



Public Health and Health Planning Council

Project # 141082-E
Eddy Visiting Nurse Association

Program: Certified Home Health Agency
Purpose: Establishment

County: Rensselaer
Acknowledged: February 27, 2014

Executive Summary

Description

Home Aide Services of Eastern New York, Inc. d/b/a Eddy Visiting Nurses Association is seeking approval of a change in controlling person that will result when Catholic Health East, Inc. (CHE) and CHE Trinity, Inc., CHE's sole member, merge into Trinity Health Corporation. The surviving corporation will be called CHE Trinity, Inc.

There is no acquisition cost or purchase agreement involved in the transition of Catholic Health Care System as the sole corporate member. There will be no change in lease arrangements or result in any programmatic changes. 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.

BFA Attachment A is an organizational chart of before and after the change.

DOH Recommendation

Contingent Approval

Need Summary

There will be no Need recommendation for this application.

Program Summary

The purpose of this application is to seek approval of a change in controlling person that will result when Catholic Health East, Inc., its great-great-grandparent organization, and CHE Trinity, Inc., Catholic Health East, Inc.'s sole member, merge into Trinity Health Corporation ("Trinity Health"). The surviving corporation will be called CHE Trinity, Inc. ("CHE Trinity").

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 project.

Office of Health Systems Management

Approval contingent upon:

1. Submission of an executed amendment to the Certificate of Incorporation of Home Aide Service of Eastern New York, Inc., acceptable to the Department. [CSL]
2. Submission of the amended bylaws of Home Aide Service of Eastern New York, Inc., acceptable to the Department. [CSL]
3. Submission of an executed amendment to the Certificate of Incorporation of LTC (Eddy), Inc., acceptable to the Department. [CSL]
4. Submission of the amended bylaws of LTC (Eddy), Inc., acceptable to the Department. [CSL]
5. Submission of an executed amendment to the Certificate of Incorporation of Northeast Health, Inc., acceptable to the Department. [CSL]
6. Submission of the amended bylaws of Northeast Health, Inc., acceptable to the Department.
7. Submission of an executed amendment to the Certificate of Incorporation of St. Peter's Health Partners, Inc., acceptable to the Department. [CSL]
8. Submission of the amended bylaws of St. Peter's Health Partners, Inc., acceptable to the Department. [CSL]
9. Submission of the executed Restated and Amended Articles of Incorporation of CHE Trinity, Inc., acceptable to the Department. [CSL]
10. Submission of the bylaws of CHE Trinity, Inc., acceptable to the Department. [CSL]
11. Submission of an executed amendment to the Certificate of Incorporation of Catholic Health East, acceptable to the Department. [CSL]

Approval conditional upon:

1. The project must be completed within three years from the Public Health and Health Planning Council recommendation letter. Failure to complete the project within the prescribed time shall constitute an abandonment of the application by the applicant and an expiration of the approval. [PMU]

Council Action Date

October 2, 2014

Program Analysis

Program Description

Home Aide Services of Eastern New York, Inc. d/b/a Eddy Visiting Nurse Association, a not-for-profit corporation, currently operates an Article 36 certified home health agency (CHHA) and long term home health care program (LTHHCP). Their approved CHHA geographic service area includes Albany, Columbia, Greene, Rensselaer, Schenectady and Saratoga counties and their LTHHCP geographic service area includes Albany, Columbia, Greene, Rensselaer and Saratoga counties. The current proposal seeks approval for a change in controlling person as described below. There will be no changes to the geographic service area, or the scope of services provided by Home Aide Services of Eastern New York, Inc. d/b/a Eddy Visiting Nurse Association as a result of this transaction.

This change in controlling person also affects the following Article 36-licensed agencies that are affiliated with St. Peter's Health Partners, and separate applications are being reviewed simultaneously with this one.

- Eddy Licensed Home Care Agency (2424-L)
- Senior Care Connection, Inc. (2423-L)

The purpose of this application is to seek approval of a change in controlling person that will result when Catholic Health East, Inc., its great-great-grandparent organization, and CHE Trinity, Inc., Catholic Health East's sole member, merge into Trinity Health Corporation (Trinity Health). The surviving corporation will be called CHE Trinity, Inc. (CHE Trinity).

Catholic Health East, Inc., a Pennsylvania nonprofit corporation, and Trinity Health, an Indiana nonprofit, are two national Catholic health care systems with operating entities in twenty states. Catholic Health East, Inc. and Trinity Health have determined it is in the best interests of both to merge through a two-step process. Step one involved the creation CHE Trinity, Inc., an Indiana nonprofit, which became the sole member of Catholic Health East, Inc. and Trinity Health in June 2013. Step two is the merger Catholic Health East, Inc. and CHE Trinity into Trinity Health, with the surviving corporation to be called CHE Trinity, Inc.

Catholic Health East, Inc., Trinity Health, and CHE Trinity, Inc. currently have mirror boards. Of the 19 individuals on these boards, two are current or former board members of St. Peter's Health Partners and St. Peter's Health Care Services, and the others have served on the board of directors of Catholic Health East, Inc.

Catholic Health East, Inc. is the sole member of St. Peter's Health Partners, which is the sole member of Northeast Health, Inc., which is the sole member of LTC (Eddy), Inc., which is the sole member of each of the Article 36 entities.

The proposed Board Members of CHE Trinity, Inc. comprises the following individuals:

Kevin Barnett – Director

Senior Investigator, Public Health Institute

Suzanne T. Brennan, CSC – Director

President and Executive Director, Holy Cross Ministries

James D. Bentley, Ph.D. – Director

Retired

Affiliations:

- Board Member, Catholic Health East (5/13 – Present)
- Board Member, Holy Cross Hospital (2003 – 2008)
- Board Member, Trinity Health (2010 – Present)

Joseph Betancourt, MD – Director

Physician, Massachusetts General Hospital

Affiliations:

- Board Member, Trinity Health (2012 – Present)
- Board Member, Neighborhood Health Plan (2013 – Present)

George M. Philip, Esq. – Director

Retired

Affiliations:

- Board Member, St. Peter's Hospital (1992 – 2013)
- Board Member, Catholic Health East (2003 – 2013)

Larry Warren – Director

Retired

Affiliation:

- Board Member, Trinity Health (2011 – 2013)

Sister Kathleen Marie Popko, RN – Director

President, Sisters of Providence

Affiliations:

- Board Member, Catholic Health East (2009 – 2013)
- Board Member, Sisters of Providence Health System (2009 – 2013)
- Board Member, St. Joseph of the Pines Health System, Inc. (2009 – Present)
- Board Member, Mary's Meadow at Providence Place (2009 – Present)

David Southwell – Director

Retired

Affiliation:

- Director/Chair, ChildServe (2002 – 2008)

Roberta Waite, RN – Director

Associate Professor of Nursing & Assistant Dean of Faculty Integration and Evaluation of Community Programs, Drexel University

Barbara K. Wheeley, RSM (Clinical Psychologist, MD) – Director

Retired

Affiliations:

- Board Member, Mercy Medical, Inc. (1989 – 2013)
- Board Member, Catholic Health East (2010 – 2013)
- Board Member, Trinity Health (2013 – Present)

Melanie C. Dreher, Ph.D., RN – Director

Dean, College of Nursing, Rush University Medical Center

Affiliations:

- Board Member, Wewmark (3/08 – Present)
- Board Member, Trinity Health (2012 – 2013)

Richard J. Gilfillan, MD – Director

President/CEO, CHE Trinity Health, Inc.

Mary Catherine Karl, CPA – Director

Retired

Affiliations:

- Board Member, BayCare Health System
- Board Member, St. Anthony's Hospital (2000 – 2010)
- Board Member, BayCare Health System Insurance (2006 – 2010)
- Board Member, Catholic Health East
- Board Member, Surgical Safety Institute (2004 – Present)

Stanley Urban – Director

Retired

Affiliation:

- Board Member, Adirondack Health (2007 – Present)

Linda J. Werthman, RSM (Master's social work, Michigan)– Director

Adjunct Associate Professor of Social Work, University of Detroit Mercy

Affiliation:

- Board Member, Trinity Health (2009 – 2013)

The proposed Board Members of St. Peter's Health Partners, Northeast Health, Inc. and Home Aide Services of Eastern New York, Inc. comprise the following individuals:

Robert J. Bylancik – Director

Retired

Affiliations:

- Board Member, Living Resources, Inc. (2007 – 2012)

Barbara D. Cottrell, Esq. – Director

Chief Clerk, Rensselaer County Family Court, NYS Office of Court Administration

Affiliations:

- Member, Board of Trustees, St. Peter's Hospital
- St. Peter's Addiction Recovery Center (2003 – 12/07)

Anne G. DiSarro – Director

Retired

Rev. Kenneth J. Doyle – Director

Pastor of Parish, Diocesan Chancellor for Public Information, Roman Catholic Diocese of Albany
Affiliation:

- Board Member, St. Peter's Hospital (2004 – 12/07)

John D. Filippone, MD – Director

Cardiologist, SPHP Medical Associates

Harold D. Gordon, Esq. – Director

Attorney, Couch White, LLP

Ronald L. Guzior, CPA – Director

Partner, Sax BST Advisory Network/Bollam, Sheedy Torani & Co.

George Hearst III – Director

Publisher/CEO, Times Union

Sr. Phyllis Herbert, RN – Director

Program Director – Honor Court, 820 River St. (Alcoholism/Drug Treatment)

Robert W. Johnson, III, Esq. – Director

Partner, Martin, Shudt, Wallace, DiLoreenzo & Johnson

Beverly M. Karpiak – Director

Supervisor of student teachers, College of St. Rose

Michael T. Keegan – Director

Regional President, Albany & Hudson Valley Division, M & T Bank

John M. Lang – Director

Retired

Norman I. Massry – Director

Principal, Massry Realty Partners

Affiliation:

- Board Member, St. Peter's Hospital (2007 – 12/09)

Sr. Kathleen M. Natwin – Director

Retired

Volunteer – Board Member, Community Outreach, Daughters of Charity, St. Louise Provence

Affiliations:

- Board Member, Seton Manor (2012 – Present)
- Board Member/Sponsor, Catholic Health System (2002 – Present)
- Board Member, Mt. St. Mary's Hospital (2002 – Present)

Curtis N. Powell – Director

Vice President, Human Resources, Rensselaer Polytechnic Institute

James K. Reed, MD – Director

President, St. Peter's Health Partners, Catholic Health East

Affiliation:

- Director, Rubin Dialysis Centers (1997 – 2011)

Alan M. Sanders, MD – Director

Senior Partner/Physician, Upstate Infectious Disease Association, LLP

Chief of Department of Medicine, St. Peter's Hospital

James A. Slavin, MD – Director

President/Owner, Practitioner, Burdett Orthopedics, PC

Affiliations:

- Board Member, Unity House of Troy (2009 – Present)
- President/Owner, Burdett Orthopedics (1998 – Present)

Anthony P. Tartaglia, MD – Director

Retired

Lisa M. Thorn, MD – Director

Family Physician Member, Averill Park site Medical Director, Capital Care Medical Group

Affiliation:

- Physician Member, Capital Care Medical Group, Averil Park (2006 – Present)

Sr. Kathleen M. Turley – Director

Leadership Team Member, Sisters of Mercy

All of the above proposed Board Members of St. Peter's Health Partners, Northeast Health, Inc. and Home Aide Services of Eastern New York, Inc. are affiliated with the following entities:

- St. Peter's Hospital of the City of Albany
- Our Lady of Mercy Life Center
- Villa Mary Immaculate d/b/a St. Peter's Nursing and Rehabilitation Center
- Beverwyck, Inc. d/b/a Eddy Village Green (Terrace at Beverwyck)
- Eddy Licensed Home Care Agency, Inc.
- Glen Eddy, Inc. (Terrace at Glen Eddy)
- Hawthorne Ridge, Inc.
- Heritage House Nursing center, Inc.
- Home Aide Service of Eastern New York, Inc. d/b/a Eddy Visiting Nursing Association
- Memorial Hospital
- Samaritan Hospital of Troy
- Senior Care Connection, Inc. d/b/a Eddy SeniorCare
- Sunnyview Hospital and Rehabilitation Center
- The Capital Region Geriatric Center, Inc. d/b/a Eddy Village Green
- The James A. Eddy Memorial Geriatric Center, Inc. (Terrace at Eddy Memorial)
- The Marjorie Doyle Rockwell Center, Inc.
- Seton Health System, Inc. d/b/a St. Mary's Hospital
- Seton Health at Schulyer Ridge Residential Healthcare

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 Office of the Professions of the State Education Department, the New York State Physician Profile, and the Office of Professional Medical Conduct, where appropriate, indicate no issues with the licensure of the health professionals associated with this application.

