
Liabilities				
Accounts Payable	95,552			95,552
Notes Payables	395,821			395,821
Due to Affiliates	783,704	253,408.00		530,296
Due to Shareholder	223,526			223,526
Payroll Tax Payable	<u>91,159</u>			<u>91,159</u>
Total Liabilities	<u>1,589,762</u>			<u>1,336,354</u>
Equity				
Capital Stock	200			200
APIC	-			-
Retained Earnings	(1,015,521)	3,588.00		(1,019,109)
Net Change 2010	<u>(309,709)</u>			<u>(25,750)</u>
Total Equity	<u>(1,325,030)</u>			<u>(1,044,659)</u>
Total Liabilities & Equity	<u>\$ 264,732</u>			<u>\$ 291,694</u>

Hillside Polymedic Diagnostic Treatment Center
Income Statement
For The Year Ended December 31, 2010

Income	GAAP	Debit	Credit	Tax Basis	Ln #	Reconciling Items
Gross Income:						
Medical Services Revenue	\$ 1,133,491	12,117.40	-	1,121,374	1a	
Other Income	3,658	-	-	3,658	10	
Gross Revenue	<u>1,137,149</u>			<u>1,125,032</u>		
Professional Fee's (MD's)	66,578	-	-	66,578	2	
Net Revenue	<u>1,070,571</u>			<u>1,058,454</u>		
Expenses						
General & Administrative:						
Salaries & Wages	340,049	-	-	340,049	12, 13	
Payroll Taxes	28,954	-	-	28,954	17	
Payroll Processing	646	-	-	646	35	
Advertising and Promotion	10,277	-	-	10,277	22	
Automobile Expense	1,078	-	-	1,078	26-3	
Bank Service Charges	10,117	-	-	10,117	26-4	
Business Licenses and Permits	850	-	-	850	26-24	
Charitable Contributions	1,400	-	-	1,400	-	(1,400)
Continuing Education	650	-	-	650	35	
Dues and Subscriptions	115	-	-	115	26-11	
Equipment Rent (Lease)	45,637	-	-	45,637	26-12	
Meals & Entertainment	1,051	-	-	1,051	26	(525)
Miscellaneous Expense	507	-	-	507	26-19	
Postage and Delivery	4,387	-	-	4,387	26-25	
Printing and Reproduction	2,690	-	-	2,690	26-26	
Professional Fees	47,663	-	-	47,663	26-22	
Insurance Cost	190,925	-	-	190,925	26-14	
Medical Records & Supplies	67,901	-	-	67,901	35	
Refuse Cost	17,452	-	-	17,452	35	
Office Cost	52,154	-	-	52,154	26-20	
Occupancy Cost	451,337	-	253,408.00	197,929	1	
Total General & Administrative	<u>1,275,840</u>			<u>1,022,432</u>		
Amortization	2,843	-	-	2,843	26-2	
Depreciation	77,088	-	38,008.00	39,080	20	
Interest	21,774	-	-	21,774	18	
Income Tax Penalties	2,735	-	-	2,735	-	(2,735)
Total Expenses	<u>1,380,280</u>			<u>1,088,864</u>		
Net Income / (Loss)	<u>\$ (309,709)</u>			<u>(30,410)</u>		
				Charitable Contributions		1,400
				50% Meals		525
				Income Tax Penalties		2,735
				Net Income Tax Per 1120		<u>(25,750)</u>
Rent				106,592	16	
Utilities				35,668	26-34	
Telephone				12,874	26-29	
Repairs & Maintenance				27,272	14	
Security				4,464	26-27	
Maintenance				11,059	26-15	
				<u>197,929</u>		

Hillside Polymedic & Diagnostic Treatment Center
Balance Sheet
As of December 31, 2011

Assets

Cash	\$	48,419
Account Receivable		165,908
Furniture & Equipment (Net)		15,023
Leasehold Improvements (Net)		15,045
Closing Cost (Net)		4,489
		<u>248,885</u>
Total Assets		<u>248,885</u>

Liabilities

Accounts Payable	95,552
Notes Payables	393,859
Due to Affiliates	1,102,392
Due to Shareholder	120,425
Payroll Tax Payable	91,159
Total Liabilities	<u>1,803,387</u>

Equity

Capital Stock	200
APIC	-
Retained Earnings	(1,361,038)
Net Change 2010	(193,655)
Total Equity	<u>(1,554,493)</u>

Total Liabilities & Equity **\$ 248,885**

Hillside Polymedic Diagnostic Treatment Center
Income Statement
For The Year Ended December 31, 2011

