

**STATE OF NEW YORK**  
**PUBLIC HEALTH AND HEALTH PLANNING COUNCIL**

**COMMITTEE DAY**

**AGENDA**

*January 29, 2015*  
*10:30 a.m.*

- *90 Church Street 4<sup>th</sup> Floor, Room 4A & 4B, New York City*
- *Sturman Conference Room, Wadsworth Center, Department of Health, Empire State Plaza, Albany*

**I. JOINT MEETING OF THE COMMITTEE ON PUBLIC HEALTH AND THE AD HOC COMMITTEE TO LEAD THE PREVENTION AGENDA**

Jo Ivey Boufford, M.D., Chair

**II. COMMITTEE ON ESTABLISHMENT AND PROJECT REVIEW**

*The Establishment and Project Review Committee will convene immediately following the Joint Meeting of the Public Health Committee and the Ad Hoc Committee to Lead the Prevention Agenda*

*Members of the public who will be attending the Establishment and Project Review Committee, please note that this meeting will not convene prior to NOON, we ask that you please plan accordingly*

Jeffrey Kraut, Chair

**A. Applications for Construction of Health Care Facilities**

**Acute Care Services - Construction**

**Exhibit # 1**

	<b><u>Number</u></b>	<b><u>Applicant/Facility</u></b>
1.	142081 C	Huntington Hospital (Suffolk County)
2.	142083 C	Southside Hospital (Suffolk county)
3.	142168 C	Westchester Medical Center (Westchester County)
4.	142181 C	Orange Regional Medical Center (Orange County)

- 5. 142185 C New York Presbyterian Hospital –  
New York Weill Cornell Center  
(New York County)
- 6. 142228 C Strong Memorial Hospital  
(Monroe County)

**Ambulatory Care Services - Construction**

**Exhibit # 2**

**Number**                      **Applicant/Facility**

- 1. 142134 C Mohawk Valley Eye Surgery Center  
(Montgomery County)

**Residential Health Care Facilities – Construction**

**Exhibit # 3**

**Number**                      **Applicant/Facility**

- 1. 132305 C Jewish Home of Rochester  
(Monroe County)

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

**Dialysis Services- Establish/Construct**

**Exhibit # 4**

**Number**                      **Applicant/Facility**

- 1. 132178 E Big Apple Dialysis Management, LLC  
(Kings County)
- 2. 142115 E Pure Life Renal of Buffalo, Inc.  
(Erie County)

**Acute Care Services – Establish/Construct**

**Exhibit # 5**

**Number**                      **Applicant/Facility**

- 1. 142218 E NYU Lutheran Medical Center  
(Kings County)

**Ambulatory Surgery Centers - Establish/Construct**

**Exhibit # 6**

**Number**                      **Applicant/Facility**

- 1. 141253 E South Brooklyn Endoscopy Center  
(Kings County)

**Diagnostic and Treatment Centers - Establish/Construct**

**Exhibit # 7**

<u>Number</u>	<u>Applicant/Facility</u>
1. 142152 E	Odyssey Community Services, Inc. (New York County)

**Residential Health Care Facilities - Establish/Construct**

**Exhibit # 8**

<u>Number</u>	<u>Applicant/Facility</u>
1. 142195 B	Delhi Rehabilitation & Nursing Center (Delaware County)

**Certified Home Health Agencies – Establish/Construct**

**Exhibit # 9**

<u>Number</u>	<u>Applicant/Facility</u>
1. 142193 E	Kindred Healthcare (Saratoga County)

**C. Home Health Agency Licensures**

**Home Health Agency Licensures**

**Exhibit # 10**

<u>Number</u>	<u>Applicant/Facility</u>
2276 L	1 <sup>st</sup> Class Care Services, Inc. (Bronx, Queens, Kings, Richmond, New York and Nassau Counties)
2178 L	All Heart Homecare Agency, Inc. (New York, Richmond, Kings, Bronx, Queens, and Westchester Counties)
2292 L	Angels of Mercy Counseling Center, Inc. (Nassau Suffolk Queens and Westchester Counties)
2272 L	A Plus Homecare Agency, Inc. (Queens, Bronx, New York, Kings, Richmond, and Nassau Counties)
2037 L	Bright Home Care, Inc. (New York, Bronx, Kings, Richmond, Queens and Westchester Counties)
2266 L	Central Westchester Home Health Services, LLC (Westchester County)

- 2268 L Chinatown Home Health Care, Inc.  
(New York, Bronx, Kings, Queens, Richmond and Nassau Counties)
- 2395 L Ciambella Home Care, Inc.  
d/b/a FirstLight Home Care of East Buffalo  
(Erie and Niagara Counties)
- 2218 L Comprehensive Elder Care, LLC  
(Bronx, Richmond, Kings, New York, Queens, and Nassau Counties)
- 2285 L Elite Home and Community Care Service, Inc.  
(Rockland, Putnam, Westchester, Orange and Bronx Counties)
- 2254 L Ellison Home Care Companion Agency, Inc.  
(Nassau, Westchester, Rockland, Queens, and Suffolk Counties)
- 2247 L Grupp KK, Inc.  
(Bronx, Richmond, New York, Queens, Kings, Westchester Counties)
- 2152 L Guiding Angels Home Care, LLC  
(Bronx, Kings, New York, Richmond, Queens and Nassau Counties)
- 2138 L Home at Last Home Care Services, LLC  
(Kings, Bronx, Queens, Richmond, and New York Counties)
- 2175 L Human First Community Health Care, LLC  
(Nassau, Suffolk and Queens Counties)
- 2215 L La'Dorch Homecare, Inc.  
(Bronx, Richmond, Kings, New York, Queens, and Westchester Counties)
- 2261 L Marabi Homecare Agency, Inc.  
(New York, Richmond, Kings, Bronx, Queens, and Nassau Counties)
- 2274 L Masih Home Care Incorporated  
(Queens, Kings, Richmond, New York, Bronx, and Nassau Counties)

- 2202 L MY Care Health Services, Inc.  
(Queens, New York, Bronx, Richmond, Kings, and Nassau Counties)
- 2244 L New Hope Services, Inc.  
(Bronx, Richmond, New York, Queens, Kings and Westchester Counties)
- 2259 L NMC Homecare Agency of NY, Inc.  
(New York, Richmond, Kings, Bronx, Queens, and Westchester Counties)
- 2176 L Augusta Osinowo  
d/b/a Nightingale Care Services  
(Bronx, Queens, New York, Richmond, Kings, and Nassau Counties)
- 2157 L Passion for Seniors of NY, Inc.  
(Bronx, Queens, Kings, Richmond, New York and Nassau Counties)
- 2299 L Premium Home Services, LLC  
(Queens, Kings, Bronx, New York, Richmond, and Nassau Counties)
- 2279 L Scope Healthcare Services, Inc.  
(Suffolk, Nassau and Queens Counties)
- 2163 L VIPrivate, LLC  
(Bronx, Queens, Kings, Richmond, New York and Nassau Counties)
- 2461 L Alice Hyde Medical Center  
(Franklin County)
- 2295 L Hyde Park Assisted Living Facility, Inc.  
d/b/a Hyde Park Licensed Home Care Agency  
(Dutchess County)
- 2319 L Acare HHC, Inc.  
d/b/a Four Seasons Home Care  
(Bronx, Queens, Kings, Richmond, Nassau and New York Counties)
- 2281 L Anchor Home Care LLC  
(Allegany, Erie, Orleans, Cattaraugus, Genesee, Wyoming, Chautauqua and Niagara Counties)

- 2389 L Crown of Life Care NY, LLC  
(Bronx, Queens, Kings, Richmond, Nassau and New York  
Counties)
- 2342 L Elite HHC, LLC  
(Bronx, Richmond, Kings, Westchester, New York and  
Queens Counties)
- 2401 L Prestige LHCSA Management, Inc.  
(Bronx, Richmond, Kings, Westchester, New York and  
Queens Counties)
- 2556 L Quality Care – USA, Inc.  
d/b/a Gentiva Health Services  
(See exhibit for counties served)

**III. COMMITTEE ON CODES, REGULATIONS AND LEGISLATION**

Angel Gutiérrez, M.D., Chair

**Exhibit # 11**

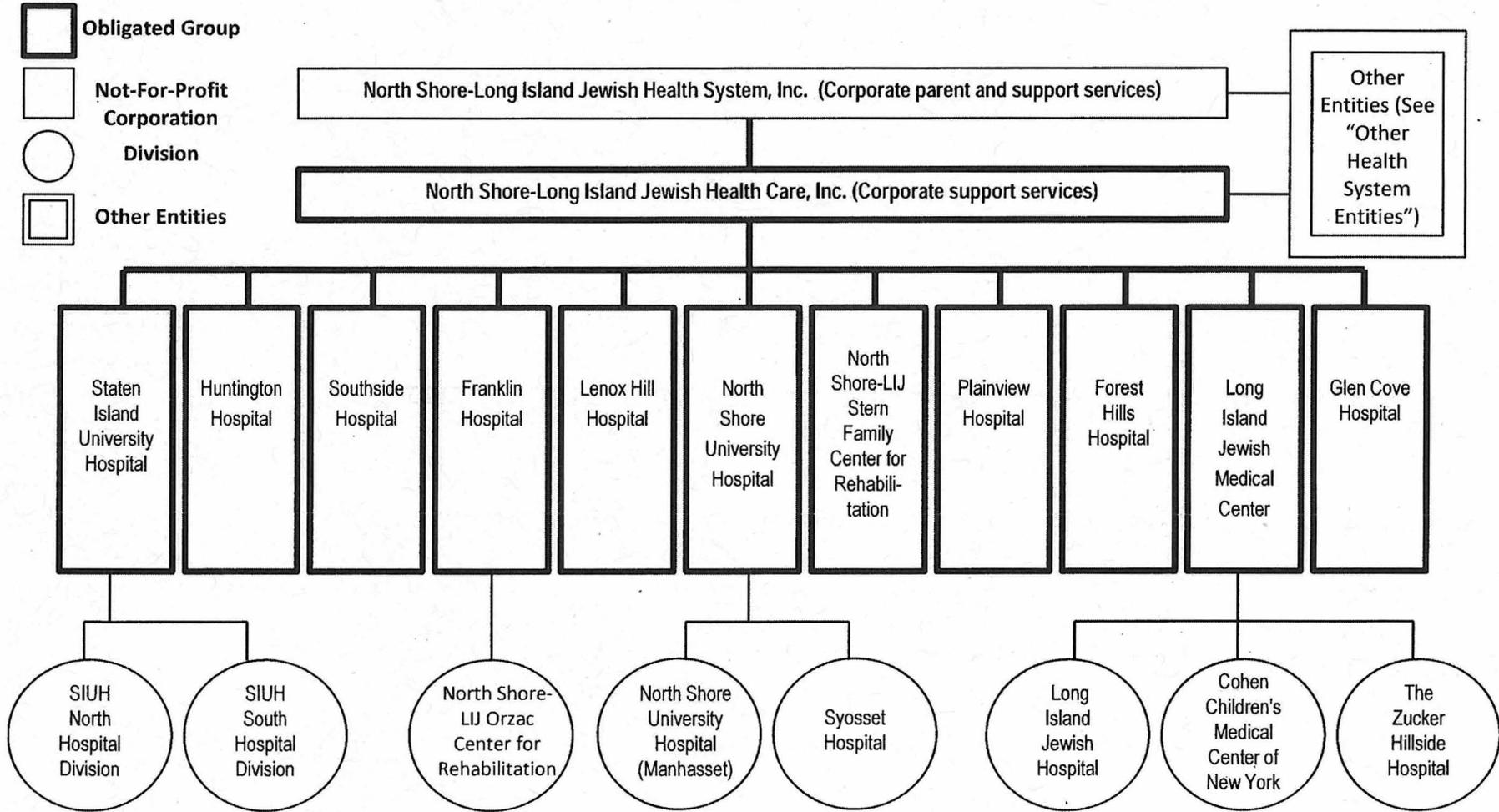
**For Emergency Adoption**

13-08 Amendment of Subpart 7-2 of Title 10 NYCRR (Children’s Camps)

**For Adoption**

Sections 415.3 of Title 10 NYCRR ( Nursing Home Transfers and Discharge  
Rights)

# Principal Operating Entities of North Shore-LIJ Health System



North Shore-Long Island Jewish Health System, Inc.