The State of Michigan's Department of Licensing and Regulatory Affairs, Bureau of Health Care Services indicated no issue with the licensure of Linda Werthman's Masters Social Worker License. The Bureau of Health Care Services has never taken disciplinary action against this individual or license.

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

A Certificate of Good Standing has been received for all attorneys.

The Bureau of Professional Credentialing has indicated that Sister Mary Anne Weldon's NHA license 04039, issued January 1, 1991, is currently in voluntary inactive status. The Board of Examiners of Nursing Home Administrators has never taken disciplinary action against this individual or her license

A seven year review of the operations of the following facilities was performed as part of this review (unless otherwise noted):

Alabama

Mercy Medical – Mobile County Home Care
Mercy Medical – Baldwin County Home Care
Mercy Medical – Mercy LIFE of Alabama (PACE)

California

Saint Agnes Medical Center
Saint Agnes Home Health & Hospice

Connecticut

Saint Mary Home, Inc. – Chronic Convalescent Nursing Home
Saint Mary Home, Inc. – Frances Ward Towers Residential Care Home
The McAuley Center, Inc. – Assisted Living Service Agency

Delaware

St. Francis Hospital, Inc. d/b/a/ Saint Francis Healthcare

Florida

Holy Cross Hospital, Inc.
Holy Cross Hospital Home Health Agency
Physician Outpatient Surgery Center, LLC
Mercy Hospital, Inc.
BayCare Health System (10 hospitals) (2003-2013)
St. Anthony's Hospital (2000 – 2010)

Georgia

St. Joseph Hospital of Atlanta
St. Joseph's Foundation
Mercy Senior Care
St. Joseph's Mercy Care Services, Inc.
Good Samaritan Hospital, Inc.
St. Mary's Hospital
St. Mary's Health Care System, Inc. – Home Health
St. Mary's Health Care System, Inc. – Home Hospice
St. Mary's Health Care System, Inc. – Hospice House
St. Mary's Health Care System, Inc. – Assisted Living License

Idaho

Saint Alphonsus Regional Medical Center – Boise
Saint Alphonsus Regional Medical Center – Nampa
Saint Alphonsus Regional Medical Center – Baker City Nursing Facility
Saint Alphonsus Regional Medical Center – Baker City Hospital

Illinois

Loyola Center for Home Care and Hospice
Loyola University Medical Center – Hospice Agency
Loyola University Medical – Ambulatory Surgical Treatment Center
Gottlieb Home Health Services
Gottlieb Memorial Hospital Hospice
Gottlieb Memorial Hospital Pharmacy
Gottlieb Memorial Hospital Pharmacy Controlled Substances
Gottlieb Memorial Hospital Mammography Facility

Indiana

Saint Joseph's Regional Medical Center – South Bend Campus (1/12– Present)
Saint Joseph's Regional Medical Center (1/12– Present)
Saint Joseph VNA Home Care (1/12– Present)
Sanctuary at St. Pauls (1/12– Present)
Sanctuary at Holy Cross (1/12– Present)

Iowa

Mercy Medical Center – Clinton
Mercy Living Center North
Mercy Medical Center – Dubuque
Mercy Medical Center – North Iowa/Mason City
Mercy Medical Center – Sioux City
The Alverno Health Care Facility
ChildServe (2002 – 2008)

Maryland

Holy Cross Hospital of Silver Spring
Holy Cross Hospital of Silver Spring
Sanctuary at Holy Cross
Holy Cross Hospital (2003 – 2008)

Massachusetts

The Mercy Hospital (8/12– Present)
Sisters of Providence Health System (2009 – 2013)
Mary's Meadow at Providence Place (2009 – Present)

Michigan

Saint Mary's Health Care
St. Joseph Mercy – Ann Arbor Psychiatric
St. Joseph Mercy – Saline
St. Joseph Mercy – Livingston
St. Joseph Mercy – Oakland
St. Joseph Mercy – Oakland Psychiatric
St. Joseph Mercy – Port Huron
St. Joseph Mercy – Port Huron Helistop
Mercy Health Partners – Mercy Campus
Mercy Health Partners – Hackley Campus
Mercy Health Partners – Hackley Campus Psychiatric
Mercy Health Partners – Lakeshore Campus
St. Mary Mercy Hospital
St. Mary Mercy Hospital – Psychiatric
Chelsea Community Hospital
Mercy Hospice
Mercy Hospice Grayling
Mercy Hospice – Cadillac
Mercy VNS and Hospice Services

Michigan

Sanctuary at Mcauley
Sanctuary at the Abbey
Sanctuary at Bellbrook
Sanctuary at St. Mary's
Sanctuary at the Park
Sanctuary at Fraser Villa
Sanctuary at St. Joseph's Village #1 (3/2005-Present)
Sanctuary at St. Joseph's Village #2 (3/2005-Present)
Marycrest Manor
Sanctuary at White Lake
Sanctuary at the Oaks #2 (4/2005-Present)
Sanctuary at the Oaks #1 (4/2005-Present)
Sanctuary at the Shore
Mercy Bellbrook/Frances Warde (2/2010-Present)
Mercy Bellbrook/McAuley (2/2010-Present)
Sanctuary at Bellbrook
Sanctuary at Woodland #1 (4/2005-Present)
Sanctuary at Woodland #2 (4/2005-Present)
Sanctuary at Fraser Villa
Sanctuary at Mercy Village #2 (4/2005-Present)
Sanctuary at Mercy Village #1 (4/2005-Present)

Nebraska

Mercy Home Care

New Jersey

Our Lady of Lourdes Medical Center
Lourdes Medical Center of Burlington County
Saint Michael's Medical Center, Inc. – 12 Months
St. Francis Medical Center

New York

Northeast Health, Inc.
St. Peter's Addiction Recovery Center (2003 – 12/07)
Seton Manor (2012 – Present)
Catholic Health System (2002 – Present)
Mt. St. Mary's Hospital (2002 – Present)
St. Peter's Hospital of the City of Albany
Our Lady of Mercy Life Center
Villa Mary Immaculate d/b/a St. Peter's Nursing and Rehabilitation Center
Beverwyck, Inc. d/b/a Eddy Village Green (Terrace at Beverwyck)
Eddy Licensed Home Care Agency, Inc.
Glen Eddy, Inc. (Terrace at Glen Eddy)
Hawthorne Ridge, Inc.
Heritage House Nursing center, Inc. d/b/a Eddy Heritage House Nursing and Rehabilitation Center
Home Aide Service of Eastern New York, Inc. d/b/a Eddy Visiting Nursing Association (CHHA)
Home Aide Service of Eastern New York, Inc. d/b/a Eddy Visiting Nursing Association (LTHHCP)
Memorial Hospital
Samaritan Hospital of Troy
Senior Care Connection, Inc. d/b/a Eddy SeniorCare
Sunnyview Hospital and Rehabilitation Center
The Capital Region Geriatric Center, Inc. d/b/a Eddy Village Green
The James A. Eddy Memorial Geriatric Center, Inc. (Terrace at Eddy Memorial)
The Marjorie Doyle Rockwell Center, Inc.
Father Baker Manor (Nursing Home)
Mercy Hospital Skilled Nursing Facility

New York

St. Francis Home of Williamsville (Nursing Home)
Mercy Living Center (Nursing Home)
Uihlein Living Center (Nursing Home)
Seton Health System, Inc. d/b/a St. Mary's Hospital
Seton Health at Schulyer Ridge Residential Healthcare
St. Peter's Health Partners d/b/a Eddy Village Green at Beverwyck
St. James Mercy Hospital
Adirondack Medical Center (Hospital)
Adirondack Medical Center/Lake Placid (Hospital)
Sisters of Charity Hospital of Buffalo, NY
Kenmore Mercy Hospital
Mercy Hospital of Buffalo
Niagara Homemakers Services, Inc. d/b/a Mercy Home Care of Western New York
St. Vincent's Home for the Aged
St. Elizabeth's Home of Lancaster, New York
McAuley-Seton Home Care Corporation (LHCSA)
Mercy Uihlein Health Corporation
Mercy Health-Care Center, Inc.
The Uihlein Health Corporation, Inc.
Mcauley Manor at Mercycare (Nursing Home)
Adult Day services, Mercycare Break
Hospice associated with St. James Mercy Hospital
Catholic Health System Program of All-Inclusive Care for the Elderly, Inc.

North Carolina

St. Joseph of the Pines, Inc. Family Care Home Zeno Villa at St. Joseph of the Pines (3/18/11-8/26/13)
St. Joseph of the Pines, Inc. Family Care Home Constance Cottage (11/28/11-2014)
St. Joseph of the Pines, Inc. Family Care Home Mary Manor (2004-2014)
St. Joseph of the Pines, Inc. Adult Care Home The Coventry
St. Joseph of the Pines, Inc. Nursing Facility St. Joseph of the Pines Health Center
St. Joseph of the Pines Belle Meade and Pine Knoll at St. Joseph of the Pines
St. Joseph of the Pines, Inc. St. Joseph of the Pines Home Care
LIFE St. Joseph of the Pines, Inc. Adult Day Health Home
St. Joseph of the Pines Health System, Inc. (2002 – Present)

Ohio

Mount Carmel East – Columbus (2004-2014)
Mount Carmel West (2004-2014)
Mount Carmel St. Anne's (2004-2014)

Oregon

St. Alphonsus Regional Medical Center – Ontario

Pennsylvania

Mercy Suburban Hospital
Nazareth Hospital
Mercy Catholic Medical Center of Southeastern Pennsylvania d/b/a Mercy Fitzgerald Hospital and
Mercy Hospital of Philadelphia
St. Agnes Continuing Care Center Living Independently for Elders
Mercy Home Health
St. Agnes Continuing Care Center d/b/a/ Mercy Life Broad Street
St. Agnes Continuing Care Center d/b/a Mercy Life/North Hancock Street
Mercy Family Support Home Care Agency Facility
Mercy Home Health, Health Care Facility
St. Mary Medical Center
Mercy Life Center Corporation Mercy Behavioral Health

Pennsylvania

Mercy Life Center Corporation Outlook Manor
Mercy Behavior Health Munhall Manor
Mercy Life Center Corporation Mercy Behavioral Health
Mercy Behavioral Health Mercy Behavioral Health - LTSR(2)
Mercy Life Center Corporation Garden View Manor
Mercy Life Center Corporation Monarch Springs LTSR
Mercy Life Center Corporation Extended Acute Care Unit - LTSR
Mercy Life Center Corporation Mercy Behavior Health
Mercy Life Center Corporation Mercy Behavioral Health Psychiatric Rehabilitation Clubhouse
Mercy Life Center Corporation d/b/a Mercy Behavior Health Psychiatric Rehab
Mercy Life Center Corporation Mercy Behavioral Health Partial Hospitalization
Mercy Life Center Corporation Mercy Behavioral Health Outpatient
Mercy Behavioral Health
Mercy Life Center Corporation d/b/a/ Mercy Behavioral Health Mercy Behavioral Health Ross Adult Training Facility-Seniors
Mercy Life Center Corporation Mercy Behavioral Health
Mercy Life Center Corporation Mercy Behavioral Health Wexford Employ. Svcs.
Mercy Life Center Corporation Mercy Behavioral Health - Brookline Employment Services
Mercy Life Center Corporation Mercy Behavioral Health - Beachview ATF
Mercy Life Center Corporation Mercy Behavioral Health LTSR I - The Journey Home
Mercy Life Center Corporation Mercy Behavioral Health Family Living Home
Mercy Life Center Corporation Mercy Behavioral Health Reedsdale Center
Mercy Life Center Corporation Mercy Behavioral Health - Baldwin ATF
Mercy Life Center Corporation Mercy Behavioral Health Ross Adult Training Facility - SENI

California

Saint Agnes Home Health and Hospice, was fined eighteen thousand five hundred dollars (\$18,500.00) pursuant to CCR Title 22 70739(a) – Infection Control for findings on June 2, 2008.