	GAAP	Debit	Credit	Tax Basis	Reconciling Items
Income					
Gross Income:					
Medical Services Revenue	\$ 1,339,036	24,390.85	-	1,314,645	1a
Other Income	-	-	-	-	10
Gross Revenue	<u>1,339,036</u>			<u>1,314,645</u>	
Professional Fees (MD's)	<u>122,792</u>	-	-	<u>122,792</u>	
Net Revenue	1,216,244			1,191,853	
Expenses					
General & Administrative:					
Accounting Fees	1,500	-	-	1,500	26
Advertising and Promotion	9,040	-	-	9,040	22
Automobile Expense	8,245	-	-	8,245	26
Bank Service Charges	7,335	-	-	7,335	26
Business Licenses and Permits	-	-	-	-	
Charitable Contributions	1,850	-	-	1,850	1,850.00
Continuing Education	-	-	-	-	
Dues and Subscriptions	555	-	-	555	26
Equipment Rent (Lease)	45,711	-	-	45,711	26-12
Insurance Cost	153,008	-	-	153,008	26-14
Legal Fees	20,714	-	-	20,714	26-17
Maintenance	8,108	-	8,108.02	-	
Meals & Entertainment	-	-	-	-	
Medical Records & Supplies	107,630	-	-	107,630	35
Miscellaneous Expense	-	-	-	-	
Occupancy Cost	360,000	-	130,087.00	229,913	
Repairs & Maintenance	3,352	-	3,351.78	-	
Office Cost	62,146	-	-	62,146	26-20
Payroll Processing	2,217	-	-	2,217	35
Payroll Taxes	35,324	-	-	35,324	17
Postage and Delivery	5,842	-	-	5,842	26-25
Printing and Reproduction	2,628	-	-	2,628	26-26
Professional Fees	-	-	-	-	
Refuse Cost	17,674	-	-	17,674	35
Salaries & Wages	426,812	-	-	426,812	12, 13
Security	4,448	-	4,448.14	-	
Telephone Expense	14,896	-	14,895.56	-	
Utilities	30,953	-	30,953.46	-	
Taxes Income	4,430	-	-	4,430	4,430.00
Total General & Administrative	<u>1,334,419</u>			<u>1,142,575</u>	
Amortization	2,843	-	-	2,843	26-2
Depreciation	61,981	-	27,104.00	34,877	20
Interest	10,656	-	-	10,656	18
Income Tax Penalties	-	-	-	-	
Total Expenses	<u>1,409,899</u>			<u>1,190,952</u>	
Net Income / (Loss)	\$ (193,655)			\$ 902	
				Charitable Contributions	1,850
				Income Taxes	4,430
				NOL Deduction	(7,183)
				Net Income Tax Per 1120	(1)

Hillside Polymedic & Diagnostic Treatment Center
Balance Sheet
As of April 30, 2012

Assets

Cash	\$	61,879
Account Receivable		53,088
Furniture & Equipment (Net)		9,254
Leasehold Improvements (Net)		10,030
Closing Cost (Net)		4,499
		<hr/>
Total Assets		138,751

Liabilities

Accounts Payable		74,530
Notes Payables		387,859
Due to Affiliates		622,807
Due to Shareholder		289,155
Accrued Payroll		6,578
		<hr/>
Total Liabilities		1,380,929

Equity

Capital Stock		200
APIC		-
Retained Earnings		(1,272,725)
Net Change 04/30/12		30,347
		<hr/>
Total Equity		(1,242,178)
		<hr/>
Total Liabilities & Equity	\$	138,751

Hillside Polymedic Diagnostic & Treatment Center
 Income Statement
 For The Four Month Period Ended April 30, 2012

Income

Gross Income:	
Income	\$ 447,007
Gross Revenue	<u>447,007</u>
Professional Fee's (MD's)	<u>(42,535)</u>
Net Revenue	404,472

Expenses

General & Administrative:	
Salaries & Wages	151,509
Payroll Taxes	14,191
Payroll Processing	661
Advertising and Promotion	4,575
Automobile Expense	1,120
Bank Service Charges	1,679
Charitable Contributions	120
Continuing Education	623
Equipment Rent (Lease)	8,483
Meals & Entertainment	500
Postage and Delivery	1,697
Printing and Reproduction	588
Insurance Cost	45,503
Medical Records & Supplies	30,755
Refuse Cost	6,789
Office Cost	22,308
Occupancy Cost	<u>83,024</u>
Total General & Administrative	374,125

Total Expenses	<u>374,125</u>
Net Income / (Loss)	<u>\$ 30,347</u>