Consolidating Statement of Financial Position

December 31, 2013

(In Thousands)

	North Shore- Long Island Jewish Health System, Inc. Total	Eliminations	North Shore- Long Island Jewish Obligated Group	The Long Island Home	Hospice Care Network, Inc.	The Feinstein Institute for Medical Research	North Shore- Long Island Jewish Health System Foundation, Inc.	North Shore- Long Island Jewish Health System Laboratories	Captive Insurance Companies	Dolan Family Health Center	Health Insurance Companies	Other Health System Entities
<b>Assets</b>												
<b>Current assets:</b>												
Cash and cash equivalents	\$ 210,501	\$ -	\$ 125,464	\$ 4,062	\$ 6,816	\$ -	\$ 22,665	\$ -	\$ 5,281	\$ 227	\$ 34,324	\$ 10,762
Marketable securities and other investments	1,739,386	-	1,697,228	73	18,566	20	12,139	-	9,185	2,175	-	-
Accounts receivable for services to patients, net of allowance for doubtful accounts	700,198	-	668,711	14,194	5,445	-	-	7,257	-	385	-	4,206
Accounts receivable for physician activities, net	68,443	-	60,542	-	-	-	-	-	-	-	-	7,901
Assets limited as to use, current portion	78,956	-	78,956	-	-	-	-	-	-	-	-	-
Pledges receivable, current portion	35,577	-	176	-	122	-	35,220	-	-	-	-	59
Insurance claims receivable, current portion	98,399	(33,388)	129,455	1,495	128	215	45	244	-	-	-	295
Other current assets	159,931	-	142,193	1,235	221	7,416	-	2,516	580	442	1,301	4,627
<b>Total current assets</b>	<b>3,091,491</b>	<b>(33,388)</b>	<b>2,983,725</b>	<b>20,969</b>	<b>31,298</b>	<b>7,651</b>	<b>70,069</b>	<b>10,017</b>	<b>15,046</b>	<b>3,229</b>	<b>35,625</b>	<b>27,250</b>
Due from affiliates, net	-	(236,517)	102,656	-	-	-	-	18,719	115,142	-	-	-
Note receivable from affiliate	-	(16,989)	16,989	-	-	-	-	-	-	-	-	-
Assets limited as to use, net of current portion	1,159,721	(204,596)	932,408	7,900	1,812	75,268	56,379	-	215,266	5,102	889	10,193
Pledges receivable, net of current portion	112,821	-	719	-	418	-	110,333	-	-	-	-	1,351
Property, plant and equipment, net	3,550,093	-	3,384,404	54,998	789	58,595	1,424	7,482	-	1,232	-	41,169
Insurance claims receivable, net of current portion	334,073	(154,555)	477,754	7,034	530	892	187	1,011	-	-	-	1,220
Other assets	175,155	(39,202)	126,986	9,532	214	2,500	-	-	22,687	-	-	52,438
<b>Total assets</b>	<b>\$ 8,423,354</b>	<b>\$ (685,247)</b>	<b>\$ 8,005,641</b>	<b>\$ 99,533</b>	<b>\$ 35,061</b>	<b>\$ 144,906</b>	<b>\$ 238,392</b>	<b>\$ 37,229</b>	<b>\$ 368,141</b>	<b>\$ 9,563</b>	<b>\$ 36,514</b>	<b>\$ 133,621</b>
<b>Liabilities and net assets (deficit)</b>												
<b>Current liabilities:</b>												
Short-term borrowings	\$ 110,540	\$ -	\$ 110,540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable and accrued expenses	529,423	-	476,872	3,141	2,763	6,834	297	16,765	2,888	333	3,076	16,854
Accrued salaries and related benefits	568,164	-	525,896	4,984	2,012	5,087	1,259	5,934	-	475	-	22,517
Current portion of capital lease obligations	6,208	-	3,681	1,124	-	-	-	-	-	-	-	1,503
Current portion of long-term debt	52,954	-	52,147	807	-	-	-	-	-	-	-	-
Current portion of insurance claims liability	98,399	(33,388)	129,455	1,495	128	215	45	244	-	-	-	295
Current portion of malpractice and other insurance liabilities	74,252	(20,695)	57,787	894	-	-	-	-	36,266	-	-	-
Current portion of third-party payer structured liabilities	5,438	-	5,438	-	-	-	-	-	-	-	-	-
Current portion of estimated payable to third-party payers	425,232	-	421,860	1,473	-	-	-	-	-	356	1,117	420
<b>Total current liabilities</b>	<b>1,870,710</b>	<b>(54,083)</b>	<b>1,785,676</b>	<b>13,828</b>	<b>4,503</b>	<b>12,136</b>	<b>1,601</b>	<b>22,943</b>	<b>39,154</b>	<b>1,164</b>	<b>4,193</b>	<b>41,595</b>
Due to affiliates, net	-	(120,693)	-	1,215	738	2,439	3,744	-	-	8,908	-	165,649
Note payable to affiliate	-	(16,989)	-	16,989	-	-	-	-	-	-	-	-
Accrued retirement benefits, net of current portion	341,044	-	334,973	5,992	-	53	-	26	-	-	-	-
Capital lease obligations, net of current portion	76,814	-	74,420	1,690	-	-	-	-	-	-	-	704
Long-term debt, net of current portion	1,665,372	-	1,638,981	26,391	-	-	-	-	-	-	-	-
Insurance claims liability, net of current portion	334,073	(154,555)	477,754	7,034	530	892	187	1,011	-	-	-	1,220
Malpractice and other insurance liabilities, net of current portion	716,902	(95,797)	525,584	2,749	-	-	-	-	280,366	-	-	-
Third-party payer structured liabilities, net of current portion	18,288	-	18,288	-	-	-	-	-	-	-	-	-
Other long-term liabilities	411,225	-	401,134	1,434	76	136	6,186	1,304	-	-	-	975
<b>Total liabilities</b>	<b>5,454,428</b>	<b>(442,117)</b>	<b>5,258,810</b>	<b>77,322</b>	<b>5,847</b>	<b>15,636</b>	<b>11,718</b>	<b>25,284</b>	<b>319,520</b>	<b>10,072</b>	<b>4,193</b>	<b>148,143</b>
<b>Net assets (deficit):</b>												
Unrestricted	2,508,435	(36,059)	2,376,552	22,211	27,064	39,195	16,179	11,945	48,621	(6,430)	32,321	(23,194)
Temporarily restricted	346,046	(185,625)	313,507	-	1,772	51,696	155,046	-	-	-	1,518	8,972
Permanently restricted	134,475	(21,446)	56,712	-	378	38,979	55,449	-	-	4,403	-	-
<b>Total net assets (deficit)</b>	<b>2,988,926</b>	<b>(243,130)</b>	<b>2,746,831</b>	<b>22,211</b>	<b>29,214</b>	<b>129,270</b>	<b>226,674</b>	<b>11,945</b>	<b>48,621</b>	<b>(509)</b>	<b>32,321</b>	<b>(14,522)</b>
<b>Total liabilities and net assets (deficit)</b>	<b>\$ 8,423,354</b>	<b>\$ (685,247)</b>	<b>\$ 8,005,641</b>	<b>\$ 99,533</b>	<b>\$ 35,061</b>	<b>\$ 144,906</b>	<b>\$ 238,392</b>	<b>\$ 37,229</b>	<b>\$ 368,141</b>	<b>\$ 9,563</b>	<b>\$ 36,514</b>	<b>\$ 133,621</b>

North Shore-Long Island Jewish Health System, Inc.

Combining Statement of Financial Position – Obligated Group Only

December 31, 2013  
(In Thousands)

	Total Obligated Group	Eliminations	North Shore-Long Island Jewish Health Care, Inc.	North Shore University Hospital	Long Island Jewish Medical Center	Staten Island University Hospital	Lenox Hill Hospital	Southside Hospital	Huntington Hospital Association	Glen Cove Hospital	Plainview Hospital	Forest Hills Hospital	Franklin Hospital	North Shore-Long Island Jewish Stern Family Center for Rehabilitation
<b>Assets</b>														
<b>Current assets:</b>														
Cash and cash equivalents	\$ 126,464	\$ -	\$ 49,833	\$ 18,792	\$ 14,686	\$ 27,420	\$ 332	\$ 44	\$ 11,960	\$ 8	\$ 9	\$ 2,673	\$ 26	\$ 681
Marketable securities and other investments	1,697,228	-	89,953	704,639	358,441	220,460	136,708	2,670	113,280	71,117	-	-	-	-
Accounts receivable for services to patients, net of allowance for doubtful accounts	668,711	-	38	153,633	177,748	80,973	107,003	40,949	37,852	12,513	13,970	21,381	17,063	5,588
Accounts receivable for physician activities, net	60,542	-	-	43,016	16,097	-	-	724	205	151	82	134	133	-
Assets limited as to use, current portion	78,956	-	-	52,516	14,346	4,195	3,612	1,449	1,433	24	274	547	532	28
Pledges receivable, current portion	176	-	-	-	-	176	-	-	-	-	-	-	-	-
Insurance claims receivable, current portion	129,455	-	742	33,654	29,938	17,878	17,847	8,422	5,537	3,248	3,586	4,427	3,994	182
Other current assets	142,193	(3,090)	7,506	36,505	37,936	15,183	17,153	11,906	8,450	2,472	3,347	1,753	2,911	71
<b>Total current assets</b>	<b>2,903,725</b>	<b>(3,090)</b>	<b>148,072</b>	<b>1,042,755</b>	<b>649,192</b>	<b>366,285</b>	<b>282,655</b>	<b>66,124</b>	<b>178,717</b>	<b>89,533</b>	<b>21,268</b>	<b>30,915</b>	<b>24,659</b>	<b>6,586</b>
Due from affiliates, net	102,656	(73,255)	-	13,922	60,892	-	-	-	-	27,795	24,457	28,196	-	20,649
Note receivable from affiliate	16,989	-	16,989	-	-	-	-	-	-	-	-	-	-	-
Assets limited as to use, net of current portion	992,408	-	294,341	190,801	261,745	110,856	62,556	19,081	26,641	6,468	567	468	4,351	14,533
Pledges receivable, net of current portion	719	-	-	-	242	-	67	-	410	-	-	-	-	-
Property, plant and equipment, net	3,384,404	-	309,963	564,400	1,036,436	233,671	810,360	111,130	127,192	56,705	31,937	49,104	39,893	13,613
Insurance claims receivable, net of current portion	477,754	-	3,071	127,770	116,348	67,638	50,471	32,520	21,203	12,333	13,510	16,964	15,174	752
Other assets	126,986	(681,949)	696,617	13,144	34,563	28,798	29,594	3,443	1,164	162	399	433	472	155
<b>Total assets</b>	<b>\$ 8,005,641</b>	<b>\$ (758,204)</b>	<b>\$ 1,469,653</b>	<b>\$ 1,952,792</b>	<b>\$ 2,159,176</b>	<b>\$ 807,490</b>	<b>\$ 1,235,703</b>	<b>\$ 232,298</b>	<b>\$ 355,327</b>	<b>\$ 192,996</b>	<b>\$ 92,129</b>	<b>\$ 126,080</b>	<b>\$ 84,549</b>	<b>\$ 56,252</b>
<b>Liabilities and net assets (deficit)</b>														
<b>Current liabilities:</b>														
Short-term borrowings	\$ 110,540	\$ -	\$ -	\$ 7,500	\$ 103,040	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable and accrued expenses	476,872	-	94,446	107,849	78,507	49,739	58,769	24,261	17,198	13,724	9,777	10,186	9,997	2,419
Accrued salaries and related benefits	525,896	-	122,482	114,159	96,980	54,808	32,947	23,878	24,336	11,655	10,695	17,606	13,553	2,797
Current portion of capital lease obligations	3,681	(190)	1,626	54	156	1,674	381	-	-	-	-	-	-	-
Current portion of long-term debt	52,147	-	-	17,476	10,850	11,695	4,540	1,130	1,190	183	1,584	3,163	415	101
Current portion of insurance claims liability	129,455	-	742	33,654	29,938	17,878	17,847	8,422	5,537	3,248	3,586	4,427	3,994	182
Current portion of malpractice and other insurance liabilities	57,787	-	5,949	14,816	13,665	8,297	3,622	3,050	2,341	1,327	1,323	1,826	1,631	-
Current portion of third-party payer structured liabilities	5,438	-	-	-	-	5,438	-	-	-	-	-	-	-	-
Current portion of estimated payable to third-party payers	421,850	-	-	137,706	112,333	24,821	49,278	32,474	6,204	7,768	12,110	24,183	11,254	3,729
<b>Total current liabilities</b>	<b>1,783,676</b>	<b>(190)</b>	<b>225,245</b>	<b>433,214</b>	<b>445,389</b>	<b>174,260</b>	<b>167,384</b>	<b>93,215</b>	<b>56,716</b>	<b>37,905</b>	<b>39,075</b>	<b>61,391</b>	<b>40,844</b>	<b>9,228</b>
Due to affiliates, net	-	(197,935)	74,593	-	-	18,688	53,168	22,379	2,309	-	-	-	26,798	-
Accrued retirement benefits, net of current portion	334,973	-	82,313	81,622	15,859	1,400	60,506	19,632	45,990	9,513	12,601	762	2,407	2,968
Capital lease obligations, net of current portion	74,420	(19,569)	70,670	5,577	13,992	435	3,315	-	-	-	-	-	-	-
Long-term debt, net of current portion	1,638,981	-	383,393	177,218	691,783	107,384	131,646	40,580	41,488	8,957	14,852	19,929	15,024	6,617
Insurance claims liability, net of current portion	477,754	-	3,071	127,770	116,348	67,638	50,471	32,520	21,203	12,333	13,510	16,964	15,174	752
Malpractice and other insurance liabilities, net of current portion	529,584	-	17,518	146,853	129,312	74,485	48,183	30,399	22,477	13,058	13,780	17,898	15,621	-
Third-party payer structured liabilities, net of current portion	18,288	-	-	-	-	18,288	-	-	-	-	-	-	-	-
Other long-term liabilities	401,134	-	6,211	92,858	91,858	43,705	63,840	16,296	23,127	9,466	15,436	21,743	15,485	1,109
<b>Total liabilities</b>	<b>5,258,810</b>	<b>(217,694)</b>	<b>865,124</b>	<b>1,065,112</b>	<b>1,594,541</b>	<b>506,283</b>	<b>578,513</b>	<b>255,021</b>	<b>213,310</b>	<b>91,232</b>	<b>108,654</b>	<b>138,687</b>	<b>131,353</b>	<b>20,674</b>
<b>Net assets (deficit):</b>														
Unrestricted	2,376,552	(442,219)	597,638	891,402	518,572	287,545	558,899	(40,283)	137,241	92,631	(16,957)	(12,784)	(49,227)	34,694
Temporarily restricted	313,567	(75,017)	75,617	66,645	127,675	12,178	75,017	17,560	3,613	6,976	472	177	2,410	884
Permanently restricted	56,712	(23,274)	23,274	19,633	8,388	1,484	23,274	-	1,165	2,757	-	-	13	-
<b>Total net assets (deficit)</b>	<b>2,746,831</b>	<b>(540,510)</b>	<b>696,529</b>	<b>887,680</b>	<b>654,635</b>	<b>301,207</b>	<b>657,190</b>	<b>(22,723)</b>	<b>142,017</b>	<b>101,764</b>	<b>(16,525)</b>	<b>(12,607)</b>	<b>(46,804)</b>	<b>35,578</b>
<b>Total liabilities and net assets (deficit)</b>	<b>\$ 8,005,641</b>	<b>\$ (758,204)</b>	<b>\$ 1,469,653</b>	<b>\$ 1,952,792</b>	<b>\$ 2,159,176</b>	<b>\$ 807,490</b>	<b>\$ 1,235,703</b>	<b>\$ 232,298</b>	<b>\$ 355,327</b>	<b>\$ 192,996</b>	<b>\$ 92,129</b>	<b>\$ 126,080</b>	<b>\$ 84,549</b>	<b>\$ 56,252</b>

North Shore-Long Island Jewish Health System, Inc.