Saint Agnes Home Health and Hospice, was fined eighteen thousand five hundred dollars (\$18,500.00) pursuant to CA Health and Safety Code Death during or within 24 hours of surgery for findings on September 9, 2008.

Saint Agnes Home Health and Hospice, was fined fifty thousand dollars (\$50,000.00) pursuant Health and Safety Code 1279.1(c) and CCR Title 22 70223(6)(2) for findings on October 11, 2010.

Saint Agnes Home Health and Hospice, was fined three thousand dollars (\$3,000.00) pursuant Health and Safety Code 1279.1(ab)(4)(F) – Pressure Ulcer State 3 or 4.

Saint Agnes Home Health and Hospice, was fined one thousand dollars (\$1,000.00) pursuant Health and Safety Code 1279.1(ab)(1)(O) – Retention of Foreign Object.

Saint Agnes Home Health and Hospice, was fined eight hundred dollars (\$800.00) pursuant Health and Safety Code - State 3 or 4 Pressure Ulcer.

Connecticut

St. Mary's Home, West Hartford, CT: Based on an inspection of the facility conducted October 29, 2007 St. Mary's Home was cited for violations of Connecticut State Agencies (Public Health Code). The facility was fined seven hundred and forty-five dollars (\$745.00) for the Class A violation of Section 19-13-D8t(j)(2)(L) - Chronic and convalescent nursing homes and rest homes with nursing supervision: Director of nurses.

Florida

BayCare-Home Care Sarasota, Sarasota, Florida was fined three thousand dollars (\$3,000.00) pursuant to a Survey Deficiency – Failed to Ensure Physicians Plan of Care for repeat of Class III

deficiency 2004, 2005, 2006 and 2007 for Violations of 59A-8.0215(2) – Plan of Care and 59A-8.0095(3), - Personnel

Saint Anthony's Hospital, St. Petersburg, Florida was fined one thousand dollars (\$1,000.00) pursuant to a Survey Deficiency for inspection findings of December 12, 2007 for Aspen State Regulation H0022 ((2) Coordination of Care. Each hospital shall develop and implement policies and procedures on discharge planning which address: (a) Identification of patients requiring discharge planning; (b) Initiation of discharge planning on a timely basis; (c) The role of the physician, other health care givers, the patient, and the patient's family in the discharge planning process; and (d) Documentation of the discharge plan in the patient's medical record including an assessment of the availability of appropriate services to meet identified needs following hospitalization.)

Holy Cross Hospital, Fort Lauderdale, Florida was fined one thousand dollars (\$1,000.00) pursuant to a Survey Deficiency for inspection findings of June 1, 2009 for Aspen State Regulation H0031 ((2) Transfer Procedures. Each hospital providing emergency services and care shall establish policies and procedures which incorporate the requirements of Chapter 395, F.S., relating to emergency services. The policies and procedures shall incorporate at a minimum: (a) Decision protocols identifying the emergency services personnel within the hospital responsible for the arrangement of outgoing and incoming transfers; and H0037 (Each hospital shall maintain records of all patients who request emergency care and services, or persons on whose behalf emergency care and services are requested, for a period of 5 years.)

Maryland

St. Catherine's Nursing Center was fined fifteen thousand dollars (\$15,000) pursuant to Survey Deficiencies for inspection findings of July 9, 14 and 15, 2009 for violations of COMAR 10.07.09.08 C (5) (c) (Resident's Rights and Services. C. A resident has the right to: (5) Be free from: (c) Sexual abuse), 10.07.09.15 D (1) (Abuse of Residents, D. Investigations. A nursing facility shall: (1) thoroughly investigate all allegations of abuse) and 10.07.09.15. D (2) (Abuse of Residents, D. Investigations. A nursing facility shall: (2) Take appropriate action to prevent further incidents of abuse while the investigation is in progress, and after that.)

New York

Adult Care Facilities:

Hawthorne Ridge, Inc. d/b/a Hawthorn Ridge was fined one thousand dollars (\$1,000.00) pursuant to a stipulation and order dated March 28, 2012 for inspection findings of September 14, 2010 for violations 18 NYCRR Part 486.5(a)(4)(iii) – Endangerment.

The information provided by the Adult Care Facility Policy and Surveillance unit has indicated that the applicant has provided sufficient supervision to prevent harm to the health, safety and welfare of residents and to prevent recurrent code violations.

Licensed Home Health Care Agencies, Certified Home Health Agencies, Long Term Home Health Care Agencies, Hospice:

Eddy Visiting Nurse Association/Wesley VNA was fined three thousand five hundred dollars (\$3,500.00) pursuant to a stipulation and order dated August 19, 2010 for inspection findings of July 22, 2008 and

October 1, 2008 for violations of 10 NYCRR Sections 763.4(h) – Policies and Procedures of Service Delivery; 763.6(a) – Patient Assessment and Plan of Care; 763.6(b) – Patient Assessment and Plan of Care and 763.11(b) – Governing Authority.

McCauley-Seton Home Care Corporation was fined six thousand five hundred dollars (\$6,500.00) pursuant to a stipulation and order dated July 11, 2011 19, 2010 for inspection findings of December 17, 2009 for violations of 10 NYCRR Sections 763.4(h) – Policies and Procedures of Service Delivery; 763.6(b) – Patient Assessment and Plan of Care; 763.6(c) – Patient Assessment and Plan of Care; 763.6(e) – Patient Assessment and Plan of Care; 763.11(a) – Governing Authority; and 763.11(b) – Governing Authority.

McCauley-Seton Home Care Corporation was fined five thousand five hundred dollars (\$5,500.00) pursuant to a stipulation and order dated June 10, 2013 for inspection findings of September 15, 2011 for violations of 10 NYCRR Sections 763.11(b) – Governing Authority; 763.5(a) – Patient Referral, Admission and Discharge; 763.6(b) – Patient Assessment and Plan of Care; 763.6(c) – Patient Assessment and Plan of Care; and 763.7(a) – Clinical Records.

The information provided by the Division of Home and Community Based Services has indicated that the applicant has provided sufficient supervision to prevent harm to the health, safety and welfare of residents and to prevent recurrent code violations.

Residential Health Care Facilities:

Our Lady of Mercy Life Center was fined two thousand dollars (\$2,000.00) pursuant to a stipulation and order dated August 16, 2010 for inspection findings of June 1, 2009 for violations 10 NYCRR Section 415.12 – Quality of Care.

St. Francis Home of Williamsville was fined ten thousand dollars (\$10,000.00) pursuant to a stipulation and order dated January 18, 2012 for inspection findings of October 28, 2010 for violations 10 NYCRR Section 415.12 – Quality of Care Highest Practicable Potential.

St. Francis Home of Williamsville was fined two thousand dollars (\$2,000.00) pursuant to a stipulation and order dated January 10, 2012 for inspection findings of January 24, 2011 for violations 10 NYCRR Section 415.12 – Quality of Care Highest Practicable Potential.

Adirondack Medical Center – Mercy was fined \$2,000 pursuant to a stipulation and order signed by the facility on September 1, 2014 for inspection findings of August 13, 2008, August 20, 2009 and October 1, 2009 for violations of 10 NYCRR 415.12(h)(1)(2) Quality of Care: Accidents and Supervision. 415.12(l)(1) Quality of Care: Nutritional Status, 415.12(h)(l)(2), 415.26 Administration, 415.27(a-c) Quality Assessment and Assurance.

Adirondack Medical Center – Uihlein was fined twenty thousand dollars \$20,000 pursuant to a stipulation and order signed by the facility September 1, 2014 for inspection findings of August 8, 2008, September 28, 2009, January 22, 2010 and March 22, 2011 for violations of 10 NYCRR:

- August 8, 2008 – 10 NYCRR Section 415.3(e)(2)(ii)(b) Notification of Changes, 415.11(c)(3)(i) Comprehensive Care Plans, 415.12(l)(1) Quality of Care: Unnecessary Drugs, 415.12(m)(2) Quality of Care: Medication Errors, 415.15(b)(1)(i)(ii) Physician Services, 415.26 Administration, 415.18(a) Pharmacy Services, 415.26(b)(3)(1) Governing Body, 415.15(a) Medical Director, and 415.27(a-c) Quality Assessment and Assurance.
- September 28, 2009 and January 22, 2010 – 10 NYCRR Section 415.12(h)(1)(2) Quality of Care: Accidents and Supervision, and 415.12 Quality of Care: Highest Practical Potential.
- March 22, 2011 – 10 NYCRR 415.4(b)(1)(ii) Investigate/Report Allegations and 415.26 Administration.

The Information provided by the Bureau of Quality Assurance for Nursing Homes has indicated that the residential health care facilities reviewed have provided sufficient supervision to prevent harm to the health, safety and welfare of residents and to prevent recurrent code violations.

Hospitals and Diagnostic & Treatment Centers:

The information provided by the Division of Hospitals and Diagnostic & Treatment Centers has indicated that the applicant has provided sufficient supervision to prevent harm to the health, safety and welfare of residents and to prevent recurrent code violations.

Managed Long Term Care Plans and Pace Programs:

The information provided by the Office of Managed Care has indicated that the MLTC plan has provided sufficient supervision to prevent harm to the health, safety and welfare of patients and to prevent recurrent code violations.

Responses were received from the states listed above with the exception of the States of Iowa and Maryland. Although the responses received from each of these states did not include all of the health care facility located in each respective state, the responses received indicated that entities in these jurisdictions have exercised sufficient supervisory responsibility to protect the health, safety and welfare of patients. The applicant provided sufficient evidence that they made an adequate effort to obtain out of state compliance for each health care facility located outside of New York State.

A review of all personal qualifying information indicates there is nothing in the background of the proposed members and managers to adversely affect their positions in the organization. The applicant has the appropriate character and competence under Article 36 of the Public Health Law.

Recommendation

From a programmatic perspective, 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.

BFA Attachment B is the pro-forma balance sheet of Home Aide Service of Eastern New York, Inc., which shows on the first day of operations, therefore maintaining positive working capital.

BFA Attachment C is the financial summary of the Home Aide Service of Eastern New York, Inc., which has maintained positive net asset positions, and experienced a net loss from operations in 2013 and as of February, 28, 2014. Home Aide Service of Eastern New York, Inc. is a part of the Eddy Affiliates who absorbs the net losses through their operations as shown on BFA Attachment C. The net losses are attributed to the conversion of the Long Term Health Program to manage care.

BFA Attachment D is the financial summary for the eight months ended as of February 28, 2014, for the CHE Trinity Health, Inc., which has maintained positive working capital, net asset position, and a net profit from operations of \$212,967,000. The financial statements for Catholic Health East and Trinity Health were combined as of July 1, 2013, to begin the current fiscal year in anticipation of the merger.