Consolidating Statement of Operations

Year Ended December 31, 2013  
(In Thousands)

	North Shore-Long Island Jewish Health System, Inc. Total	Eliminations	North Shore-Long Island Jewish Obligated Group	The Long Island Home	Hospice Care Network, Inc.	The Feinstein Institute for Medical Research	North Shore-Long Island Jewish Health System Foundation, Inc.	North Shore-Long Island Jewish Health System Laboratories	Captive Insurance Companies	Dolan Family Health Center	Health Insurance Companies	Other Health System Entities
Operating revenue												
Net patient service revenue	\$ 5,853,492	\$ (3,619)	\$ 5,678,259	\$ 90,459	\$ 49,161	\$ 430	\$ -	\$ -	\$ -	\$ 4,524	\$ -	\$ 34,278
Physician practice revenue	875,088	-	662,619	2,609	-	-	-	-	-	-	-	208,866
Provision for bad debts	(91,288)	78	(87,405)	(1,428)	(230)	-	-	(696)	-	(6)	-	(1,603)
Total patient revenue, net of provision for bad debts	6,637,292	(3,541)	6,254,475	91,640	48,931	430	-	(696)	-	4,518	-	241,535
Other operating revenue	324,607	(461,452)	326,027	1,247	-	41,045	-	247,337	37,930	2,625	1,301	128,529
Net assets released from restrictions used for operations	39,932	-	24,301	-	1,068	14,333	-	-	-	230	-	-
Total operating revenue	7,001,831	(464,973)	6,604,803	92,887	49,999	55,806	-	246,641	37,930	7,373	1,301	370,064
Operating expenses:												
Salaries	3,568,991	(97,852)	3,272,929	52,300	17,649	44,920	-	51,683	-	4,013	278	223,971
Employee benefits	928,220	(17,635)	848,913	19,787	4,844	13,241	-	14,392	-	1,588	67	43,021
Supplies and expenses	2,029,125	(339,191)	1,956,640	20,256	24,882	24,171	-	156,634	37,983	2,152	17,915	127,683
Depreciation and amortization	307,345	-	290,494	2,337	518	3,340	-	1,629	-	74	-	6,953
Interest	84,193	(97)	82,611	1,602	-	-	-	-	-	-	-	77
Total operating expenses	6,917,874	(454,773)	6,450,687	96,282	47,893	87,672	-	224,338	37,983	7,827	18,260	401,705
Excess (deficiency) of operating revenue over operating expenses	83,957	(10,200)	154,116	(3,395)	2,106	(31,866)	-	22,303	(53)	(454)	(16,959)	(31,641)
Non-operating gains and losses												
Investment income	100,320	-	92,725	33	391	14	1,130	(58)	6,067	39	-	(21)
Change in net unrealized gains and losses and change in value of equity method investments	105,971	19,760	73,014	(1)	509	2	1,016	-	10,377	-	-	10,294
Change in fair value of interest rate swap agreements designated as derivative instruments	965	-	965	-	-	-	-	-	-	-	-	-
Early retirement program costs	(33,179)	-	(32,392)	-	(175)	-	-	(500)	-	(19)	-	(93)
Other non-operating gains and losses	(6,344)	(2,283)	847	8	604	-	(5,737)	-	-	32	-	185
Total non-operating gains and losses	167,733	8,477	135,159	40	1,329	16	(3,591)	(558)	16,444	52	-	10,365
Excess (deficiency) of revenue and gains and losses over expenses	251,690	(1,723)	289,275	(3,355)	3,435	(31,850)	(3,591)	21,745	16,391	(402)	(16,959)	(21,276)
Net assets released from restrictions for capital asset acquisitions	46,068	-	43,314	-	-	2,754	-	-	-	-	-	-
Change in fair value of interest rate swap agreements designated as cash flow hedges	2,931	-	1,678	1,253	-	-	-	-	-	-	-	-
Transfers (to) from affiliates	-	10,200	(69,993)	-	-	20,713	-	(10,200)	-	-	49,280	-
Pension and other postretirement liability adjustments	248,815	-	237,609	11,206	-	-	-	-	-	-	-	-
Other changes in net assets	(600)	1,400	-	-	-	-	-	-	-	-	-	(2,000)
Increase (decrease) in unrestricted net assets	\$ 548,904	\$ 9,877	\$ 501,883	\$ 9,164	\$ 3,435	\$ (8,383)	\$ (3,591)	\$ 11,545	\$ 16,391	\$ (402)	\$ 32,321	\$ (23,276)

North Shore-Long Island Jewish Health System, Inc.  
Combining Statement of Operations – Obligated Group Only

Year Ended December 31, 2013  
(In Thousands)

	Total Obligated Group	North Shore-Long Island Jewish Health Care, Inc.	North Shore University Hospital	Long Island Jewish Medical Center	Staten Island University Hospital	Lenox Hill Hospital	Southside Hospital	Huntington Hospital Association	Glenn Cove Hospital	Plainview Hospital	Forest Hills Hospital	Franklin Hospital	North Shore – Long Island Jewish Stern Family Center for Rehabilitation
Operating revenue:													
Net patient service revenue	\$ 5,678,259	\$ –	\$ 1,396,915	\$ 1,320,103	\$ 803,871	\$ 773,752	\$ 355,214	\$ 274,547	\$ 158,070	\$ 173,964	\$ 207,546	\$ 165,773	\$ 54,474
Physician practice revenue	663,619	–	282,557	214,670	–	2,107	49,006	42,047	22,820	17,013	18,987	14,412	–
Provision for bad debts	(87,403)	8,152	(53)	(19,448)	(8,922)	(11,609)	(4,073)	(5,824)	(2,508)	(1,316)	(3,315)	(2,819)	(3,19)
Total patient revenues, net of provision for bad debts	6,254,475	–	1,677,207	1,515,325	794,879	764,250	400,183	315,770	176,382	189,661	223,218	177,566	51,155
Other operating revenue	336,027	(712,356)	676,524	146,769	62,662	17,828	23,101	5,243	4,530	9,922	7,538	11,674	372
Net assets released from restrictions used for operations	24,301	–	8,621	9,689	953	3,892	15	263	–	–	–	–	–
Total operating revenue	6,604,803	(704,204)	1,786,397	1,668,999	858,539	786,070	432,299	316,235	183,912	199,613	231,776	189,640	54,727
Operating expenses:													
Salaries	3,272,029	(257,723)	809,266	709,526	424,566	369,844	204,702	154,208	98,572	98,859	110,827	95,507	27,015
Employee benefits	848,913	(54,640)	278,815	198,741	129,059	85,864	65,914	40,951	25,134	33,408	30,089	30,585	9,198
Supplies and expenses	1,986,640	(390,104)	576,886	510,129	232,279	271,350	133,175	94,761	53,479	62,308	68,310	60,319	9,454
Depreciation and amortization	290,494	–	57,691	66,008	26,107	31,017	12,265	15,351	6,162	4,336	6,968	4,912	1,430
Interest	82,613	(1,238)	16,203	37,322	6,945	3,501	2,022	2,041	390	801	1,164	755	257
Total operating expenses	6,450,687	(704,204)	1,723,136	1,611,985	820,536	754,576	418,078	313,622	183,737	199,772	223,358	192,076	47,354
Excess (deficiency) of operating revenue over operating expenses	154,116	–	63,461	(2,987)	38,003	31,494	3,221	2,623	(825)	(159)	8,418	(3,036)	7,373
Non-operating gains and losses:													
Investment income	92,725	–	39,098	20,165	12,789	6,454	155	2,318	3,534	(4)	31	159	104
Change in net unrealized gains and losses and change in value of equity method investments	73,014	(175,514)	164,784	20,453	12,449	6,884	108	6,558	2,927	–	–	(6)	(48)
Change in fair value of interest rate swap agreements designated as derivative instruments	965	–	(3,761)	(6,039)	(4,888)	(848)	(736)	(3,344)	(3,075)	(719)	(480)	(575)	(436)
Early retirement program costs	(32,392)	–	2	4,535	(5,541)	2,217	–	1,991	–	42	–	1	–
Other non-operating gains and losses	847	–	–	–	–	–	–	–	–	–	–	–	–
Total non-operating gains and losses	135,159	(175,514)	168,974	39,094	13,765	14,687	(463)	5,123	3,388	(681)	(449)	(421)	(389)
Excess (deficiency) of revenue and gains and losses over expenses	289,275	(175,514)	173,504	36,107	53,768	46,181	4,758	7,746	2,563	(840)	7,969	(3,457)	6,993
Net assets released from restrictions for capital asset acquisitions	43,314	–	4,172	2,089	393	951	73	840	37	–	3,024	–	116
Change in fair value of interest rate swap agreements designated as cash flow hedges	1,678	–	604	1,074	–	–	–	–	–	–	–	–	–
Transfers to affiliates	(69,993)	–	(49,289)	(13,562)	(17,151)	–	–	–	–	–	–	–	–
Pension and other postretirement liability adjustments	237,659	–	4,183	26,490	11,481	95,641	24,572	58,695	3,518	5,994	894	4,148	962
Increase (decrease) in unrestricted net assets	\$ 591,883	–	\$ 145,109	\$ 73,139	\$ 55,282	\$ 142,773	\$ 29,403	\$ 67,281	\$ 6,118	\$ 5,064	\$ 11,887	\$ 691	\$ 8,071

North Shore-Long Island Jewish Health System, Inc.

Consolidated Statements of Financial Position

(In Thousands)

	December 31	
	2013	2012
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 210,601	\$ 283,258
Marketable securities and other investments	1,739,386	1,496,070
Accounts receivable for services to patients, net of allowance for doubtful accounts of \$90,500 in 2013 and \$109,790 in 2012	700,198	697,216
Accounts receivable for physician activities, net	68,443	60,151
Assets limited as to use, current portion	78,956	119,166
Pledges receivable, current portion	35,577	35,426
Insurance claims receivable, current portion	98,399	104,285
Other current assets	159,931	159,829
Total current assets	<u>3,091,491</u>	<u>2,955,401</u>
Assets limited as to use, net of current portion	1,159,721	840,463
Pledges receivable, net of current portion	112,821	120,880
Property, plant and equipment, net	3,550,093	3,372,151
Insurance claims receivable, net of current portion	334,073	359,528
Other assets	175,155	158,373
Total assets	<u>\$ 8,423,354</u>	<u>\$ 7,806,796</u>
<b>Liabilities and net assets</b>		
Current liabilities:		
Short-term borrowings	\$ 110,540	\$ 110,540
Accounts payable and accrued expenses	529,423	493,994
Accrued salaries and related benefits	568,164	527,832
Current portion of capital lease obligations	6,308	5,000
Current portion of long-term debt	52,954	50,934
Current portion of insurance claims liability	98,399	104,285
Current portion of malpractice and other insurance liabilities	74,252	59,521
Current portion of third-party payer structured liabilities	5,438	5,438
Current portion of estimated payable to third-party payers	425,232	352,995
Total current liabilities	<u>1,870,710</u>	<u>1,710,539</u>
Accrued retirement benefits, net of current portion	341,044	660,356
Capital lease obligations, net of current portion	76,814	80,913
Long-term debt, net of current portion	1,665,372	1,470,728
Insurance claims liability, net of current portion	334,073	359,528
Malpractice and other insurance liabilities, net of current portion	716,902	653,229
Third-party payer structured liabilities, net of current portion	18,288	23,951
Other long-term liabilities	411,225	417,471
Total liabilities	<u>5,434,428</u>	<u>5,376,715</u>
Commitments and contingencies		
Net assets:		
Unrestricted	2,508,405	1,959,501
Temporarily restricted	346,046	341,669
Permanently restricted	134,475	128,911
Total net assets	<u>2,988,926</u>	<u>2,430,081</u>
Total liabilities and net assets	<u>\$ 8,423,354</u>	<u>\$ 7,806,796</u>

See accompanying notes.

North Shore-Long Island Jewish Health System, Inc.

Consolidated Statements of Operations  
(In Thousands)

	Year Ended December 31	
	2013	2012
Operating revenue:		
Net patient service revenue	\$ 5,853,492	\$ 5,598,408
Physician practice revenue	875,088	758,409
Provision for bad debts	(91,288)	(97,994)
Total patient revenue, net of provision for bad debts	6,637,292	6,258,823
Other operating revenue	324,607	302,691
Net assets released from restrictions used for operations	39,932	45,330
Total operating revenue	<u>7,001,831</u>	<u>6,606,844</u>
Operating expenses:		
Salaries	3,568,991	3,315,368
Employee benefits	928,220	862,478
Supplies and expenses	2,029,125	1,984,936
Depreciation and amortization	307,345	275,601
Interest	84,193	70,594
Total operating expenses	<u>6,917,874</u>	<u>6,508,977</u>
Excess of operating revenue over operating expenses	83,957	97,867
Non-operating gains and losses:		
Investment income	100,320	42,636
Change in net unrealized gains and losses and change in value of equity method investments	105,971	123,549
Change in fair value of interest rate swap agreements designated as derivative instruments	965	(4,495)
Loss on refunding and refinancing of long-term debt	-	(4,590)
Contribution received in the acquisition of The Long Island Home	-	12,823
Early retirement program costs	(33,179)	-
Other non-operating gains and losses	(6,344)	(5,510)
Total non-operating gains and losses	<u>167,733</u>	<u>164,413</u>
Excess of revenue and gains and losses over expenses	251,690	262,280
Net assets released from restrictions for capital asset acquisitions	46,068	38,590
Change in fair value of interest rate swap agreements designated as cash flow hedges	2,931	677
Pension and other postretirement liability adjustments	248,815	(78,540)
Other changes in net assets	(600)	696
Increase in unrestricted net assets	<u>\$ 548,904</u>	<u>\$ 223,703</u>

See accompanying notes.

North Shore-Long Island Jewish Health System, Inc.

Consolidated Statements of Financial Position  
June 30, 2014 and December 31, 2013 (In Thousands)

	(Unaudited) June 30, 2014	(Audited) December 31, 2013
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 242,925	\$ 210,601
Marketable securities and other investments	1,670,705	1,739,386
Accounts receivable for services to patients, net of allowance for doubtful accounts	747,073	700,198
Accounts receivable for physician activities, net	72,292	68,443
Assets limited as to use, current portion	88,403	78,956
Pledges receivable, current portion	36,931	35,577
Insurance claims receivable, current portion	94,480	98,399
Other current assets	205,182	159,931
Total current assets	<u>3,157,991</u>	<u>3,091,491</u>
Assets limited as to use, net of current portion	1,185,589	1,159,721
Pledges receivable, net of current portion	118,694	112,821
Property, plant and equipment, net	3,652,699	3,550,093
Insurance claims receivable, net of current portion	320,322	334,073
Other assets	171,002	175,155
Total assets	<u>\$ 8,606,297</u>	<u>\$ 8,423,354</u>
<b>Liabilities and net assets</b>		
Current liabilities:		
Short-term borrowings	\$ 110,218	\$ 110,540
Accounts payable and accrued expenses	579,811	529,423
Accrued salaries and related benefits	554,810	568,164
Current portion of capital lease obligations	6,665	6,308
Current portion of long-term debt	60,570	52,954
Current portion of insurance claims liability	94,480	98,399
Current portion of malpractice and other insurance liabilities	73,718	74,252
Current portion of third-party payer structured liabilities	5,438	5,438
Current portion of estimated payable to third-party payers	423,138	425,232
Total current liabilities	<u>1,908,848</u>	<u>1,870,710</u>
Accrued retirement benefits, net of current portion	344,616	341,044
Capital lease obligations, net of current portion	98,558	76,814
Long-term debt, net of current portion	1,619,142	1,665,372
Insurance claims liability, net of current portion	320,322	334,073
Malpractice and other insurance liabilities, net of current portion	740,185	716,902
Third-party payer structured liabilities, net of current portion	15,241	18,288
Other long-term liabilities	416,381	411,225
Total liabilities	<u>5,463,293</u>	<u>5,434,428</u>
Commitments and contingencies		
Net assets:		
Unrestricted	2,633,063	2,508,405
Temporarily restricted	374,797	346,046
Permanently restricted	135,144	134,475
Total net assets	<u>3,143,004</u>	<u>2,988,926</u>
Total liabilities and net assets	<u>\$ 8,606,297</u>	<u>\$ 8,423,354</u>

**North Shore-Long Island Jewish Health System, Inc.**

**Consolidated Statements of Operations  
For the Six Months Ended June 30, 2014 and 2013 (In Thousands)**

	(Unaudited) 2014	(Unaudited) 2013
Operating revenue:		
Net patient service revenue	\$ 2,971,900	\$ 2,879,672
Physician practice revenue	461,379	436,159
Provision for bad debts	(49,717)	(52,111)
Total patient revenue, net of provision for bad debts	<u>3,383,562</u>	<u>3,263,720</u>
Other operating revenue	198,736	154,136
Net assets released from restrictions used for operations	23,456	20,367
Total operating revenue	<u>3,605,754</u>	<u>3,438,223</u>
Operating expenses:		
Salaries	1,850,251	1,731,637
Employee benefits	469,071	461,792
Supplies and expenses	1,033,326	994,225
Depreciation and amortization	168,468	153,951
Interest	46,584	39,437
Total operating expenses	<u>3,567,700</u>	<u>3,381,042</u>
Excess of operating revenue over operating expenses	38,054	57,181
Non-operating gains and losses:		
Investment income	62,575	48,436
Change in net unrealized gains and losses and change in value of equity method investments	28,423	(7,011)
Change in fair value of interest rate swap agreements designated as derivative instruments	392	640
Other non-operating gains and losses	(7,247)	(1,122)
Total non-operating gains and losses	<u>84,143</u>	<u>40,943</u>
Excess of revenue and gains and losses over expenses	122,197	98,124
Net assets released from restrictions for capital asset acquisitions	3,134	17,769
Change in fair value of interest rate swap agreements designated as cash flow hedges	459	2,089
Other changes in net assets	(1,132)	-
Increase in unrestricted net assets	<u>\$ 124,658</u>	<u>\$ 117,982</u>

North Shore-Long Island Jewish Health System, Inc.

Consolidating Statement of Financial Position  
June 30, 2014 (Unaudited and In Thousands)

	North Shore- Long Island Jewish Health System, Inc.	Eliminations	North Shore- Long Island Jewish Obligated Group	The Long Island Home	Hospice Care Network, Inc.	The Feinstein Institute for Medical Research	North Shore- Long Island Jewish Health System Foundation, Inc.	North Shore- Long Island Jewish Health System Laboratories	Captive Insurance Companies	Dolan Family Health Center	Health Insurance Companies	Endoscopy Center of Long Island	Other Health System Entities
<b>Assets</b>													
<b>Current assets</b>													
Cash and cash equivalents	\$242,925	\$-	\$153,374	\$6,266	\$5,681	\$-	\$16,711	\$-	\$5,913	\$247	\$42,854	\$637	\$1,242
Marketable securities and other investments	1,670,795	-	1,624,195	77	20,535	20	12,635	-	10,721	2,522	-	-	-
Accounts receivable for services to patients, net of allowance for doubtful accounts	747,073	-	710,740	12,946	7,500	-	-	8,776	-	386	-	-	6,725
Accounts receivable for physician activities, net	72,292	-	63,235	-	-	-	-	-	-	-	-	-	9,057
Assets limited as to use, current portion	88,403	-	88,403	-	-	-	-	-	-	-	-	-	-
Pledges receivable, current portion	36,931	-	114	-	121	-	36,539	-	-	-	-	-	157
Insurance claims receivable, current portion	94,480	(33,388)	125,535	1,405	128	215	45	244	-	-	-	-	296
Other current assets	205,182	-	174,570	1,183	17	13,172	1	2,472	7,147	1,322	1,677	-	3,621
<b>Total current assets</b>	<b>3,157,991</b>	<b>(33,388)</b>	<b>2,940,166</b>	<b>21,877</b>	<b>33,982</b>	<b>13,407</b>	<b>65,931</b>	<b>11,492</b>	<b>23,781</b>	<b>4,477</b>	<b>44,531</b>	<b>637</b>	<b>31,098</b>
Due from affiliates, net	-	(244,455)	119,228	-	-	-	1,681	24,197	99,349	-	-	-	-
Note receivable from affiliate	-	(19,489)	19,489	-	-	-	-	-	-	-	-	-	-
Assets limited as to use, net of current portion	1,185,589	(221,126)	1,009,225	7,000	1,362	79,145	61,561	-	230,131	5,132	1,704	-	11,255
Pledges receivable, net of current portion	118,694	-	426	-	530	-	115,926	-	-	-	-	-	1,812
Property, plant and equipment, net	3,652,699	-	3,488,214	55,137	794	56,671	1,424	7,415	-	1,192	1,923	293	39,636
Insurance claims receivable, net of current portion	320,322	(154,555)	464,003	7,034	530	892	187	1,011	-	-	-	-	1,220
Other assets	171,002	(38,504)	122,489	9,500	214	2,500	-	-	22,623	-	-	-	52,180
<b>Total assets</b>	<b>\$8,606,297</b>	<b>(\$711,517)</b>	<b>\$8,163,240</b>	<b>\$100,548</b>	<b>\$37,612</b>	<b>\$152,615</b>	<b>\$246,710</b>	<b>\$44,115</b>	<b>\$375,884</b>	<b>\$10,801</b>	<b>\$48,158</b>	<b>\$930</b>	<b>\$137,201</b>
<b>Liabilities and net assets (deficit)</b>													
<b>Current liabilities:</b>													
Short-term borrowings	\$110,218	\$-	\$110,218	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Accounts payable and accrued expenses	579,811	-	514,712	3,680	2,660	8,735	298	20,189	3,785	329	9,529	108	15,786
Accrued salaries and related benefits	554,810	-	517,745	5,207	2,065	4,808	878	5,804	-	491	749	44	17,019
Current portion of capital lease obligations	6,665	-	4,182	1,167	-	-	-	-	-	-	-	-	1,316
Current portion of long-term debt	60,570	-	59,742	828	-	-	-	-	-	-	-	-	-
Current portion of insurance claims liability	94,480	(33,388)	125,535	1,405	128	215	45	244	-	-	-	-	296
Current portion of malpractice and other insurance liabilities	73,718	(20,695)	57,426	721	-	-	-	36,266	-	-	-	-	-
Current portion of third-party payer structured liabilities	5,438	-	5,438	-	-	-	-	-	-	-	-	-	-
Current portion of estimated payable to third-party payers	423,138	-	415,023	1,856	-	-	-	-	-	68	6,191	-	-
<b>Total current liabilities</b>	<b>1,908,848</b>	<b>(54,083)</b>	<b>1,810,021</b>	<b>14,864</b>	<b>4,853</b>	<b>13,758</b>	<b>1,221</b>	<b>26,237</b>	<b>40,051</b>	<b>888</b>	<b>16,469</b>	<b>152</b>	<b>34,417</b>
Due to affiliates, net	-	(138,325)	-	2,992	890	5,076	-	-	-	10,304	10,747	420	107,899
Note payable to affiliate	-	(19,489)	-	19,489	-	-	-	-	-	-	-	-	-
Accrued retirement benefits, net of current portion	344,616	-	339,906	4,631	-	53	-	26	-	-	-	-	-
Capital lease obligations, net of current portion	98,558	-	97,515	1,096	-	-	-	-	-	-	-	-	147
Long-term debt, net of current portion	1,619,142	-	1,593,173	25,969	-	-	-	-	-	-	-	-	-
Insurance claims liability, net of current portion	320,322	(154,555)	464,003	7,034	530	892	187	1,011	-	-	-	-	1,220
Malpractice and other insurance liabilities, net of current portion	740,185	(87,259)	544,516	2,625	-	-	-	280,303	-	-	-	-	-
Third-party payer structured liabilities, net of current portion	15,241	-	15,241	-	-	-	-	-	-	-	-	-	-
Other long-term liabilities	416,381	-	403,601	1,556	45	117	8,725	1,304	-	-	87	-	896
<b>Total liabilities</b>	<b>5,463,293</b>	<b>(453,714)</b>	<b>5,267,776</b>	<b>80,256</b>	<b>6,318</b>	<b>19,896</b>	<b>10,183</b>	<b>28,578</b>	<b>320,354</b>	<b>11,192</b>	<b>27,303</b>	<b>572</b>	<b>144,579</b>
<b>Commitments and contingencies</b>													
<b>Net assets (deficit):</b>													
Unrestricted	2,633,063	(35,335)	2,495,291	20,292	29,577	39,168	12,720	15,537	55,530	(6,545)	29,855	358	(17,185)
Temporarily restricted	374,797	(200,630)	340,010	-	1,539	54,180	168,140	-	-	1,751	-	-	9,807
Permanently restricted	135,144	(21,838)	57,163	-	378	39,371	55,667	-	-	4,403	-	-	-
<b>Total net assets (deficit)</b>	<b>3,143,004</b>	<b>(257,803)</b>	<b>2,895,464</b>	<b>20,292</b>	<b>31,294</b>	<b>132,719</b>	<b>236,527</b>	<b>15,537</b>	<b>55,530</b>	<b>(391)</b>	<b>20,855</b>	<b>355</b>	<b>(7,378)</b>
<b>Total liabilities and net assets (deficit)</b>	<b>\$8,606,297</b>	<b>(\$711,517)</b>	<b>\$8,163,240</b>	<b>\$100,548</b>	<b>\$37,612</b>	<b>\$152,615</b>	<b>\$246,710</b>	<b>\$44,115</b>	<b>\$375,884</b>	<b>\$10,801</b>	<b>\$48,158</b>	<b>\$930</b>	<b>\$137,201</b>

North Shore-Long Island Jewish Health System, Inc.