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

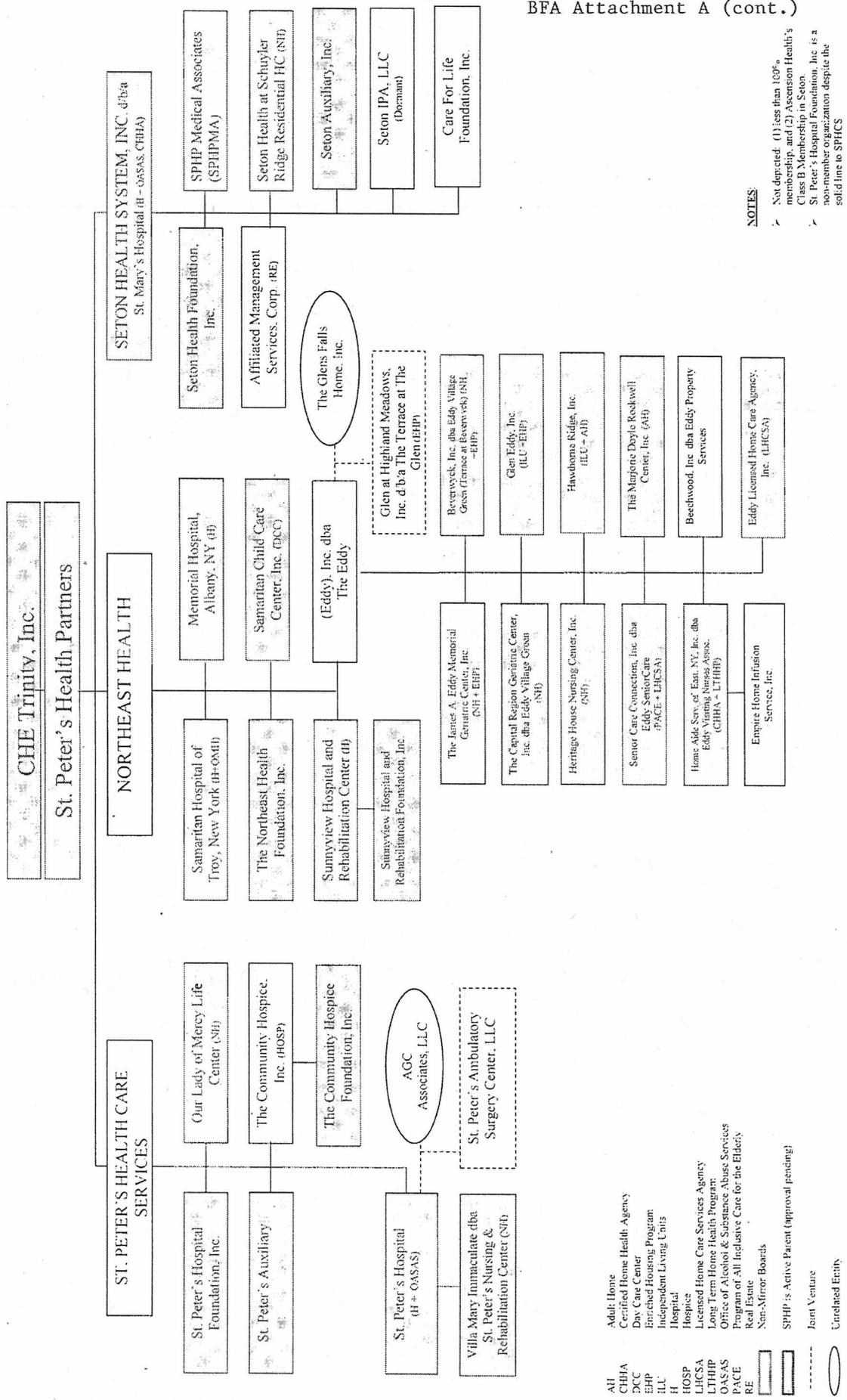
From a financial perspective, approval is recommended.

Attachments

BFA Attachment A	Organizational Chart
BFA Attachment B	Pro-forma Balance Sheet
BFA Attachment C	Financial Summaries for Home Aide Service of Eastern New York, Inc. 2013 and the eight months ended 2/28/2014
BFA Attachment D	Financial Summary for CHE Trinity Health- The eight months ended 2/28/2014

CONFIDENTIAL

POST-MERGER ORGANIZATIONAL CHART



Project #141082
BFA Attachment A (cont.)

NOTES
- Not depicted (1) less than 100% membership, and (2) Ascension Health's Class B Membership in Seton
- St. Peter's Hospital Foundation, Inc. is a non-member organization despite the solid line to SPHCs

- Adult Home
- CHHA
- DCC
- EHP
- ILC
- H
- HOSP
- LHCSA
- LTHHP
- OASAS
- PACE
- RE
- Real Estate
- Non-Mirror Boards
- SPHP is Active Parent (approval pending)
- Joint Venture
- Unrelated Entity

Home Aide Service of Eastern New York, Inc. d/b/a Eddy VNA
Balance Sheet at December 31, 2013

12/31/2013

ASSETS

Current Assets

Cash	3,146,312
Restricted Cash - Foundation	120,285
Investments	2,158,447
Accounts Receivable	3,559,643
Allowance for Bad Debts	(317,694)
Grants	17,809
Due to/from Affiliates	2,052,345
Interest in NeH Foundation	317,596
Other Assets including prepaids	<u>46,027</u>
<i>Total Current Assets</i>	11,100,770

Plant, Property & Equipment

Plant, Property & Equipment	2,599,348
Accumulated Depreciation	<u>(1,655,420)</u>
<i>Total PP&E</i>	943,928

Long Term Investments-Designated

62,902

Total Assets

12,107,600

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable	246,053
Accrued Payroll	1,952,511
Accrued Benefit Payables	398
Accrued Other Payroll Deductions	473,440
Other Current Liabilities	209,901
Due to (from) Third Parties	<u>589,492</u>
<i>Total Current Liabilities</i>	3,471,795

Accrued Malpractice Insurance

64,060

Accrued Workers Comp

9,510

Accrued Pension Liability

233,893

Total Non-Current Liabilities

307,463

Unrestricted Net Assets

7,827,461

Temporarily Restricted Net Assets

437,979

Permanently Restricted

62,902

Total Net Assets

8,328,342

Liabilities and Net Assets

12,107,600

Eddy VNA
Balance Sheet at

02/28/2014

	EVNA	EHIS	ELHCA	Eliminations	Consolidated	08/30/2013 Consolidated
ASSETS						
<i>Current Assets</i>						
Cash	3,101,530	402,757	134,251		3,638,538	3,610,316
Restricted Cash - Foundation*	88,847				88,847	204,890
Investments	2,171,063				2,171,063	1,963,946
Accounts Receivable	3,811,571	932,848	172,384		4,916,703	4,710,827
Allowance for Bad Debts	(325,882)	(152,819)	(5,285)		(483,986)	(488,715)
Grants	7,169				7,169	15,439
Due to/from Affiliates	2,069,841	(8,191)	(366,343)	(2,040,067)	(343,950)	(488,692)
Inventory - Infusion		41,282			41,282	68,909
Inventory - DME		51,835			51,835	58,709
Interest in NcH Foundation*	321,487				321,487	318,355
Other Assets Including prepaids	127,261	125,542	(1,813)		251,190	54,171
Total Current Assets	11,369,477	1,392,554	(85,587)	(2,040,067)	10,656,877	10,068,154
<i>Plant, Property & Equipment</i>						
Plant, Property & Equipment	2,599,348	4,427,233			7,026,581	6,839,042
Accumulated Depreciation	(1,721,228)	(2,861,780)			(4,583,008)	(4,022,845)
Total PP&E	878,122	1,465,453			2,343,573	2,816,197
<i>Long Term Investments-Designated</i>	62,902				62,902	62,902
Total Assets	12,310,501	2,858,307	(85,587)	(2,040,067)	13,063,154	12,786,248
LIABILITIES AND NET ASSETS						
<i>Current Liabilities</i>						
Accounts Payable	128,499	312,513	(878)		440,234	500,569
Accrued Payroll	2,157,532	203,850	24,192		2,385,574	1,967,169
Accrued Benefit Payables	5,574		702		6,276	10,632
Accrued Other Payroll Deductions	545,243	(8)			545,235	407,270
Other Current Liabilities	243,321	48,415			291,736	159,580
Due to Related Parties						
Due to (from) Medicare/Medicaid - TPL Project	378,861				378,861	191,405
Due to (from) Medicare	288,174	12,825			300,999	294,457
Due to (from) Medicaid	(8,402)				(8,402)	80,790
Total Current Liabilities	3,738,602	574,895	24,016		4,337,213	3,869,071
Accrued Malpractice Insurance	85,444	21,081			86,525	87,859
Accrued Workers Comp	38,666	333,389			370,027	208,532
Accrued Pension Liability	208,440	(110,895)	5,328		100,871	507,432
Total Non-Current Liabilities	308,562	243,545	5,328		657,423	803,823
<i>Unrestricted Net Assets:</i>						
Net Assessments						
Net Assets	7,782,862	2,283,537	(78,415)	(2,283,537)	7,710,277	7,887,211
Net Assets - Current Year	5,851	(243,470)	(18,514)	243,470	(12,863)	43,068
Total Unrestricted	7,782,343	2,040,067	(94,929)	(2,040,067)	7,697,414	7,710,277
<i>Temporarily Restricted Net Assets:</i>						
Interest in NcH Foundation*	408,202				408,202	528,178
Total Temp Restricted	408,202				408,202	528,178
<i>Permanently Restricted</i>						
	62,902				62,902	62,902
Total Net Assets	8,283,447	2,040,067	(94,929)	(2,040,067)	8,168,518	8,302,355
Liabilities and Net Assets	12,310,501	2,858,307	(85,587)	(2,040,067)	13,063,154	12,786,248
Net Assets 6/30/13:						
Net Assets 6/30/13:	8,378,770	2,283,537	(78,415)	(2,283,537)	8,302,355	
Gain/(Loss) YTD	6,851	(243,470)	(18,514)	243,470	(12,863)	
Pension						
Change in Interest in Foundation YTD	(120,874)				(120,874)	
Grant Related Capital Items						
Net Assets this month:	8,283,447	2,040,067	(94,929)	(2,040,067)	8,168,518	
FINANCIAL RATIOS-Current Month						
Days Cash on Hand	33.64	18.79	45.98			
Current Ratio	3.04	2.42	(2.73)			
Equity Ratio	67.13%	71.37%	144.74%			

EDDY VNA -Consolidated
Statement of Revenues and Expenses
February 28, 2014

CURRENT			YEAR-TO-DATE			
<u>ACTUAL</u>	<u>BUDGET</u>	<u>DIFF</u>		<u>ACTUAL</u>	<u>BUDGET</u>	<u>DIFF</u>
			REVENUE:			
2,014,353	1,798,838	215,515	CHHA Net	16,364,854	15,532,728	832,126
368,201	671,014	(302,813)	LTHHCP Net	4,421,443	5,728,033	(1,306,590)
152,924	149,414	3,510	Eddy Lifeline Net	1,228,195	1,282,500	(54,305)
40,876	35,060	5,816	Eddy RSAP Net	335,889	301,198	34,691
7,930	6,120	1,810	Eddy THC Net	70,298	52,573	17,725
<u>(39,615)</u>	<u>(40,476)</u>	<u>861</u>	Bad Debt	<u>(231,628)</u>	<u>(348,185)</u>	<u>116,567</u>
2,544,669	2,619,970	(75,301)	<i>Net Patient Revenue</i>	22,187,051	22,548,837	(361,786)
5,976	69,617	(63,641)	Grant Revenue	225,242	602,870	(377,628)
1,153	954	199	Other Operating Revenue	13,149	8,126	5,023
<u>(31,542)</u>	<u>(67,019)</u>	<u>35,477</u>	EHIS Distribution	<u>(243,489)</u>	<u>(240,103)</u>	<u>(3,386)</u>
2,520,268	2,623,522	(103,268)	<i>Total Net Revenue</i>	22,181,973	22,919,730	(737,757)
			EXPENSE:			
1,837,855	1,855,197	(17,342)	Salaries	15,534,287	15,869,137	(334,850)
338,595	350,278	(13,681)	Fringes	2,818,263	3,035,134	(216,871)
2,575	902	1,673	Physician Fees	13,689	7,741	5,948
163,239	181,024	(17,785)	Prof Fees & Purch Services	1,454,001	1,576,638	(122,637)
12,177	35,851	(23,674)	Medical Supplies/Vaccines	248,962	307,853	(58,891)
32,903	30,832	2,071	Depreciation	261,124	268,727	(7,603)
5,020	6,941	(1,921)	Insurance	33,440	58,295	(24,855)
<u>253,908</u>	<u>294,560</u>	<u>(40,654)</u>	Other	<u>2,301,457</u>	<u>2,531,721</u>	<u>(230,264)</u>
2,644,270	2,755,583	(111,313)	<i>Total Expense</i>	22,665,223	23,655,246	(990,023)
<u>(124,014)</u>	<u>(132,061)</u>	<u>8,047</u>	<i>Current Gain (Loss)</i>	<u>(483,250)</u>	<u>(735,516)</u>	<u>252,266</u>
53,664	7,238	46,426	NOR - Investment	187,538	59,895	127,643
<u>(70,350)</u>	<u>(124,823)</u>	<u>54,473</u>	<i>Net Gain (Loss)</i>	<u>(295,712)</u>	<u>(675,621)</u>	<u>379,909</u>
<u>-4.87%</u>	<u>-5.04%</u>	<u>0.17%</u>	Operating Margin	<u>-2.18%</u>	<u>-3.26%</u>	<u>1.08%</u>
			Gains/(Losses):			
(85,458)	(52,970)	(32,488)	CHHA	(53,892)	(358,495)	304,603
(49,494)	(36,323)	(13,171)	LTHHCP	(437,013)	(347,922)	(89,091)
38,111	24,464	11,647	Eddy Lifeline	220,856	211,574	9,282
(944)	(5,863)	4,719	Eddy RSAP	(34,358)	(47,388)	13,030
7,314	5,450	1,864	Eddy THC Program	64,626	48,817	17,809
<u>(31,542)</u>	<u>(67,019)</u>	<u>35,477</u>	EHIS Distribution	<u>(243,489)</u>	<u>(240,102)</u>	<u>(3,387)</u>
(124,014)	(132,061)	8,047	<i>Operating Gain/Loss</i>	<u>(483,250)</u>	<u>(735,516)</u>	<u>252,266</u>
53,664	7,238	46,426	NOR	187,538	59,895	127,643
<u>(70,350)</u>	<u>(124,823)</u>	<u>54,473</u>	<i>Gain/(Loss)</i>	<u>(295,712)</u>	<u>(675,621)</u>	<u>379,909</u>

**St. Peter's Health Partners
Consolidating Balance Sheet
Six months ended June 30, 2013**

Project #141082
BFA Attachment C (cont.)

	St. Peter's Health Partners	St. Peter's Health Care Services, Inc.	Northeast Health	Seton Health	St. Peter's Health Partners Medical Associates	St. Peter's Health Partners Corporate	St. Peter's Health Partners Eliminations
<i>(in thousands of dollars)</i>							
Assets							
Current assets							
Cash and cash equivalents	\$104,027	\$31,087	\$56,712	\$10,799	\$2,831	\$2,598	\$ -
Investments	153,571	39,404	64,815	48,047	-	1,305	-
Marketable securities whose use is limited	261	-	2	259	-	-	-
Patient accounts receivable, less allowance for doubtful accounts of \$61,150 for 2013	120,442	59,412	40,207	10,249	10,905	-	(331)
Estimated third party receivables	5,358	-	5,180	178	-	-	-
Other accounts receivable	16,350	17,582	8,783	1,244	(10,116)	(940)	(203)
Prepaid expenses and inventories	17,629	9,265	6,409	2,118	488	1,584	(2,234)
Total current assets	417,638	156,750	182,108	72,894	4,108	4,547	(2,768)
Marketable securities and investments whose use is limited							
Board-designated funds	126,305	36,450	60,392	29,463	-	-	-
Trustee-held funds	40,985	37,575	3,410	-	-	-	-
Donor-restricted funds	53,679	8,528	42,075	3,076	-	-	-
Investments	30,387	28,091	2,097	199	-	-	-
Total marketable securities and investments whose use is limited	251,356	110,644	107,974	32,738	-	-	-
Property and equipment, net	673,895	365,079	183,351	30,225	6,283	88,957	-
Goodwill	1,697	-	-	-	1,283	414	-
Investment in unconsolidated organization	1,159	1,159	-	-	-	-	-
Posted collateral on interest rate swaps	474	-	474	-	-	-	-
Other assets	72,376	41,673	25,175	6,708	742	(1,922)	-
Total assets	\$1,418,595	\$675,305	\$499,082	\$142,565	\$12,416	\$91,996	(\$2,768)

St. Peter's Health Partners
Consolidating Balance Sheet, continued
Six months ended June 30, 2013

Project #141082
 BFA Attachment C (cont.)

	St. Peter's Health Partners	St. Peter's Health Care Services, Inc.	Northeast Health	Seton Health	St. Peter's Health Partners Medical Associates	St. Peter's Health Partners Corporate	St. Peter's Health Partners Eliminations
<i>(in thousands of dollars)</i>							
Liabilities and Net Assets							
Current liabilities							
Current portion of long-term debt	\$54,884	\$8,788	\$3,798	\$42,298	\$-	\$-	\$-
Accounts payable and accrued expenses	96,075	44,637	32,550	11,610	4,613	3,199	(534)
Estimated third-party payables	31,813	12,527	12,748	6,538	-	-	-
Other current liabilities	19,219	6,429	9,097	2,866	310	2,751	(2,234)
Total current liabilities	201,991	72,381	58,193	63,312	4,923	5,950	(2,768)
Long-term debt, net	299,618	246,678	52,940	-	-	-	-
Other liabilities	21,655	8,815	7,701	5,139	-	-	-
Pension liabilities	20,584	2,160	17,824	600	-	-	-
Insurance liabilities	48,793	29,977	13,861	4,955	-	-	-
Refundable entrance fees and unearned entrance fees	49,951	-	49,951	-	-	-	-
Total liabilities	642,592	360,011	200,470	74,006	4,923	5,950	(2,768)
Net assets							
Unrestricted	695,862	302,606	234,476	65,241	7,493	86,046	-
Temporarily restricted	52,920	5,276	44,848	2,796	-	-	-
Permanently restricted	27,221	7,412	19,287	522	-	-	-
Total net assets	776,003	315,294	298,612	68,559	7,493	86,046	-
Total liabilities and net assets	\$1,418,595	\$675,305	\$499,082	\$142,565	\$12,416	\$91,996	(\$2,768)

St. Peter's Health Partners
Consolidating Statement of Operations and Changes in Net Assets
Six months ended June 30, 2013

(in thousands of dollars)

	St. Peter's Health Partners	St. Peter's Health Care Services, Inc.	Northeast Health	Seton Health	St. Peter's Health Partners Medical Associates	St. Peter's Health Partners Corporate	St. Peter's Health Partners Eliminations
Unrestricted revenue, gains and other support							
Net patient service revenue, net of provision for bad debts of \$24,552	\$534,597	\$268,429	\$177,666	\$58,679	\$31,553	\$ -	(\$1,730)
Other operating revenue	34,043	8,388	20,336	1,848	3,272	19,160	(18,961)
Unrestricted contributions	2,024	1,034	945	45	-	-	-
Net assets released from restrictions used for operations	784	538	193	23	-	30	-
Total unrestricted revenues, gains and other support	571,448	278,389	199,140	60,595	34,825	19,190	(20,691)
Expenses							
Salaries, wages and benefits	318,336	129,140	114,498	37,711	30,473	6,489	25
Medical supplies	84,449	54,163	23,605	5,113	1,568	-	-
Purchased services, professional fees and other expenses	114,506	59,391	41,951	15,563	6,259	12,058	(20,716)
Depreciation and amortization	33,582	17,372	11,327	1,525	906	2,452	-
Interest	8,115	6,627	1,197	291	-	-	-
Insurance	4,431	2,335	757	757	501	81	-
Restructuring costs	107	-	(37)	(181)	-	325	-
Total operating expenses	563,526	269,028	193,298	60,779	39,707	21,405	(20,691)
Operating income (loss)	7,922	9,361	5,842	(184)	(4,882)	(2,215)	-
Non-operating gains							
Investment returns, net	14,051	3,541	6,362	4,063	-	86	-
Other gains	123	-	8	115	-	-	-
Change in fair value of interest rate swaps	1,756	229	1,527	-	-	-	-
Total non-operating gains	15,930	3,770	7,897	4,178	-	86	-
Excess (deficit) of revenues over expenses	\$23,852	\$13,131	\$13,739	\$3,994	(\$4,882)	(\$2,129)	\$ -

Northeast Health – Eddy Affiliates
Consolidating Balance Sheet
Six months ended June 30, 2013

Project #141082
 BFA Attachment C (cont.)

	EDDY AFFILIATES	EDDY Affiliates Eliminations	LTC (Eddy), Inc. dba Eddy (L.TCC)	Sunnyview Hospital & Rehabilitation Center (SVRH)	The James A. Eddy Memorial Geriatric Center (EMGC)	The Capital Reg Geriatric Cntr, Inc (EVG)	Heritage House Nursing Center (HHNC)	The Marjorie Doyle Rockwell Center, Inc. (ROCK)	Beverlywyck, Inc. (BYWK)
<i>(in thousands of dollars)</i>									
Assets									
Current assets									
Cash and cash equivalents	\$37,378	\$-	\$3,957	\$988	\$1,623	\$7,569	\$364	\$2,093	\$8,566
Investments	36,687	-	2,495	13,612	5,915	-	-	4,598	4,452
Marketable securities whose use is limited	2	-	-	-	-	-	-	-	1
Patient accounts receivable, less allowance for doubtful accounts of \$14,155 for 2013	15,431	-	-	6,403	776	1,743	2,041	-	128
Estimated third party receivables	5,180	-	-	-	-	5,180	-	-	-
Other accounts receivable	595	(12,087)	13,813	271	71	(42)	(1,981)	(94)	607
Prepaid expenses and inventories	1,305	-	-	290	113	90	64	26	243
Total current assets	96,578	(12,087)	20,265	21,564	8,498	14,540	488	6,623	13,997
Marketable securities and investments whose use is limited									
Board-designated funds	10,008	-	40	2,999	2,226	-	-	-	3,500
Trustee-held funds	3,410	-	-	-	-	2,617	-	-	535
Donor-restricted funds	40,416	-	-	604	38,577	-	-	643	-
Total marketable securities and investments whose use is limited	53,834	-	40	3,603	40,803	2,617	-	643	4,035
Property and equipment, net	112,327	-	-	13,370	7,420	32,778	2,101	2,831	19,295
Posted collateral on interest rate swaps	474	-	-	474	-	-	-	-	-
Other assets	11,893	(7,034)	2,201	5,670	18	2,220	49	16	7,686
Total assets	\$275,106	(\$19,121)	\$22,506	\$44,681	\$56,739	\$52,155	\$2,638	\$10,113	\$45,013

Northeast Health – Eddy Affiliates
Consolidating Balance Sheet, continued
Six months ended June 30, 2013

	Hawthorne Ridge, Inc. (HTHN)	Glen Eddy, Inc. (GLEN)	Beechwood Inc. dba Eddy Property Svcs.	Senior Care Connection, Inc. (ESCS)	Home Aide Serv of East NY, Inc. (EVNA)	Empire Home Infusion Svcs., Inc. (EHIS)	Eddy Licensed Home Care Agency	EVNA Eliminations
Assets								
Current assets								
Cash and cash equivalents	\$2,895	\$993	\$2,574	\$1,941	\$3,484	\$305	\$26	\$ -
Investments	1,865	737	1,029	-	1,984	-	-	-
Marketable securities whose use is limited	-	1	-	-	-	-	-	-
Patient accounts receivable, less allowance for doubtful accounts of \$14,155 for 2013	-	-	-	126	3,281	873	60	-
Estimated third party receivables	-	-	-	-	-	-	-	-
Other accounts receivable	179	377	94	(159)	2,035	(49)	(156)	(2,284)
Prepaid expenses and inventories	37	217	6	8	53	155	3	-
Total current assets	4,976	2,325	3,703	1,916	10,837	1,284	(67)	(2,284)
Marketable securities and investments whose use is limited								
Board-designated funds	-	1,000	180	-	63	-	-	-
Trustee-held funds	258	-	-	-	-	-	-	-
Donor-restricted funds	-	-	-	592	-	-	-	-
Total marketable securities and investments whose use is limited	258	1,000	180	592	63	-	-	-
Property and equipment, net	12,369	14,151	4,544	852	1,070	1,546	-	-
Posted collateral on interest rate swaps	-	-	-	-	-	-	-	-
Other assets	6	126	617	2	316	-	-	-
Total assets	\$17,609	\$17,602	\$9,044	\$3,362	\$12,286	\$2,830	(\$67)	(\$2,284)

Northeast Health – Eddy Affiliates
Consolidating Balance Sheet, continued
Six months ended June 30, 2013

Project #141082
 BFA Attachmetn C (cont.)