Combining Statement of Financial Position - Obligated Group Only  
June 30, 2014 (Unaudited and In Thousands)

	Total Obligated Group	North Shore-Long Island Jewish Health Care, Inc. Eliminations	North Shore University Hospital	Long Island Jewish Medical Center	Staten Island University Hospital	Lenox Hill Hospital	Southside Hospital	Huntington Hospital Association	Glen Cove Hospital	Plainview Hospital	Forest Hills Hospital	Franklin Hospital	North Shore-LIJ Stern Family Center for Rehabilitation	
<b>Assets</b>														
<b>Current assets:</b>														
Cash and cash equivalents	\$153,374	\$-	\$2,457	\$53,155	\$52,117	\$35,626	\$796	\$32	\$8,724	\$36	\$20	\$26	\$301	\$84
Marketable securities and other investments	1,624,195	-	46,311	647,354	349,834	243,941	142,287	2,738	117,710	74,020	-	-	-	-
Accounts receivable for services to patients, net of allowance for doubtful accounts	770,740	-	70	158,441	192,568	81,694	111,883	43,654	43,057	7,447	17,193	24,937	20,805	8,991
Accounts receivable for physician activities, net	63,235	-	-	54,504	7,015	-	442	402	245	-	385	113	129	-
Assets limited as to use, current portion	88,403	-	91	55,224	17,690	3,443	3,704	1,479	1,458	404	1,341	2,707	549	313
Pledges receivable, current portion	114	-	-	-	-	114	-	-	-	-	-	-	-	-
Insurance claims receivable, current portion	125,535	-	709	32,469	28,987	17,215	17,847	8,103	5,339	3,127	3,443	4,270	3,844	182
Other current assets	174,570	(3,000)	17,960	42,490	43,420	14,718	27,941	12,461	5,583	2,604	4,632	2,135	3,120	106
<b>Total current assets</b>	<b>2,940,166</b>	<b>(3,000)</b>	<b>67,598</b>	<b>1,043,637</b>	<b>691,631</b>	<b>396,751</b>	<b>304,900</b>	<b>68,869</b>	<b>183,116</b>	<b>87,658</b>	<b>26,414</b>	<b>34,188</b>	<b>28,748</b>	<b>9,676</b>
Due from affiliates, net	119,228	(131,081)	-	49,986	115,878	-	-	-	2,207	21,682	15,934	25,141	-	19,481
Note receivable from affiliate	19,489	-	19,489	-	-	-	-	-	-	-	-	-	-	-
Assets limited as to use, net of current portion	1,009,225	-	363,551	181,492	204,970	117,338	73,179	17,528	26,171	6,303	448	164	3,709	14,372
Pledges receivable, net of current portion	426	-	-	-	-	17	-	409	-	-	-	-	-	-
Property, plant and equipment, net	3,488,214	-	395,218	599,078	1,021,607	228,387	815,400	110,450	123,688	55,096	32,026	55,199	38,795	13,270
Insurance claims receivable, net of current portion	464,003	-	2,934	123,662	113,044	65,310	50,471	31,363	20,508	11,906	13,000	16,410	14,643	752
Other assets	122,489	(690,415)	705,191	13,085	33,252	25,468	29,884	3,399	1,121	149	362	400	455	158
<b>Total assets</b>	<b>\$8,163,240</b>	<b>(\$824,496)</b>	<b>\$1,553,981</b>	<b>\$2,010,940</b>	<b>\$2,180,382</b>	<b>\$833,254</b>	<b>\$1,273,851</b>	<b>\$231,609</b>	<b>\$357,220</b>	<b>\$182,774</b>	<b>\$88,184</b>	<b>\$131,502</b>	<b>\$86,350</b>	<b>\$57,689</b>
<b>Liabilities and net assets (deficit)</b>														
<b>Current liabilities:</b>														
Short-term borrowings	\$110,218	\$-	\$-	\$7,500	\$102,718	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Accounts payable and accrued expenses	514,712	-	98,009	130,052	83,501	50,277	64,325	26,053	18,863	10,332	10,449	9,795	10,814	2,242
Accrued salaries and related benefits	517,745	-	103,306	118,144	96,758	49,503	45,920	24,856	24,284	10,304	11,055	17,764	13,126	2,725
Current portion of capital lease obligations	4,182	(191)	1,627	54	1,084	1,286	322	-	-	-	-	-	-	-
Current portion of long-term debt	59,742	-	-	20,241	14,307	11,655	4,665	1,170	1,135	334	1,929	3,608	435	263
Current portion of insurance claims liability	125,535	-	709	32,469	28,987	17,215	17,847	8,103	5,339	3,127	3,443	4,270	3,844	182
Current portion of malpractice and other insurance liabilities	57,426	-	5,588	14,817	13,604	8,297	3,622	3,050	2,341	1,327	1,323	1,826	1,631	-
Current portion of third-party payer structured liabilities	5,438	-	-	-	-	5,438	-	-	-	-	-	-	-	-
Current portion of estimated payable to third-party payers	415,023	-	-	123,934	111,569	27,944	57,651	31,301	6,859	4,513	11,387	24,514	11,325	3,726
<b>Total current liabilities</b>	<b>1,810,021</b>	<b>(191)</b>	<b>209,239</b>	<b>447,211</b>	<b>452,828</b>	<b>171,615</b>	<b>194,352</b>	<b>94,533</b>	<b>58,821</b>	<b>29,937</b>	<b>39,586</b>	<b>61,777</b>	<b>41,175</b>	<b>9,138</b>
Due to affiliates, net	-	(255,763)	117,529	-	-	22,491	63,336	24,695	-	-	-	-	27,712	-
Accrued retirement benefits, net of current portion	339,906	-	96,949	76,323	14,720	1,412	60,159	19,083	44,611	8,961	11,039	631	3,185	2,833
Capital lease obligations, net of current portion	97,315	(19,566)	95,143	5,552	12,973	-	3,213	-	-	-	-	-	-	-
Long-term debt, net of current portion	1,593,173	-	383,529	168,357	670,272	100,758	127,760	39,380	40,313	8,638	14,218	19,059	14,578	6,311
Insurance claims liability, net of current portion	464,003	-	2,934	123,662	113,044	65,310	50,471	31,363	20,508	11,906	13,000	16,410	14,643	752
Malpractice and other insurance liabilities, net of current portion	544,516	-	27,659	150,546	129,307	78,716	45,718	30,188	22,304	12,532	13,544	18,420	15,582	-
Third-party payer structured liabilities, net of current portion	15,241	-	-	-	-	15,241	-	-	-	-	-	-	-	-
Other long-term liabilities	403,601	-	9,480	92,507	92,650	43,255	63,186	16,296	23,127	9,327	15,436	21,743	15,485	1,109
<b>Total liabilities</b>	<b>5,267,776</b>	<b>(275,520)</b>	<b>942,462</b>	<b>1,064,158</b>	<b>1,485,794</b>	<b>498,798</b>	<b>608,195</b>	<b>255,535</b>	<b>209,684</b>	<b>81,301</b>	<b>106,823</b>	<b>138,040</b>	<b>132,360</b>	<b>20,143</b>
<b>Commitments and contingencies</b>														
<b>Net assets (deficit):</b>														
Unrestricted	2,498,291	(435,809)	498,352	851,522	556,879	321,100	552,489	(41,800)	141,561	91,596	(19,093)	(6,715)	(48,446)	36,655
Temporarily restricted	340,010	(89,445)	89,445	75,627	129,320	11,872	89,445	17,871	4,512	7,118	454	177	2,423	891
Permanently restricted	57,163	(23,722)	23,722	19,633	8,389	1,484	23,722	-	1,163	2,759	-	-	13	-
<b>Total net assets (deficit)</b>	<b>2,895,464</b>	<b>(548,976)</b>	<b>611,519</b>	<b>946,782</b>	<b>694,588</b>	<b>334,456</b>	<b>665,656</b>	<b>(23,929)</b>	<b>147,536</b>	<b>101,473</b>	<b>(18,639)</b>	<b>(6,538)</b>	<b>(46,010)</b>	<b>37,546</b>
<b>Total liabilities and net assets (deficit)</b>	<b>\$8,163,240</b>	<b>(\$824,496)</b>	<b>\$1,553,981</b>	<b>\$2,010,940</b>	<b>\$2,180,382</b>	<b>\$833,254</b>	<b>\$1,273,851</b>	<b>\$231,609</b>	<b>\$357,220</b>	<b>\$182,774</b>	<b>\$88,184</b>	<b>\$131,502</b>	<b>\$86,350</b>	<b>\$57,689</b>

North Shore-Long Island Jewish Health System, Inc.

Consolidating Statement of Operations  
For the Six Months Ended June 30, 2014 (Unaudited and In Thousands)

	North Shore- Long Island Jewish Health System, Inc. Total	Eliminations	North Shore- Long Island Jewish Obligated Group	The Long Island Home	Hospice Care Network, Inc.	The Feinstein Institute for Medical Research	North Shore- Long Island Jewish Health System Foundation, Inc.	North Shore- Long Island Jewish Health System Laboratories	Captive Insurance Companies	Dolan Family Health Center	Health Insurance Companies	Endoscopy Center of Long Island	Other Health System Entities
<b>Operating revenue:</b>													
Net patient service revenue	\$2,971,900	(\$10,904)	\$2,885,873	\$46,674	\$24,356	\$205	\$-	\$-	\$-	\$2,164	\$-	\$6,902	\$16,630
Physician practice revenue	461,379	(3,800)	382,505	1,242	-	-	-	-	-	-	-	-	81,432
Provision for bad debts	(49,717)	14	(47,725)	(1,205)	(90)	-	-	(385)	-	(2)	-	-	(324)
Total patient revenue, net of provision for bad debts	3,383,562	(14,690)	3,220,653	46,711	24,266	205	-	(385)	-	2,162	-	6,902	97,738
Other operating revenue	198,736	(182,788)	138,242	512	-	20,315	-	128,505	21,056	1,572	32,159	-	39,163
Net assets released from restrictions used for operations	23,456	-	13,960	-	447	8,938	-	-	-	111	-	-	-
Total operating revenue	3,605,754	(197,478)	3,372,855	47,223	24,713	29,458	-	128,120	21,056	3,845	32,159	6,902	136,901
<b>Operating expenses:</b>													
Salaries	1,850,251	(8,107)	1,662,896	27,447	8,696	22,536	-	28,059	-	2,010	7,479	1,253	97,682
Employee benefits	469,071	(4,342)	423,355	8,960	2,357	7,118	-	9,201	-	751	1,965	160	19,546
Supplies and expenses	1,033,326	(179,817)	1,013,585	10,621	12,376	12,588	-	81,439	21,068	1,180	34,192	1,642	24,452
Depreciation and amortization	168,468	-	167,015	1,206	169	2,746	-	723	-	49	-	6	2,863
Interest	(46,584)	(112)	(45,835)	816	-	-	-	-	-	-	-	-	45
Total operating expenses	3,567,700	(192,378)	3,306,686	49,059	23,598	45,288	-	119,422	21,068	3,981	45,636	3,061	144,288
Excess (deficiency) of operating revenue over operating expenses	38,054	(5,100)	66,169	(1,827)	1,115	(15,830)	-	8,698	(12)	(136)	(11,477)	3,841	(7,387)
<b>Non-operating gains and losses:</b>													
Investment income	62,575	-	60,550	25	59	7	366	(6)	1,602	-	10	(23)	(15)
Change in net unrealized gains and losses and change in value of equity method investments	28,423	(1,263)	22,686	-	815	(3)	112	-	5,319	-	1	-	756
Change in fair value of interest rate swap agreements designated as derivative instruments	392	-	392	-	-	-	-	-	-	-	-	-	-
Other non-operating gains and losses	(7,247)	(631)	(3,069)	6	324	-	(3,937)	-	-	21	-	-	39
Total non-operating gains and losses	84,143	(1,894)	80,559	31	1,198	4	(3,459)	(6)	6,921	21	11	(23)	780
Excess (deficiency) of revenue and gains and losses over expenses	122,197	(6,994)	146,728	(1,796)	2,313	(15,826)	(3,459)	8,692	6,909	(115)	(11,466)	3,818	(6,607)
Net assets released from restrictions for capital asset acquisitions	3,134	-	3,134	-	-	-	-	-	-	-	-	-	-
Change in fair value of interest rate swap agreements designated as cash flow hedges	(59)	-	582	(123)	-	-	-	-	-	-	-	-	-
Transfers (to) from affiliates	-	5,100	(28,705)	-	-	15,799	-	(5,100)	-	-	-	-	12,906
Other changes in net assets	(1,132)	2,618	-	-	-	-	-	-	-	-	-	(3,750)	-
Increase (decrease) in unrestricted net assets	\$124,658	\$724	\$121,739	(\$1,919)	\$2,313	(\$27)	(\$3,459)	\$3,592	\$6,909	(\$115)	(\$11,466)	\$68	\$6,299

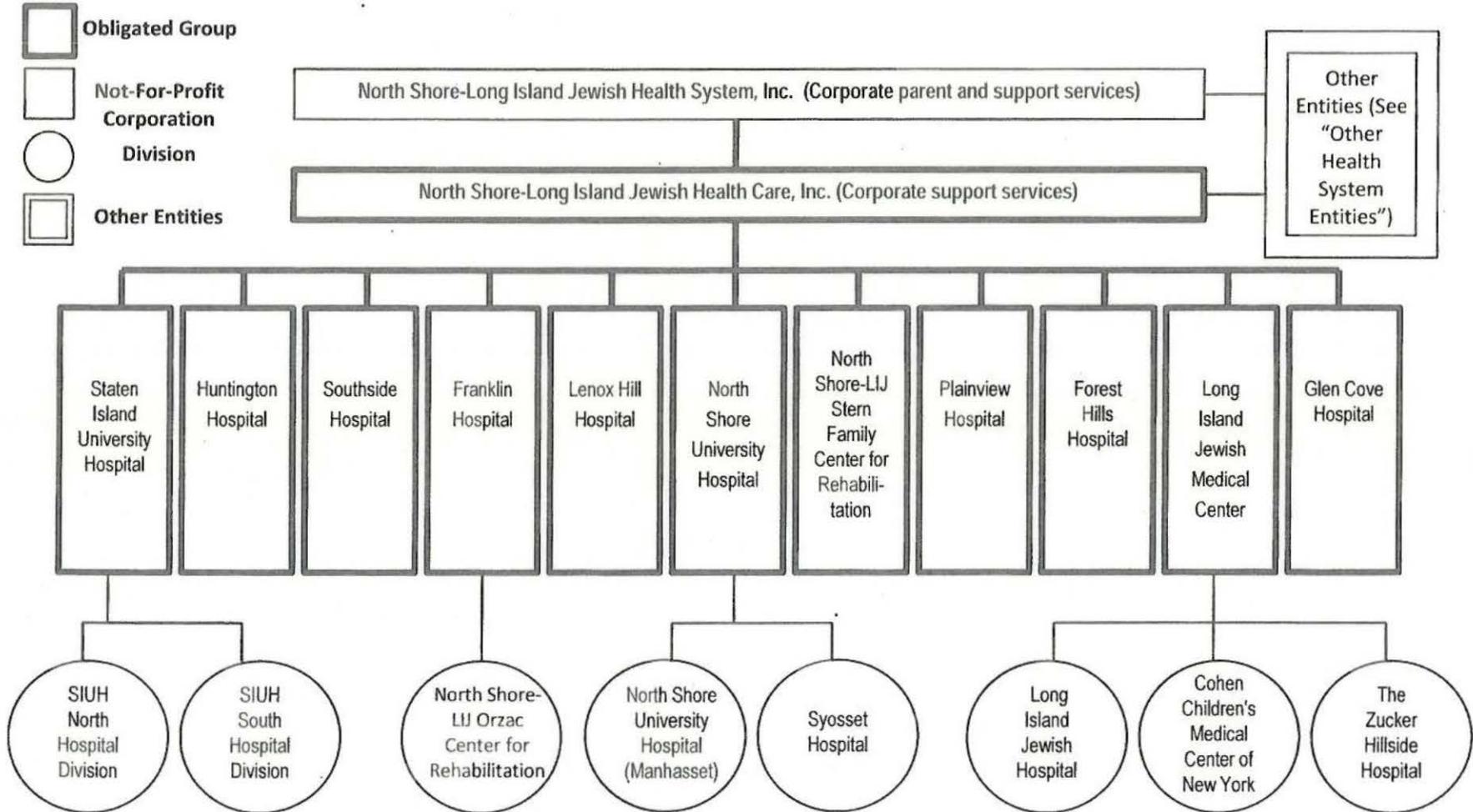
North Shore-Long Island Jewish Health System, Inc.

Combining Statement of Operations - Obligated Group Only  
For the Six Months Ended June 30, 2014 (Unaudited and In Thousands)

	Total Obligated Group	North Shore-Long Island Jewish Health Care, Inc.	North Shore University Hospital	Long Island Jewish Medical Center	Staten Island University Hospital	Lenox Hill Hospital (*)	Southside Hospital	Huntington Hospital Association	Glen Cove Hospital	Plainview Hospital	Forest Hills Hospital	Franklin Hospital	North Shore-LIJ Stern Family Center for Rehabilitation	
Operating revenue:														
Net patient service revenue	\$2,885,873	\$-	\$-	\$701,815	\$709,341	\$406,980	\$389,854	\$180,520	\$139,118	\$53,281	\$78,615	\$113,208	\$86,508	\$26,633
Physician practice revenue	382,505	-	-	157,109	99,830	-	42,099	24,759	21,853	10,691	8,678	9,556	7,482	448
Provision for bad debts	(47,725)	3,096	-	(18,119)	(11,326)	(4,965)	(5,607)	(3,532)	(2,387)	(909)	(813)	(2,066)	(914)	(183)
Total patient revenue, net of provision for bad debts	3,220,653	3,096	-	\$40,805	797,845	402,015	426,346	201,747	158,584	63,063	86,480	120,698	93,076	26,898
Other operating revenue	158,242	(392,848)	355,472	91,274	40,497	8,315	5,531	12,559	2,237	1,735	5,115	4,079	4,001	275
Net assets released from restrictions used for operations	13,960	-	214	6,228	4,899	-	2,559	41	15	-	3	-	1	-
Total operating revenue	3,372,855	(389,752)	355,686	938,307	843,241	410,330	434,436	214,347	160,836	64,798	91,598	124,777	97,078	27,173
Operating expenses:														
Salaries	1,662,896	(142,105)	134,780	473,896	403,875	174,518	217,991	109,003	83,373	37,886	47,467	59,534	48,371	14,307
Employee benefits	423,355	(32,810)	36,957	36,957	99,225	97,421	59,052	51,265	30,665	18,925	9,861	13,587	18,945	15,389
Supplies and expenses	1,013,585	(213,975)	138,977	302,361	257,341	135,039	157,933	69,266	49,251	17,067	30,143	35,523	29,542	5,117
Depreciation and amortization	161,015	-	34,838	29,547	37,541	14,409	17,298	6,199	8,050	3,155	2,201	4,290	2,673	814
Interest	45,835	(862)	12,457	5,695	19,128	3,199	2,702	955	1,034	191	359	479	371	127
Total operating expenses	3,306,686	(389,752)	358,009	910,724	815,306	386,217	447,189	216,088	166,633	68,160	93,757	118,771	96,346	25,238
Excess (deficiency) of operating revenue over operating expenses	66,169	-	(2,323)	27,583	27,935	24,113	(12,753)	(1,741)	203	(3,362)	(2,159)	6,906	732	1,935
Non-operating gains and losses:														
Investment income	60,550	-	9,203	23,803	12,034	8,617	4,141	200	74	2,273	29	75	52	49
Change in net unrealized gains and losses and change in value of equity method investments	22,686	6,410	(3,260)	6,827	3,295	3,183	1,376	24	4,221	654	(6)	(12)	(3)	(23)
Change in fair value of interest rate swap agreements designated as derivative instruments	392	-	-	-	-	392	-	-	-	-	-	-	-	-
Other non-operating gains and losses	(3,069)	-	-	89	(598)	(2,773)	405	-	(192)	-	-	-	-	-
Total non-operating gains and losses	80,559	6,410	5,943	30,719	14,731	9,419	5,922	224	4,103	2,927	23	63	49	26
Excess (deficiency) of revenue and gains and losses over expenses	146,728	6,410	3,620	58,302	42,666	33,532	(6,831)	(1,517)	4,306	(435)	(2,136)	6,969	781	1,961
Net assets released from restrictions for capital asset acquisitions	3,134	-	-	450	2,226	23	421	-	14	-	-	-	-	-
Change in fair value of interest rate swap agreements designated as cash flow hedges	582	-	-	210	372	-	-	-	-	-	-	-	-	-
Transfers (to) from affiliates	(28,705)	-	(12,906)	(8,842)	(6,957)	-	-	-	-	-	-	-	-	-
Increase (decrease) in unrestricted net assets	\$121,739	\$6,410	(\$9,286)	\$50,120	\$38,307	\$33,555	(\$6,410)	(\$1,517)	\$4,320	(\$435)	(\$2,136)	\$6,069	\$781	\$1,961



# Principal Operating Entities of North Shore-LIJ Health System



North Shore-Long Island Jewish Health System, Inc.  
Consolidating Statement of Financial Position

December 31, 2013  
(In Thousands)

	North Shore- Long Island Jewish Health System, Inc. Total	Eliminations	North Shore- Long Island Jewish Health System, Inc. Group	The Long Island Home	Hopnice Care Network, Inc.	The Feinstein Institute for Medical Research	North Shore- Long Island Jewish Health System Foundation, Inc.	North Shore- Long Island Jewish Health System Laboratories	Captive Insurance Company	Boylan Family Health Center	Health Insurance Companies	Other Health System Entities
<b>Assets</b>												
Current assets	\$ 210,691	\$ -	\$ 126,464	\$ 8,962	\$ 6,846	\$ -	\$ 22,665	\$ -	\$ 5,281	\$ 227	\$ 34,324	\$ 10,762
Cash and cash equivalents	1,791,386	-	1,697,228	3	18,566	20	12,139	-	9,184	-	-	-
Marketable securities and other investments	79,198	-	668,711	14,174	5,445	-	-	7,257	-	385	-	4,290
Accounts receivable for services to patients, net of allowance for doubtful accounts	68,443	-	60,542	-	-	-	-	-	-	-	-	-
Accounts receivable for physician services, net	78,956	-	78,956	-	-	-	-	-	-	-	-	-
Assets limited as to use, current portion	15,277	-	176	-	122	-	45,220	-	-	-	-	59
Prepaid expenses, current portion	98,999	437,383	129,455	1,405	128	215	48	244	590	442	1,302	295
Insurance claims receivable, current portion	159,931	133,388	142,193	1,335	223	416	2,316	10,917	15,046	3,229	15,623	4,027
Other current assets	3,951,491	42,362,517	39,569	31,278	7,651	18,719	33,959	10,317	115,142	9,503	36,312	27,250
Due from affiliates, net	-	1,159,721	16,989	-	-	-	-	-	-	-	-	-
Notes receivable from affiliate	-	1,159,721	16,989	-	-	-	-	-	-	-	-	-
Assets limited as to use, net of current portion	112,821	-	912,468	7,690	1,812	2,208	56,776	-	215,266	5,102	880	10,193
Pledges receivable, net of current portion	3,529,093	-	3,384,404	54,938	789	58,505	1,424	7,482	-	1,232	-	1,351
Property, plant and equipment, net	334,073	(154,455)	477,754	7,014	530	992	187	1,011	-	-	-	41,189
Insurance claims receivable, net of current portion	179,153	(19,202)	258,986	9,533	214	2,569	-	-	22,687	-	-	1,320
Other assets	\$ 8,423,151	\$ 6,065,247	\$ 8,062,641	\$ 99,533	\$ 78,663	\$ 244,996	\$ 238,933	\$ 33,229	\$ 308,541	\$ 9,503	\$ 36,312	\$ 52,438
Total assets	\$ 110,540	\$ -	\$ 210,540	\$ 3,147	\$ 2,263	\$ 5,834	\$ 277	\$ 16,765	\$ 2,868	\$ 333	\$ 1,976	\$ 16,854
Liabilities and net assets (deficit)	\$ 416,164	\$ -	\$ 416,164	\$ 4,984	\$ 2,012	\$ 5,087	\$ 1,279	\$ 5,924	\$ -	\$ 475	\$ -	\$ 22,517
Current liabilities	5,908	-	5,908	1,124	307	3,581	-	-	-	-	-	1,530
Short-term borrowings	52,354	-	52,354	807	128	215	48	244	36,260	-	-	295
Accounts payable and accrued expenses	98,999	(33,988)	129,455	1,405	128	215	48	244	590	442	1,302	295
Accrued salaries and related benefits	74,252	(26,054)	57,387	894	-	-	-	-	-	-	-	-
Current portion of capital lease obligations	2,518	-	2,518	2,173	-	-	-	-	-	376	1,117	-
Current portion of long-term debt	428,272	-	421,869	4,173	-	-	-	-	-	-	-	-
Current portion of nonproductive and other insurance liabilities	1,879,710	(54,083)	1,783,576	23,828	4,593	12,136	1,601	22,943	39,151	1,104	4,193	41,292
Current portion of liability pay or structural liabilities	-	(426,655)	-	1,215	706	2,439	3,744	-	-	8,508	-	103,649
Current portion of estimated payable to third-party payers	11,044	(16,989)	33,977	3,689	-	-	-	-	-	-	-	-
Due to affiliates, net	346,046	-	346,046	3,992	-	53	-	26	-	-	-	-
Notes payable, affiliate	774	-	774	1,477	-	-	-	-	-	-	-	-
Accrued retirement benefits, net of current portion	1,664,722	-	1,638,991	26,591	-	-	-	-	-	-	-	704
Capital lease obligations, net of current portion	331,673	(154,455)	78,218	892	530	892	67	1,011	200,350	-	-	1,221
Long-term debt, net of current portion	716,052	(25,727)	526,384	2,719	-	-	-	-	-	-	-	-
Insurance claims payable, net of current portion	18,398	-	18,268	-	-	-	-	-	-	-	-	-
Third-party accrued liabilities, net of current portion	41,134	-	41,134	4,414	76	116	6,186	1,104	-	-	-	975
Other long-term liabilities	5,474,128	(442,117)	5,298,830	37,322	5,847	15,036	17,718	25,284	316,226	16,072	4,193	348,143
Total liabilities	2,508,105	(26,696)	2,476,552	23,211	27,064	33,195	16,179	11,545	48,621	6,836	32,321	121,190
Net assets (deficit)	346,046	(285,625)	333,567	1,936	1,248	51,696	153,646	5,220	-	5,188	-	8,672
Temporarily restricted	134,156	-	134,156	376	376	38,079	53,439	-	-	4,493	-	-
Permanently restricted	2,998,926	(285,625)	2,726,891	33,211	30,214	125,376	226,624	17,245	-	5,974	32,321	112,332
Total net assets (deficit)	\$ 8,423,151	\$ 6,065,247	\$ 8,062,641	\$ 99,533	\$ 78,663	\$ 244,996	\$ 238,933	\$ 33,229	\$ 308,541	\$ 9,503	\$ 36,312	\$ 52,438
Total liabilities and net assets (deficit)	\$ 110,540	\$ -	\$ 210,540	\$ 3,147	\$ 2,263	\$ 5,834	\$ 277	\$ 16,765	\$ 2,868	\$ 333	\$ 1,976	\$ 16,854