	EDDY AFFILIATES	EDDY Affiliates Eliminations	LTC (Eddy), Inc. dba The Eddy (LTCC)	Sunnyview Hospital & Rehabilitation Center (SVRH)	The James A. Eddy Memorial Geriatric Center (EMGC)	The Capital Reg Geriatric Cntr, Inc (EVG)	Heritage House Nursing Center (HHNC)	The Marjorie Doyle Rockwell Center, Inc. (ROCK)	Beverwyck, Inc. (BVWVK)
<i>(in thousands of dollars)</i>									
Liabilities and Net Assets									
Current liabilities									
Current portion of long-term debt	\$1,904	(\$768)	\$-	\$325	\$-	\$795	\$191	\$-	\$500
Accounts payable and accrued expenses	11,618	-	3	3,659	661	1,127	639	105	472
Estimated third party payables	2,514	-	-	589	552	312	24	-	(7)
Other current liabilities	5,242	-	-	220	98	2,481	(32)	14	1,365
Total current liabilities	21,278	(768)	3	4,793	1,311	4,715	822	119	2,330
Long-term debt, net	50,545	(10,957)	-	10,075	-	28,485	-	-	3,700
Other liabilities	3,648	(7,396)	-	1,374	-	2,364	1,163	-	142
Pension liabilities	8,603	-	-	6,181	393	748	336	107	112
Insurance liabilities	2,241	-	-	355	(12)	618	409	187	14
Refundable entrance fees and unearned entrance fees	49,951	-	-	-	-	-	-	-	28,966
Total liabilities	136,266	(19,121)	3	22,778	1,692	36,930	2,730	413	35,264
Net assets									
Unrestricted	91,070	-	22,223	18,277	16,277	13,603	(148)	8,796	9,005
Temporarily restricted	31,786	-	280	1,139	27,614	605	56	170	228
Permanently restricted	15,984	-	-	2,487	11,156	1,017	-	734	516
Total net assets	138,840	-	22,503	21,903	55,047	15,225	(92)	9,700	9,749
Total liabilities and net assets	\$275,106	(\$19,121)	\$22,506	\$44,681	\$56,739	\$52,155	\$2,638	\$10,113	\$45,013

Northeast Health – Eddy Affiliates
Consolidating Balance Sheet, continued
Six months ended June 30, 2013

	Hawthorne Ridge, Inc. (HTHN)	Glen Eddy, Inc. (GLEN)	Beechwood Inc. dba Eddy Property Svcs.	Senior Care Connection, Inc. (ESCS)	Home Aide Serv of East NY, Inc. (EVNA)	Empire Home Infusion Svcs, Inc. (EHIS)	Eddy Licensed Home Care Agency	EVNA Eliminations
Liabilities and Net Assets								
Current liabilities								
Current portion of long-term debt	\$280	\$581	\$-	\$-	\$-	\$-	\$-	\$-
Accounts payable and accrued expenses	299	291	12	1,414	2,400	527	9	-
Estimated third party payables	-	-	-	478	560	6	-	-
Other current liabilities	396	508	6	30	138	18	-	-
Total current liabilities	975	1,380	18	1,922	3,098	551	9	-
Long-term debt, net	8,285	9,586	1,371	-	-	-	-	-
Other liabilities	3,369	196	-	2,435	-	1	-	-
Pension liabilities	41	59	-	119	571	(64)	-	-
Insurance liabilities	9	6	6	353	238	58	-	-
Refundable entrance fees and unearned entrance fees	5,339	15,646	-	-	-	-	-	-
Total liabilities	18,018	26,873	1,395	4,829	3,907	546	9	-
Net assets								
Unrestricted	(648)	(10,141)	7,599	(1,484)	7,787	2,284	(76)	(2,284)
Temporarily restricted	234	864	50	17	529	-	-	-
Permanently restricted	5	6	-	-	63	-	-	-
Total net assets	(409)	(9,271)	7,649	(1,467)	8,379	2,284	(76)	(2,284)
Total liabilities and net assets	\$17,609	\$17,602	\$9,044	\$3,362	\$12,286	\$2,830	(\$67)	(\$2,284)

(in thousands of dollars)

Northeast Health – Eddy Affiliates
Consolidating Statement of Operations and Changes in Net Assets
Six months ended June 30, 2013

(in thousands of dollars)

	EDDY AFFILIATES	EDDY Affiliates Eliminations	LTC (Eddy), Inc. dba The Eddy (LTC)	Sunnyview Hospital & Rehabilitation Center (SVRH)	The James A. Eddy Memorial Geriatric Center (EMGC)	The Capital Reg Geriatric Cntr, Inc (EVG)	Heritage House Nursing Center (HHNC)	The Marjorie Doyle Rockwell Center, Inc. (ROCK)	Beverlywyck, Inc. (BVWK)
Unrestricted revenue, gains and other support									
Net patient service revenue, net of provision for bad debts of \$609	\$72,217	(\$225)	\$ -	\$23,081	\$3,930	\$10,559	\$5,983	(\$18)	\$1,552
Other operating revenue	16,072	(471)	-	920	1,816	45	88	1,933	4,897
Unrestricted contributions	963	-	752	187	1	2	1	-	-
Net assets released from restrictions used for operations	83	-	-	(1)	4	3	3	15	-
Total unrestricted revenues, gains and other support	89,335	(696)	752	24,187	5,751	10,609	6,075	1,930	6,449
Expenses									
Salaries, wages and benefits	53,888	6	-	15,456	3,561	6,025	4,307	1,082	2,330
Medical supplies	4,247	(19)	-	1,776	109	186	318	11	24
Purchased services, professional fees and other expenses	19,814	(683)	228	4,293	1,413	1,955	1,230	393	1,879
Depreciation and amortization	5,589	-	-	746	366	1,167	300	229	972
Interest	1,072	(138)	-	276	-	588	37	-	50
Insurance	378	-	-	143	23	41	19	11	26
Restructuring expenses	5	-	-	-	-	-	-	-	-
Total operating expenses	85,003	(834)	228	22,690	5,472	9,962	6,211	1,726	5,281
Operating income (loss)	4,332	138	524	1,497	279	647	(136)	204	1,168
Non-operating gains (losses)									
Investment returns, net	2,344	(138)	271	831	321	3	(2)	250	484
Other changes	6	-	-	(3)	(8)	-	-	-	-
Change in fair value of interest rate swaps	1,527	-	-	613	-	932	-	-	-
Total non-operating gains (losses)	3,877	(138)	271	1,441	313	935	(2)	250	484
Excess (deficit) of revenues over expenses	\$8,209	\$ -	\$795	\$2,938	\$592	\$1,582	(\$138)	\$454	\$1,652

Northeast Health – Eddy Affiliates
Consolidating Statement of Operations and Changes in Net Assets, continued
Six months ended June 30, 2013

(in thousands of dollars)

	Hawthorne Ridge, Inc. (HTHN)	Glen Eddy, Inc. (GLEN)	Beechwood Inc. dba Eddy Property Svcs.	Senior Care Connection, Inc. (ESCS)	Home Aide Serv of East NY, Inc. (EVNA)	Empire Home Infusion Svcs., Inc. (EHIS)	Eddy Licensed Home Care Agency	EVNA Eliminations
Unrestricted revenue, gains and other support								
Net patient service revenue, net of provision for bad debts of \$609	\$ -	\$ -	\$ -	\$6,359	\$16,768	\$4,087	\$255	(\$114)
Other operating revenue	2,963	3,141	462	133	332	1	-	(188)
Unrestricted contributions	-	-	-	-	20	-	-	-
Net assets released from restrictions used for operations	3	-	-	3	53	-	-	-
Total unrestricted revenues, gains and other support	2,966	3,141	462	6,495	17,173	4,088	255	(302)
Expenses								
Salaries, wages and benefits	1,361	1,222	12	3,039	13,744	1,613	217	(87)
Medical supplies	10	1	-	645	207	1,006	-	(27)
Purchased services, professional fees and other expenses	853	1,301	126	2,874	2,981	917	54	-
Depreciation and amortization	332	631	167	110	243	336	-	-
Interest	164	95	-	-	-	-	-	-
Insurance	17	16	15	10	37	20	-	-
Restructuring expenses	-	5	-	-	-	-	-	-
Total operating expenses	2,737	3,271	320	6,678	17,212	3,892	271	(114)
Operating income (loss)	229	(130)	142	(183)	(39)	196	(16)	(188)
Non-operating gains								
Investment returns, net	102	41	74	-	111	(4)	-	-
Other changes	17	-	-	-	-	-	-	-
Change in fair value of interest rate swaps	(18)	-	-	-	-	-	-	-
Total non-operating gains	101	41	74	-	111	(4)	-	-
Excess (deficit) of revenues over expenses	\$330	(\$89)	\$216	(\$183)	\$72	\$192	(\$16)	(\$188)

St. Peter's Health Partners - February 2014
NM Balance Sheet

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(In Thousands)

	FEB 14	JAN 14	JUN 13
ASSETS			
Current Assets:			
Cash and cash equivalents	108,887	126,457	104,026
Investments	167,313	161,940	153,570
Security lending collateral	-	-	-
Assets limited as to use:			
Held by trustee under bond indentures	313	316	261
Self insurance, benefit plans and other	-	0	-
By Board	3,343	3,414	4,881
By donors	3,656	3,730	3,192
Assets limited as to use, current portion	-	-	-
Patient account receivables	394,455	363,653	377,272
Allowance for charity	(2,829)	(2,829)	(2,829)
Allowance for contractual adjustments	(200,865)	(187,639)	(192,850)
Allowance for doubtful accounts	(61,400)	(59,800)	(61,150)
Patient accounts receivable, net	129,381	115,384	120,443
Est. receivables from third-party payors	7,834	7,616	5,358
Intercompany receivables	3,446	1,867	2,248
Other receivables	13,606	12,431	9,223
Inventories	10,002	10,223	10,144
Prepaid expenses and other current assets	8,919	10,457	7,955
Total current assets	455,025	450,105	418,109
Assets limited or restricted as to use:			
Held by trustee under bond indentures	41,892	40,314	40,985
Self insurance, benefit plans, and other	29,146	28,777	25,163
By Board	131,184	129,039	126,305
By donor	65,399	66,387	62,037
Assets limited or restricted as to use	267,622	264,518	254,491
Other Assets:			
Property and equipment, net	663,004	665,783	673,896
Investments	36,219	34,648	30,387
Investments in unconsolidated affiliates	1,277	1,273	1,159
Excess cost over net asset acquisition	3,585	1,697	1,697
Other intangible assets	1,404	1,283	1,213
Other long term assets	40,105	40,201	37,020
Total Assets	\$1,466,242	\$1,459,508	\$1,417,972
LIABILITIES AND NET ASSETS			
Current Liabilities:			
Short term borrowings	54,858	54,946	54,884
Current portion of long term debt	46,468	46,776	45,968
Accounts Payable	17,674	16,610	21,029
Accrued expenses	62,730	62,128	48,298
Salaries, wages, and related liabilities	-	-	-
Obligation to return security lending collateral	-	-	-
Estimated payables to third party payors	46,452	43,683	37,528
Self insurance reserves	2,492	2,337	-
Total current liabilities	230,674	226,479	207,707
Long term debt, net of current portion	289,762	289,118	299,617
Self insurance reserves	53,506	52,607	48,169
Accrued pension and retiree health costs	4,116	5,240	20,584
Other long term liabilities	66,002	66,303	65,894
Total liabilities	644,061	639,747	641,971
Net Assets:			
Unrestricted net assets	738,354	734,949	695,860
Temporary restricted net assets	56,083	57,103	52,920
Permanently restricted net assets	27,744	27,710	27,221
Total net assets	822,181	819,761	776,001
Total liabilities and net assets	\$1,466,242	\$1,459,508	\$1,417,972

St. Peter's Health Partners - February 2014
Statement of Operations - Actual

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(In Thousands)