North Shore-Long Island Jewish Health System, Inc.  
Combining Statement of Financial Position – Obligated Group Only

December 31, 2013  
(In Thousands)

	Total Obligated Group	Eliminations	North Shore-Long Island Jewish Health Care, Inc.	North Shore University Hospital	Long Island Jewish Medical Center	Staten Island University Hospital	Lenox Hill Hospital	Southside Hospital	Huntington Hospital Association	Glen Cove Hospital	Plainview Hospital	Forest Hills Hospital	Franklin Hospital	North Shore-Long Island Jewish Health System Family Center for Rehabilitation
<b>Assets</b>														
Cash and cash equivalents	\$ 126,464	\$ -	\$ 49,833	\$ 18,792	\$ 14,686	\$ 27,429	\$ 312	\$ 44	\$ 11,969	\$ -	\$ 9	\$ 2,673	\$ 26	\$ 681
Marketable securities and other investments	1,697,228	-	89,953	1,449,939	328,441	220,460	136,768	26,666	11,296	71,117	13,972	21,381	17,663	5,588
Accounts receivable for services to patients, net of allowance for doubtful accounts	668,111	-	38	133,633	1,174,488	80,973	107,063	40,953	37,862	12,113	23,920	21,381	17,663	5,588
Accounts receivable for physician activities, net	56,556	-	-	4,016	36,097	1,744	3,612	74	1,433	1,111	57	124	113	28
Prepaid expenses	175	-	-	52,576	14,546	4,195	3,612	1,419	1,433	24	274	34	52	28
Prepaid insurance	139,458	-	-	33,652	29,938	17,878	17,878	8,422	5,417	3,348	3,586	4,427	3,991	182
Prepaid taxes receivable, current portion	113,192	(13,600)	-	42	17,458	17,878	17,878	21,886	8,456	2,472	3,347	4,427	3,991	182
Other current assets	2,393,725	13,600	148,672	1,042,795	649,192	366,285	282,554	56,124	178,717	89,233	21,268	30,935	22,659	6,551
Due from affiliates, net	102,656	(73,255)	-	13,922	60,882	-	-	-	-	37,764	24,457	28,196	-	20,649
Note receivable from affiliate	16,989	-	16,989	-	-	-	-	-	-	-	-	-	-	-
Assets pledged as to use, net of current portion	992,408	-	294,341	190,801	261,745	110,856	62,556	19,081	20,641	6,408	567	468	4,351	14,533
Property, plant and equipment, net	3,884,404	-	399,663	564,400	1,036,436	213,671	819,169	127,192	127,192	96,705	31,977	49,194	30,893	13,613
Insurance claims receivable, net of current portion	25,967	-	3,971	127,779	116,348	67,638	59,477	32,320	21,263	12,333	13,570	16,964	15,174	752
Other assets	8,095,641	(7,308,244)	\$ 1,409,653	\$ 1,932,792	\$ 2,139,176	\$ 807,490	\$ 1,235,701	\$ 212,798	\$ 345,137	\$ 162,066	\$ 93,126	\$ 126,080	\$ 84,549	\$ 56,252
<b>Liabilities and net assets (deficit)</b>														
Current liabilities														
Short-term borrowings	\$ 1,167,540	\$ -	\$ -	\$ 7,460	\$ 103,660	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable and accrued expenses	1,738,872	-	84,446	1,078,499	28,857	46,739	88,759	34,261	17,198	13,724	8,777	10,186	9,997	2,419
Accrued salaries and related benefits	52,896	-	222,482	114,149	96,580	54,389	32,047	23,878	24,336	12,657	26,692	12,686	13,553	2,797
Current portion of capital lease obligations	43,147	(1,790)	7,616	17,179	16,569	17,664	4,546	1,139	1,100	187	1,584	3,163	415	101
Current portion of long-term debt	121,155	-	72	33,652	20,338	17,878	17,878	8,122	5,537	3,249	3,586	4,127	3,794	182
Current portion of nonrecourse contract liability	67,797	-	5,949	14,816	13,658	8,297	3,622	3,859	2,341	1,327	1,133	1,836	1,631	-
Current portion of third-party contract liabilities	5,438	-	-	-	13,658	8,297	3,622	3,859	2,341	1,327	1,133	1,836	1,631	-
Current portion of estimated payable to third-party providers	217,869	-	-	337,796	42,333	24,821	49,278	32,474	6,394	7,268	12,110	24,183	11,264	3,729
Total current liabilities	1,783,676	(1,790)	225,245	413,214	445,889	274,260	197,384	93,215	56,719	37,905	30,075	61,291	49,844	9,228
Due to affiliates, net	-	-	74,693	-	18,688	18,688	53,168	33,279	2,369	9,513	12,001	762	26,798	3,968
Accrued retirement benefits, net of current portion	314,973	(197,455)	82,114	81,622	15,859	1,400	69,596	19,632	45,940	9,513	12,001	762	2,467	2,968
Capital lease obligations, net of current portion	1,120	(19,560)	79,570	5,577	15,992	215	3,115	-	-	-	-	-	-	-
Long-term debt, net of current portion	3,638,981	-	383,803	1,772,228	691,765	407,384	131,646	40,580	41,488	3,957	14,852	19,629	15,324	6,617
Insurance claims liability, net of current portion	477,744	-	3,371	127,779	116,348	67,638	59,477	32,320	21,263	12,333	13,570	16,964	15,174	785
Nonrecourse contract liability, net of current portion	529,584	-	17,518	146,853	129,312	74,885	48,183	30,396	22,477	13,058	13,799	17,898	15,621	585
Third-party contract liabilities, net of current portion	19,288	-	-	-	18,288	18,288	19,288	-	-	-	-	-	-	-
Third-party taxes suspended liabilities, net of current portion	401,134	-	6,211	92,858	91,858	43,765	63,849	16,296	23,127	9,466	15,436	21,743	15,485	1,109
Total liabilities	5,288,840	(2,004)	863,124	1,665,112	1,944,541	566,283	578,533	255,251	213,310	91,232	118,634	118,657	111,353	26,672
Net assets (deficit)														
Unrestricted	3,376,552	(441,219)	507,638	863,482	518,572	287,545	558,899	40,283	137,241	92,011	(16,957)	(12,784)	(45,227)	34,694
Temporarily restricted	113,567	(25,017)	5,617	66,545	127,625	13,778	75,917	17,500	3,613	6,676	433	177	2,410	884
Permanently restricted	26,752	(23,174)	23,174	19,633	8,808	1,824	23,274	2,257	1,657	2,257	-	-	13	-
Total net assets (deficit)	3,516,871	(500,000)	536,429	956,664	654,005	313,147	657,790	60,040	142,511	101,744	(16,514)	(12,607)	(42,804)	35,578
Total liabilities and net assets (deficit)	\$ 8,805,641	\$ (1,790,244)	\$ 1,409,653	\$ 1,932,792	\$ 2,139,176	\$ 807,490	\$ 1,235,701	\$ 212,798	\$ 345,137	\$ 162,066	\$ 93,126	\$ 126,080	\$ 84,549	\$ 56,252

North Shore-Long Island Jewish Health System, Inc.  
Consolidating Statement of Operations

Year Ended December 31, 2013  
(In Thousands)

	North Shore- Long Island Jewish Health System, Inc. Total	Eliminations	North Shore- Long Island Jewish Obligated Group	The Long Island Home	Hispanic Care Network, Inc.	The Feinstein Institute for Medical Research	North Shore- Long Island Jewish Health System Foundation, Inc.	North Shore- Long Island Jewish Health System Laboratories	Captive Insurance Companies	Dolan Family Health Center	Health Insurance Companies	Other Health System Entities
Operating revenue												
Net patient service revenue	\$ 5,853,292	\$ (3,619)	\$ 5,678,259	\$ 90,459	\$ 49,161	\$ 430	\$ -	\$ -	\$ -	\$ 4,524	\$ -	\$ 34,278
Physician practice revenue	875,088	-	662,619	2,468	-	-	-	-	-	-	-	208,860
Provision for bad debts	(91,288)	78	(87,403)	(1,236)	(230)	-	-	(696)	-	(69)	-	(1,613)
Total patient revenue, net of provision for bad debts	6,637,092	(3,541)	6,254,475	91,681	48,931	430	-	(696)	-	4,445	-	341,525
Other operating revenue	324,697	(461,432)	326,027	1,247	1,268	14,333	-	247,337	37,930	2,623	1,351	128,229
Net assets released from restrictions used for operations	29,932	-	24,291	-	1,268	-	-	-	-	231	-	-
Total operating revenue	7,091,833	(464,973)	6,604,303	92,927	49,999	55,806	-	246,641	37,930	7,373	1,391	370,064
Operating expenses												
Salaries	3,568,991	(97,852)	3,272,079	52,308	(7,649)	44,926	-	51,683	-	4,013	278	223,971
Employee benefits	928,224	(17,633)	848,913	19,787	4,844	13,241	-	14,292	-	1,888	67	43,631
Supplies and expenses	2,029,125	(339,191)	1,956,640	20,356	24,882	24,171	-	18,634	37,985	2,152	17,915	127,683
Depreciation and amortization	307,345	-	299,494	2,337	518	5,349	-	1,629	-	74	-	6,953
Interest	84,193	(97)	82,611	1,602	-	-	-	-	-	-	-	77
Total operating expenses	6,917,874	(454,773)	6,450,682	96,382	47,823	87,672	-	224,338	37,985	7,827	8,260	491,705
Excess (deficiency) of operating revenue over operating expenses	83,957	(10,205)	154,116	(3,755)	2,176	(31,866)	-	22,303	(53)	(454)	(4,869)	(21,641)
Non-operating gains and losses												
Investment income	190,320	-	92,725	33	391	14	1,130	(58)	6,667	39	-	(31)
Change in net unrealized gains and losses and change in value of equity method investments	105,971	10,750	73,314	(3)	509	2	1,016	-	19,377	-	-	16,294
Change in fair value of interest rate swap agreements designated as derivative instruments	965	-	598	-	-	-	-	-	-	-	-	-
Early retirement program costs	(33,179)	-	(32,352)	-	(175)	-	-	(500)	-	(19)	-	(93)
Other non-operating gains and losses	16,344	(2,283)	847	8	684	-	(5,727)	-	-	32	-	185
Total non-operating gains and losses	167,735	8,477	138,159	48	1,329	16	(3,591)	(588)	16,444	52	-	10,365
Excess (deficiency) of revenue and gains and losses over expenses	251,690	(1,723)	280,275	(3,707)	3,445	(31,850)	(3,591)	21,715	16,391	(402)	(4,869)	(11,276)
Net assets released from restrictions for capital asset acquisitions	46,868	-	43,314	-	-	2,754	-	-	-	-	-	-
Change in fair value of interest rate swap agreements designated as cash flow hedges	2,931	-	1,678	1,253	-	-	-	-	-	-	-	-
Transfers (to) from affiliates	248,817	(6,280)	169,593	-	-	20,713	-	(10,200)	-	-	49,280	-
Pension and other postretirement liability adjustments	(600)	1,407	237,699	11,216	-	-	-	-	-	-	-	12,000
Other changes in net assets	54,904	9,877	501,883	9,114	3,435	(8,283)	(3,591)	11,345	(6,391)	(402)	22,321	(23,256)
Increase (decrease) in unrestricted net assets												



North Shore-Long Island Jewish Health System, Inc.  
Consolidating Statement of Financial Position  
June 30, 2014 (Unaudited and In Thousands)