	Month			Year to Date				
	Actual	Budget	% Chg	Prior	Actual	Budget	% Chg	Prior
REVENUE								
Inpatient service revenue	101,788	100,946	0.8%	97,236	820,717	799,389	2.6%	801,339
Ambulatory service revenue	104,550	104,909	-0.3%	95,021	875,546	865,582	1.2%	804,002
Physician revenue	28,327	28,392	-0.2%	24,590	217,430	222,335	-2.2%	119,569
Long term care revenue	9,553	8,938	7.0%	9,600	82,576	75,927	8.8%	81,306
Home care revenue	7,662	7,576	1.1%	8,175	66,253	68,072	-2.7%	68,659
Total gross patient revenue	251,880	250,752	0.4%	234,622	2,062,523	2,031,805	1.5%	1,874,876
Less: Contractual allowances	161,115	159,625	0.9%	146,214	1,297,396	1,275,958	1.7%	1,167,558
Less: Operational adjustments	28	312	-91.2%	74	468	1,332	-64.9%	636
Less: Allow for self insurance benefits	1,222	1,238	-2.9%	1,931	22,171	14,175	56.4%	16,538
Less: Charity care at charges	4,387	2,848	54.0%	3,500	33,661	28,630	17.5%	(1,488)
Less: DSH and uncompensated care	85,128	86,708	-1.8%	82,902	708,828	711,701	-0.4%	663,315
Less: Provision for bad debts								
Total net patient service revenue	1,170	1,215	-3.7%	1,056	9,818	9,346	5.1%	5,472
Premium revenue	82	63	28.6%	134	954	643	48.3%	767
Operating investment income	126	128	-0.8%	60	1,167	770	51.6%	1,222
Restricted net assets released	98	114	-14.2%	110	612	832	-26.4%	705
Equity gains (losses) in unconsolidated	5,315	5,819	-8.6%	6,027	56,967	57,132	-0.3%	52,164
Other revenue	(6)			(2)	30			(75)
Total operating revenue	91,913	94,047	-2.3%	90,287	778,374	780,424	-0.3%	723,370
EXPENSES								
Salaries and wages	45,393	43,461	-4.4%	41,893	369,819	357,997	-3.3%	392,331
Employee benefits	6,363	8,568	-25.7%	7,211	65,102	67,951	7.1%	55,898
Contract labor	1,481	798	-85.7%	866	6,983	5,143	-35.8%	9,422
Total labor expenses	51,237	52,826	-0.8%	49,970	439,904	431,092	-2.0%	387,651
Supplies	15,565	15,402	-1.1%	14,523	131,022	127,575	-2.7%	123,202
Medical and professional fees	1,344	1,870	-28.1%	1,551	13,462	12,651	-6.4%	16,389
Purchased services	9,879	10,250	-3.6%	8,808	75,355	81,029	7.0%	68,854
Medical claims and capitated purchased services								
Depreciation and amortization	6,010	6,278	-4.3%	5,547	45,425	48,785	6.9%	41,184
Occupancy	4,523	4,322	4.6%	3,957	33,648	34,079	1.3%	28,618
Interest	1,331	1,360	-2.1%	1,339	11,139	11,342	1.8%	10,894
Insurance	1,659	1,013	63.8%	1,612	6,200	7,938	-21.9%	8,662
Other expenses	1,622	1,794	-9.6%	1,617	13,389	14,916	10.2%	15,787
Total expenses	95,171	95,116	0.1%	88,924	769,544	769,408	0.0%	701,242
Risk factors								
Op. inc. (loss) before consolidation costs	(3,257)	(1,069)	-204.9%	1,364	8,831	11,016	-19.8%	22,328
Consolidation costs								
Operating income (loss)	(3,257)	(1,069)	-204.9%	1,364	8,831	11,016	-19.8%	22,328
Non-operating items:								
Non-operating investment earnings	6,747	1,158	482.6%	1,187	24,853	9,618	158.4%	23,767
Equity gains (losses) in unconsolidated affiliates	(137)	(44)	-409.5%	232	(277)	255	100.0%	283
Non-operating derivatives	(45)	(41)	-9.6%	-	(334)	(323)	-3.2%	-
Other non-operating income (loss)	-	-	-	-	-	-	-	-
Non-controlling interest	-	-	-	-	-	-	-	-
Loss related to extinguishment of debt	-	-	-	-	-	-	-	-
Excess (Deficiency) of revenue over expenses	\$3,308	\$65	5,019.9%	\$3,783	\$33,074	\$20,325	63.7%	\$46,378

St. Peter's Health Partners - February 2014
Statement of Operations by Service Line - YTD

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(In Thousands)

	St. Peter's Health Partners	St. Peter's Health Care Services, Inc.	Northeast Health	Secon Health	St. Peter's Hlib Pm Medical Associates	St. Peter's Health Partners	St. Peter's Health Partners
REVENUE							
Inpatient service revenue	820,717	560,609	186,826	73,700	-	-	(417)
Ambulatory service revenue	875,546	453,128	296,632	125,785	-	-	-
Physician revenue	217,430	32,432	22,791	67,020	95,187	-	-
Long term care revenue	82,576	28,106	43,208	11,649	-	-	(386)
Home care revenue	66,253	25,156	42,267	-	-	-	(1,170)
Total gross patient revenue	2,062,523	1,099,431	591,725	278,155	95,187	-	(1,974)
Less: Contractual allowances	1,297,396	708,180	345,097	195,201	48,796	-	122
Less: Operational adjustments	468	466	4	(2)	-	-	-
Less: Allow for self insurance benefits	-	-	-	-	-	-	-
Less: Charity care at charges	22,171	12,347	5,905	3,918	-	-	-
Less: DSH and uncompensated care	-	-	-	-	-	-	-
Less: Provision for bad debts	33,661	12,828	13,723	6,140	971	-	-
Total net patient service revenue	708,828	365,610	226,996	72,897	45,420	-	(2,096)
Premium revenue	-	-	-	-	-	-	-
Capitation revenue	9,818	-	9,395	422	-	-	-
Operating investment income	954	825	27	102	-	-	-
Restricted net assets released	1,167	360	736	71	-	-	-
Equity gains (losses) in unconsolidated	612	612	-	-	-	-	-
Other revenue	56,967	14,043	32,821	3,817	6,067	27,869	(27,650)
Gain (loss) on sale of asset	30	(7)	36	0	-	-	-
Total operating revenue	778,374	381,444	270,012	77,309	51,487	27,869	(28,747)
EXPENSES							
Salaries and wages	369,819	144,845	129,505	41,653	44,817	8,999	-
Employee benefits	63,102	23,695	25,207	7,617	5,034	1,549	-
Contract labor	6,983	3,414	3,157	412	-	-	-
Total labor expenses	439,904	171,954	157,869	49,682	49,851	10,548	-
Supplies	131,022	82,265	36,521	8,756	3,068	413	-
Medical and professional fees	13,462	6,248	5,301	2,617	-	108	(812)
Purchased services	75,355	42,340	31,247	7,175	5,608	16,650	(27,664)
Medical claims and capitated purchased services	-	-	-	-	-	-	-
Depreciation and amortization	45,425	22,855	15,186	2,542	1,250	3,593	-
Occupancy	33,648	17,838	8,812	4,366	3,284	617	(1,270)
Interest	11,139	8,730	1,651	672	-	86	-
Insurance	6,200	3,145	1,516	999	453	87	-
Other expenses	13,389	5,668	4,640	1,960	781	340	-
Total expenses	709,544	361,043	262,742	78,768	64,295	32,442	(29,747)
Risk factors	-	-	-	-	-	-	-
Op. inc. (loss) before consolidation costs	8,831	20,401	7,270	(1,459)	(12,808)	(4,573)	0
Consolidation costs	0	-	0	-	-	-	-
Operating income (loss)	8,831	20,401	7,270	(1,459)	(12,808)	(4,573)	0
Non-operating items:							
Non-operating investment earnings	24,853	6,814	10,763	7,135	-	141	-
Equity gains (losses) in unconsolidated affiliates	0	-	0	0	-	-	-
Non-operating derivatives	(277)	(298)	351	-	-	(273)	-
Other non-operating income (loss)	(334)	(298)	(35)	(35)	-	-	-
Non-controlling interest	-	-	-	-	-	-	-
Loss related to extinguishment of debt	-	-	-	-	-	-	-
Excess (Deficiency) of revenue over expenses	\$55,074	\$76,562	\$18,383	\$5,641	(\$12,808)	(\$4,705)	\$0

Northeast Health - February 2014
Statement of Operations by Service Line - YTD

3/7/2014
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(in Thousands)

	Northeast Health	Northeast Health (NEHC)	Albany Memorial Hospital	Samaritan Hospital (SAMH)	The Northeast Health Foundation	Samaritan Child Care Center, Inc.	Shaker Properties, Inc. (SHAK)	Samaritan Medical Office Building	EDDY AFFILIATES	Northeast Corporate Eliminations
REVENUE										
Inpatient service revenue	186,826	-	40,829	98,304	-	-	-	-	47,693	-
Ambulatory service revenue	296,632	-	124,332	162,465	-	-	-	-	9,899	(64)
Physician revenue	22,791	-	3,393	16,513	-	-	-	-	2,885	-
Long term care revenue	-	-	-	-	-	-	-	-	43,208	-
Home care revenue	42,267	-	-	-	-	-	-	-	42,267	-
Total gross patient revenue	591,725	-	168,554	277,282	-	-	-	-	145,952	(64)
Less: Contractual allowances	345,097	-	107,604	181,258	-	-	-	-	56,235	-
Less: Operational adjustments	4	-	-	-	-	-	-	-	4	-
Less: Allow for self insurance benefits	-	-	-	-	-	-	-	-	-	-
Less: Clarity care at charges	5,905	-	1,959	3,713	-	-	-	-	233	-
Less: DSH and uncompensated care	-	-	-	-	-	-	-	-	-	-
Less: Provision for bad debts	13,722	-	4,896	8,006	-	33	-	-	788	-
Total net patient service revenue	226,996	-	54,096	84,306	-	(33)	-	-	88,692	(64)
Premium revenue	-	-	-	-	-	-	-	-	-	-
Capitalization revenue	9,395	-	-	-	-	-	-	-	9,395	-
Operating investment income	27	-	-	-	27	-	-	-	-	-
Restricted net assets released	736	11	29	195	165	-	-	-	335	-
Equity gains (losses) in unconsolidated	-	-	-	-	-	-	-	-	-	-
Other revenue	32,821	972	2,714	5,116	97	1,003	465	-	24,005	(1,552)
Gain (loss) on sale of asset	36	36	13	12	-	-	-	-	11	-
Total operating revenue	270,012	983	56,853	89,629	290	969	465	-	122,438	(1,616)
EXPENSES										
Salaries and wages	129,505	20	24,258	42,546	386	615	2	2	61,678	-
Employee benefits	25,207	878	5,098	7,579	64	152	0	0	12,406	(969)
Contract labor	3,157	-	777	2,104	-	-	-	-	276	-
Total labor expenses	157,869	898	30,132	52,229	450	767	2	2	74,360	(969)
Supplies	36,521	1	12,113	14,504	69	74	0	0	10,119	(259)
Medical and professional fees	5,301	-	778	2,142	-	-	-	-	2,488	(108)
Purchased services	31,247	58	7,868	10,395	92	69	59	59	12,718	(12)
Medical claims and capitated purchased services	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	15,186	(2)	3,147	4,439	3	2	8	8	7,590	-
Occupancy	8,812	-	1,871	3,250	25	38	262	262	3,569	(203)
Interest	1,651	16	147	67	-	-	50	50	1,421	(50)
Insurance	1,516	-	493	626	0	11	3	3	384	-
Other expenses	4,640	3	639	946	(116)	29	7	7	3,133	-
Total expenses	202,702	973	57,188	88,498	522	989	391	391	115,781	(1,600)
Risk factors	-	-	-	-	-	-	-	-	-	-
Op. inc. (loss) before consolidation costs	7,270	10	(336)	1,131	(233)	(20)	75	75	6,658	(16)
Consolidation costs	0	-	-	-	-	-	-	-	0	-
Operating income (loss)	7,270	10	(336)	1,131	(233)	(20)	75	75	6,658	(16)
Non-operating items:										
Non-operating investment earnings	-	-	-	-	-	-	-	-	-	-
Equity gains (losses) in unconsolidated affiliates	10,763	2	1,620	5,122	67	(3)	(1)	(1)	4,005	(50)
Non-operating derivatives	351	-	-	-	-	-	-	-	351	-
Other non-operating income (loss)	-	-	-	-	-	-	-	-	-	-
Non-controlling interest	-	-	-	-	-	-	-	-	-	-
Loss related to extinguishment of debt	-	-	-	-	-	-	-	-	-	-
Excess (Deficiency) of revenue over expenses	\$18,281	312	\$1,381	\$6,253	(816)	(823)	574	574	\$1,013	(666)

EDDY AFFILIATES - February 2014
Statement of Operations by Service Line - YTD

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(In Thousands)

	EDDY AFFILIATES	EDDY Affiliates Eliminations	LTC (Eddy), Inc. dba The Eddy (LTCC)	Sunnyview Hosp. & Rehabilitation	The James A. Eddy Memorial Geriatric Ctr	The Capital Reg Geriatric Ctr, Inc	The Marjorie Doyle Rockwell Center, Inc.	Beverly, Inc. (BYVK)	Hawthorne Ridge, Inc. (HTHN)	Glen Eddy, Inc. Beechwood Inc. dba Eddy (GLEN)	Property Svcs.
REVENUE											
Inpatient service revenue	47,693	-	-	47,693	-	-	-	-	-	-	-
Ambulatory service revenue	9,899	-	-	9,899	3	0	2	-	-	-	-
Physician revenue	2,835	-	-	2,835	-	-	-	-	-	-	-
Long term care revenue	43,208	(58)	-	43,208	7,774	20,520	12,673	2,299	-	-	-
Fluore care revenue	42,267	(270)	-	42,267	-	-	-	-	-	-	-
Total gross patient revenue	145,952	(328)	(328)	60,472	7,777	20,520	12,675	2,299	2,299	-	-
Less: Contractual allowances	56,235	-	-	28,558	2,455	6,202	4,737	437	-	-	-
Less: Operational adjustments	4	-	-	-	-	4	-	-	-	-	-
Less: Allow for self insurance benefits	-	-	-	-	-	-	-	-	-	-	-
Less: Charity care at charges	233	-	-	-	-	-	-	-	-	-	-
Less: DSH and uncompensated care	788	-	-	233	22	82	71	11	-	-	-
Less: Provision for bad debts	88,692	(328)	-	31,681	5,300	14,232	7,868	1,851	-	8	(8)
Total net patient service revenue	9,395	(328)	(328)	24,005	2,444	56	2,728	6,364	3,956	4,521	561
Capitalization revenue	11	-	-	-	-	-	-	-	-	-	-
Operating investment income	122,438	(1,182)	-	34,323	7,774	14,341	7,951	2,742	8,241	4,514	561
Restricted net assets released	61,678	-	-	18,008	4,164	6,805	4,755	2,721	1,627	1,420	14
Equity gains (losses) in unconsolidated	12,406	5	1	2,973	899	1,787	975	269	552	322	1
Other revenue	276	-	-	7	24	-	-	46	-	-	-
Total operating revenue	198,606	(1,182)	(1,182)	60,472	24,005	76	2,728	6,364	3,956	4,521	561
EXPENSES											
Salaries and wages	61,678	-	12	18,008	4,164	6,805	4,755	2,721	1,627	1,420	14
Employee benefits	12,406	5	1	2,973	899	1,787	975	269	552	322	1
Contract labor	276	-	-	7	24	-	-	46	-	-	-
Total labor expenses	74,360	5	13	20,988	5,087	8,592	5,733	3,319	1,949	1,732	16
Supplies	10,119	(31)	-	3,162	745	1,039	754	652	256	336	13
Medical and professional fees	2,488	(500)	557	282	122	235	312	63	21	16	4
Purchased services	12,718	(202)	69	3,341	822	1,065	727	1,087	541	761	121
Medical claims and capitalized purchased services	-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	7,590	-	-	1,095	472	1,533	398	310	1,359	568	224
Occupancy	3,569	(419)	-	717	277	466	184	108	406	382	26
Interest	1,421	(161)	-	357	277	820	45	68	168	124	26
Insurance	384	-	-	135	25	48	19	30	19	19	12
Other expenses	3,133	(35)	-	738	96	92	61	17	395	85	7
Total expenses	115,781	(1,343)	639	30,815	7,646	13,891	8,234	7,379	3,877	4,410	422
Risk factors	-	-	-	-	-	-	-	-	-	-	-
Op. inc. (loss) before consolidation costs	6,658	161	612	3,507	129	450	(283)	862	89	105	140
Consolidation costs	0	-	-	-	-	-	-	0	-	-	-
Operating income (loss)	6,658	161	612	3,507	129	450	(283)	862	89	105	140
Non-operating items:											
Non-operating investment earnings	4,005	(161)	408	1,432	544	13	0	423	799	174	118
Equity gains (losses) in unconsolidated affiliates	-	-	-	-	-	-	-	-	-	-	-
Non-operating derivatives	351	-	-	286	-	98	-	-	(34)	-	-
Other non-operating income (loss)	-	-	-	-	-	-	-	-	-	-	-
Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-
Loss related to extinguishment of debt	-	-	-	-	-	-	-	-	-	-	-
Excess (Deficiency) of revenue over expenses	311,019	(31,019)	(31,019)	\$5,225	\$673	\$562	(5,282)	\$1,661	\$229	\$175	\$758

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EDDY AFFILIATES - February 2014
Statement of Operations by Service Line - YTD

(in thousands)

	Senior Care Conn., Inc dba Eddy Sen Care	Eddy Visiting Nurses Assoc Combined
REVENUE		
Inpatient service revenue	-	-
Ambulatory service revenue	-	-
Physician revenue	-	-
Long term care revenue	-	42,537
Home care revenue	-	42,537
Total gross patient revenue	-	85,074
Less: Contractual allowances	-	13,847
Less: Operational adjustments	-	-
Less: Allow for self insurance benefits	-	-
Less: Charity care at charges	-	233
Less: DSH and uncompensated care	11	345
Less: Provision for bad debts	(11)	28,113
Total net patient service revenue	9,395	42,586
Premium revenue	-	-
Capitation revenue	-	-
Operating investment income	0	188
Restricted net assets released	-	-
Equity gains (losses) in unconsolidated	204	52
Other revenue	-	13
Gain (loss) on sale of asset	-	-
Total operating revenue	9,599	42,839
EXPENSES		
Salaries and wages	3,404	17,517
Employee benefits	713	3,596
Contract labor	-	194
Total labor expenses	4,117	21,307
Supplies	1,180	1,778
Medical and professional fees	1,278	70
Purchased services	1,265	3,011
Medical claims and capitated purchased services	-	-
Depreciation and amortization	129	682
Occupancy	422	770
Interest	-	-
Insurance	11	55
Other expenses	265	1,189
Total expenses	8,607	28,863
Risk factors	-	-
Op. inc. (loss) before consolidation costs	982	(497)
Consolidation costs	-	-
Operating income (loss)	982	(497)
Non-operating items:		
Non-operating investment earnings	2	183
Equity gains (losses) in unconsolidated affiliates	-	-
Non-operating derivatives	-	-
Other non-operating income (loss)	-	-
Non-controlling interest	-	-
Loss related to extinguishment of debt	-	-
Excess (Deficiency) of revenue over expenses	984	(314)

Balance Sheets - Assets

Project #141082
BFA Attachment D

	2/28/2014	6/30/2013
ASSETS		
CURRENT ASSETS:		
Cash and investments	\$ 3,215,536	\$ 3,248,696
Security lending collateral	159,354	153,583
Assets limited or restricted as to use, current portion	70,669	63,201
Patient accounts receivable, net of allowance for doubtful accounts	1,507,453	1,402,980
Estimated receivables from third-party payors	192,332	177,683
Other receivables	260,530	242,635
Inventories	209,234	200,794
Assets held for sale	143,253	358,097
Prepaid expenses and other current assets	154,903	140,223
Total current assets	5,913,264	5,987,892
ASSETS LIMITED OR RESTRICTED AS TO USE, NON-CURRENT PORTION:		
Held by trustees under bond indenture agreements	66,048	122,195
Self-insurance, benefit plans and other	685,031	608,659
By Board	3,154,981	2,847,628
By donors	287,388	278,506
Total assets limited or restricted as to use, non-current portion	4,193,448	3,856,988
PROPERTY AND EQUIPMENT, NET	6,537,812	6,468,626
LONG-TERM INVESTMENTS	687,961	615,612
INVESTMENTS IN UNCONSOLIDATED AFFILIATES	2,094,589	1,836,369
GOODWILL	153,774	151,594
OTHER INTANGIBLE ASSETS	66,821	68,770
OTHER LONG TERM ASSETS	326,292	359,994
TOTAL ASSETS	\$ 19,973,961	\$ 19,345,845

Balance Sheets – Liabilities and Net Assets

	2/28/2014	6/30/2013
CURRENT LIABILITIES:		
Commercial paper	\$ 109,991	\$ 368,923
Short-term borrowings & long-term debt, current	1,228,720	896,455
Current portion of long term debt	126,088	128,273
Accounts payable and accrued expenses	880,492	953,901
Salary, wages and related liabilities	574,352	624,124
Payable under security lending agreements	159,354	153,583
Liabilities held for sale	261,601	415,077
Estimated payables to third-party payors	379,172	403,879
Self insurance reserves	133,205	102,293
Total current liabilities	3,852,975	4,046,508
LONG-TERM DEBT, NET OF CURRENT PORTION	3,573,137	3,512,404
SELF-INSURANCE RESERVES	900,294	816,538
ACCRUED PENSION AND RETIREE HEALTH COSTS	706,788	921,995
DEFERRED REVENUE FROM ENTRANCE FEES	94,516	91,871
OTHER LONG-TERM LIABILITIES	469,263	511,568
Total liabilities	9,596,973	9,900,884
NET ASSETS:		
Unrestricted Net Assets - Parent	9,969,944	9,051,595
Noncontrolling Ownership interest in subsidiaries	33,242	31,034
Unrestricted Net Assets	10,003,186	9,082,629
Temporarily Restricted Net Assets	284,674	269,653
Permanently Restricted Net Assets	89,128	92,679
Total Net Assets	10,376,988	9,444,961
TOTAL LIABILITIES AND NET ASSETS	\$ 19,973,961	\$ 19,345,845

Year to Date Consolidated Statement of Operations

Project #141082
BFA Attachment D (cont.)

	February 2014 Actual	February 2014 Budget	\$ Change Favorable (unfavorable)	% Change Favorable (unfavorable)
UNRESTRICTED REVENUE:				
Patient service revenue, net of contractual and other allowances	\$ 8,293,148	\$ 8,533,054	\$ (239,906)	-2.8%
Provision for bad debts	(457,046)	(469,120)	12,074	2.6%
Net patient service revenue less provision for bad debts	7,836,102	8,063,934	(227,832)	-2.8%
Premium revenue	292,673	284,448	8,225	2.9%
Capitation revenue	148,652	133,774	14,878	11.1%
Operating investment income	45,470	28,860	16,610	57.6%
Net assets released from restrictions	13,636	13,116	520	4.0%
Equity gains in unconsolidated affiliates	43,586	41,819	1,767	4.2%
Other revenue	665,809	640,671	25,138	3.9%
Total unrestricted revenue	9,045,928	9,206,622	(160,694)	-1.7%
EXPENSES:				
Salaries and wages	3,912,624	3,962,164	49,540	1.3%
Employee benefits	805,319	839,258	33,939	4.0%
Contract labor	70,194	46,193	(24,001)	-52.0%
Total labor expenses	4,788,137	4,847,615	59,478	1.2%
Supplies	1,447,262	1,465,429	18,167	1.2%
Medical and professional fees	262,744	272,682	9,938	3.6%
Purchased services	742,547	764,148	21,601	2.8%
Medical claims and capitated purchased services	177,127	174,856	(2,271)	-1.3%
Depreciation and amortization	470,705	490,729	20,024	4.1%
Occupancy	389,569	398,491	8,922	2.2%
Interest	107,761	115,464	7,703	6.7%
Insurance	145,376	135,322	(10,054)	-7.4%
Other	278,145	276,127	(2,018)	-0.7%
Total expenses	8,809,373	8,940,863	131,490	1.5%
Risk factors	-	11,500	11,500	100.0%
OPERATING INCOME BEFORE CONSOLIDATION COSTS	236,555	254,259	(17,704)	-7.0%
Consolidation costs	(23,588)	(25,256)	1,668	6.6%
OPERATING INCOME	212,967	229,003	(16,036)	-7.0%
NONOPERATING ITEMS:				
Investment income	458,421	224,402	234,019	104.3%
Equity earnings in unconsolidated affiliates	184,812	76,197	108,615	142.5%
Change in market value and cash payments of interest rate swaps	(25,826)	(4,777)	(21,049)	-440.6%
Other non-operating loss	(2,976)	(1,795)	(1,181)	-65.8%
Non-controlling interest	(10,055)	(7,506)	(2,549)	-34.0%
EXCESS OF REVENUE OVER EXPENSES	817,343	515,524	301,819	58.5%