	North Shore-Long Island Jewish Health System, Inc. Total	Eliminations	North Shore-Long Island Jewish Obligated Group	The Long Island Home	Hospice Care Network, Inc.	The Feinstein Institute for Medical Research	North Shore-Long Island Jewish Health System Foundation, Inc.	North Shore-Long Island Jewish Health System Laboratories	Captive Insurance Companies	Dolan Family Health Center	Health Insurance Companies	Endoscopy Center of Long Island	Other Health System Entities
<b>Assets</b>													
Current assets													
Cash and cash equivalents	\$242,925	\$-	\$153,374	\$6,296	\$5,651	\$-	\$16,711	\$-	\$5,913	\$24	\$42,854	\$657	\$11,242
Marketable securities and other investments	1,670,705	-	1,624,195	77	20,535	20	12,638	-	10,721	2,522	-	-	-
Accounts receivable for services to patients, net of allowance for doubtful accounts	747,073	-	710,740	12,946	7,502	-	-	8,726	-	365	-	-	6,725
Accounts receivable for physician activities, net	72,292	-	63,235	-	-	-	-	-	-	-	-	-	9,057
Assets limited as to use, current portion	88,403	-	88,403	-	-	-	-	-	-	-	-	-	-
Prepays receivable, current portion	36,931	-	114	-	121	-	35,539	-	-	-	-	-	157
Insurance claims receivable, current portion	94,280	(33,388)	126,535	7,405	128	215	48	244	-	-	-	-	296
Other current assets	295,182	1,183	174,570	1,183	17	13,172	-	2,572	7,147	1,322	7,677	-	3,621
Total current assets	3,257,991	(33,388)	2,440,360	31,877	33,982	13,407	65,951	11,492	33,781	4,477	44,531	537	31,095
Due from affiliates, net	-	(244,455)	119,228	-	-	-	1,681	34,197	86,349	-	-	-	-
Note receivable from affiliate	-	(19,459)	19,459	-	-	-	61,361	-	2,013	5,232	-	-	11,255
Assets limited as to use, net of current portion	1,185,589	(221,126)	1,096,225	7,089	1,562	79,145	115,326	-	1,704	1,704	-	-	1,812
Prepays receivable, net of current portion	118,694	-	426	-	530	-	1,424	74,715	-	1,923	-	-	99,636
Property, plant and equipment, net	3,652,699	-	3,488,214	58,137	794	56,671	1,424	1,011	-	293	-	-	1,329
Insurance claims receivable, net of current portion	326,322	(154,555)	864,003	7,034	530	892	187	1,011	22,623	-	-	-	52,180
Other assets	171,402	(18,504)	122,489	9,560	212	2,500	-	-	22,623	-	-	-	52,180
Total assets	\$8,696,397	(571,573)	\$8,160,240	\$109,348	\$37,612	\$52,613	\$246,710	\$44,115	\$375,884	\$10,801	\$48,158	\$930	\$137,201
<b>Liabilities and net assets (deficit)</b>													
Current liabilities													
Short-term borrowings	\$110,218	\$-	\$7,623	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Accounts payable and accrued expenses	\$79,811	-	\$14,712	3,690	2,560	8,735	398	20,189	3,785	329	9,579	105	15,786
Accrued salaries and related benefits	554,819	-	517,245	5,707	2,065	4,896	878	5,804	-	291	749	44	17,049
Current portion of capital lease obligations	6,665	-	4,582	1,167	-	-	-	-	-	-	-	-	1,316
Current portion of long-term debt	645,570	-	59,742	828	-	-	-	-	-	-	-	-	296
Current portion of insurance claims liability	94,489	(33,388)	125,535	1,405	125	215	45	244	-	-	-	-	-
Current portion of multiparty and other insurance liabilities	73,778	(26,695)	57,426	721	-	-	-	-	36,265	-	-	-	-
Current portion of third-party payor structured liabilities	3,438	-	3,438	-	-	-	-	-	-	-	-	-	-
Current portion of estimated payable to third-party payors	423,138	-	415,023	1,856	-	-	-	-	-	56	6,191	-	-
Total current liabilities	1,996,348	(51,083)	1,819,027	14,664	2,853	13,758	1,221	26,237	40,051	888	16,469	152	34,117
Due to affiliates, net	-	(138,328)	-	2,992	895	5,076	-	-	-	10,302	10,747	420	(97,899)
Note payable to affiliate	-	(19,459)	-	19,459	-	-	-	-	-	-	-	-	-
Accrued retirement benefits, net of current portion	344,616	-	339,996	4,621	-	53	-	26	-	-	-	-	-
Capital lease obligations, net of current portion	98,558	-	97,335	7,096	-	-	-	-	-	-	-	-	147
Long-term debt, net of current portion	374,797	(300,610)	320,010	25,969	-	-	-	-	-	-	-	-	-
Insurance claims liability, net of current portion	320,322	(154,555)	464,063	7,034	530	892	187	1,011	280,373	-	-	-	1,220
Multiparty and other insurance liabilities, net of current portion	740,185	(87,259)	544,576	2,625	-	-	-	-	-	-	-	-	-
Third-party payor structured liabilities, net of current portion	15,241	-	15,241	-	-	-	-	-	-	-	-	-	-
Other long-term liabilities	416,381	-	403,601	1,556	45	117	8,775	1,304	-	-	87	-	895
Total liabilities	5,483,391	(453,714)	5,267,776	\$9,256	6,313	19,896	10,183	38,578	320,352	11,192	27,303	572	144,579
Commitments and contingencies													
Net assets (deficit)													
Unrestricted	2,673,063	(33,355)	2,498,297	27,292	26,377	39,168	12,720	25,537	55,530	6,545	27,655	358	(17,185)
Temporarily restricted	374,797	(300,610)	320,010	-	4,539	54,180	165,140	-	-	1,751	-	-	9,537
Permanently restricted	135,144	(21,838)	57,163	-	378	39,371	55,667	-	-	4,403	-	-	-
Total net assets (deficit)	3,183,004	(555,803)	2,865,464	27,292	31,294	133,719	336,527	15,537	55,530	10,199	20,855	358	7,378
Total liabilities and net assets (deficit)	\$8,696,397	(571,573)	\$8,160,240	\$109,348	\$37,612	\$52,613	\$246,710	\$44,115	\$375,884	\$10,801	\$48,158	\$930	\$137,201

North Shore-Long Island Jewish Health System, Inc.

Combining Statement of Financial Position - Obligated Group Only  
June 30, 2014 (Unaudited and In Thousands)

	Total Obligated Group	Eliminations	North Shore-Long Island Jewish Health Care, Inc.	North Shore University Hospital	Long Island Jewish Medical Center	Staten Island University Hospital	Lenox Hill Hospital	Southside Hospital	Huntington Hospital Association	Glen Cove Hospital	Plainview Hospital	Forest Hills Hospital	Franklin Hospital	North Shore-LIJ Stern Family Center for Rehabilitation
<b>Assets</b>														
<b>Current assets:</b>														
Cash and cash equivalents	\$153,374	\$-	\$2,457	\$53,155	\$52,117	\$35,626	\$796	\$32	\$8,724	\$36	\$20	\$26	\$301	\$84
Marketable securities and other investments	1,624,195	-	46,311	647,354	349,834	243,941	142,287	2,738	117,710	74,020	-	-	-	-
Accounts receivable for services to patients, net of allowance for doubtful accounts	710,740	-	70	158,441	192,568	81,694	111,883	43,654	43,057	7,447	17,193	24,937	20,805	8,991
Accounts receivable for physician activities, net	63,235	-	-	54,504	7,015	-	442	402	245	-	385	113	129	-
Assets limited as to use, current portion	88,463	-	91	55,224	17,690	3,443	3,704	1,479	1,458	404	1,321	2,707	549	313
Pledges receivable, current portion	114	-	-	-	-	114	-	-	-	-	-	-	-	-
Insurance claims receivable, current portion	125,535	-	709	32,469	28,987	17,215	17,847	8,103	5,339	3,127	3,443	4,270	3,844	182
Other current assets	124,573	(3,030)	17,960	42,490	43,420	34,718	27,942	12,461	6,583	2,694	4,032	2,135	3,120	106
Total current assets	2,940,166	(3,030)	67,598	1,043,637	691,631	366,751	304,900	68,569	183,116	87,638	26,414	34,188	28,748	9,676
Due from affiliates, net:	119,228	(131,081)	-	49,986	115,878	-	-	-	2,207	21,682	15,934	25,141	-	19,481
Note receivable from affiliate	19,489	-	19,489	-	-	-	-	-	-	-	-	-	-	-
Assets limited as to use, net of current portion	1,009,225	-	363,551	181,492	204,970	117,338	73,179	17,528	26,171	6,303	448	164	3,709	14,372
Pledges receivable, net of current portion	426	-	-	-	-	-	17	-	409	-	-	-	-	-
Property, plant and equipment, net	3,488,214	-	395,218	599,078	1,021,607	228,387	815,400	110,450	123,688	55,096	32,026	55,199	38,795	13,270
Insurance claims receivable, net of current portion	464,003	-	2,934	123,662	113,044	65,310	50,471	31,363	20,508	11,906	13,000	16,410	14,643	752
Other assets	122,489	(690,415)	705,191	13,085	33,252	25,468	29,884	3,399	1,121	149	362	403	455	138
Total assets	\$8,163,240	(\$824,496)	\$1,553,981	\$2,010,940	\$2,180,382	\$833,254	\$1,273,851	\$231,609	\$357,220	\$182,774	\$88,184	\$131,502	\$86,350	\$57,689
<b>Liabilities and net assets (deficit)</b>														
<b>Current liabilities:</b>														
Short-term borrowings	\$110,218	\$-	\$-	\$7,590	\$102,718	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Accounts payable and accrued expenses	514,712	-	98,009	130,052	83,501	50,277	64,325	26,053	18,863	10,332	10,449	9,795	10,814	2,242
Accrued salaries and related benefits	517,745	-	103,306	118,144	96,758	49,503	45,920	24,856	24,281	10,304	11,055	17,764	13,126	2,725
Current portion of capital lease obligations	4,182	(192)	1,627	54	1,084	1,286	322	-	-	-	-	-	-	-
Current portion of long-term debt	59,742	-	-	20,241	14,307	11,655	4,665	1,170	1,135	334	1,929	3,608	435	263
Current portion of insurance claims liability	125,535	-	709	32,469	28,987	17,215	17,847	8,103	5,339	3,127	3,443	4,270	3,844	182
Current portion of malpractice and other insurance liabilities	57,436	-	5,588	14,817	13,604	8,297	3,622	3,050	2,341	1,327	1,323	1,826	1,631	-
Current portion of third-party payer structured liabilities	5,438	-	-	-	-	5,438	-	-	-	-	-	-	-	-
Current portion of estimated payable to third-party payers	415,022	-	-	123,934	111,869	27,944	57,651	31,301	6,559	4,513	11,387	24,514	11,325	3,726
Total current liabilities	1,870,021	(192)	209,239	447,211	452,828	171,615	194,352	94,533	58,821	29,937	39,586	61,777	41,175	9,138
Due to affiliates, net:	-	(255,763)	117,529	-	-	22,491	63,336	24,695	-	-	-	-	-	27,712
Accrued retirement benefits, net of current portion	339,906	-	96,949	76,323	14,720	1,412	60,159	19,083	44,611	8,961	11,039	631	3,155	2,833
Capital lease obligations, net of current portion	97,315	(19,566)	95,143	5,552	12,973	-	3,213	-	-	-	-	-	-	-
Long-term debt, net of current portion	1,593,173	-	383,529	168,357	670,272	100,758	127,760	39,380	40,313	8,638	14,218	19,059	14,578	6,311
Insurance claims liability, net of current portion	464,003	-	2,934	123,662	113,044	65,310	50,471	31,363	20,508	11,906	13,000	16,410	14,643	752
Malpractice and other insurance liabilities, net of current portion	544,516	-	27,659	150,546	129,307	78,716	45,715	30,188	22,394	12,532	13,544	18,420	15,582	-
Third-party payer structured liabilities, net of current portion	15,241	-	-	-	-	15,241	-	-	-	-	-	-	-	-
Other long-term liabilities	403,601	-	9,480	92,507	92,650	43,255	63,186	16,796	23,127	9,327	15,436	21,743	15,485	1,109
Total liabilities	5,267,776	(275,520)	942,462	1,064,158	1,485,794	498,798	698,195	255,538	209,684	81,301	106,823	138,040	132,360	20,143
<b>Commitments and contingencies</b>														
<b>Net assets (deficit):</b>														
Unrestricted	2,498,291	(435,809)	498,352	851,522	556,879	321,100	552,459	(41,800)	141,561	91,596	(19,093)	16,715	(48,446)	36,655
Temporarily restricted	340,010	(89,445)	89,445	75,627	129,320	11,872	89,445	17,871	4,812	7,118	454	177	2,423	891
Permanently restricted	57,163	(23,722)	23,722	19,633	8,389	1,484	23,722	-	1,163	2,759	-	-	13	-
Total net assets (deficit)	2,895,464	(\$48,976)	611,519	946,782	694,588	334,456	665,656	(23,929)	147,536	101,473	(18,639)	(6,338)	(46,010)	37,546
Total liabilities and net assets (deficit)	\$8,163,240	(\$824,496)	\$1,553,981	\$2,010,940	\$2,180,382	\$833,254	\$1,273,851	\$231,609	\$357,220	\$182,774	\$88,184	\$131,502	\$86,350	\$57,689

North Shore-Long Island Jewish Health System, Inc.

Consolidating Statement of Operations

For the Six Months Ended June 30, 2014 (Unaudited and In Thousands)

	North Shore-Long Island Jewish Health System, Inc. Total	North Shore-Long Island Jewish Obligated Group	The Long Island Home	Hospice Care Network, Inc.	The Feinstein Institute for Medical Research	North Shore-Long Island Jewish Health System Foundation, Inc.	North Shore-Long Island Jewish Health System Laboratories	Capitol Insurance Companies	Dolan Family Health Center	Health Insurance Companies	Endoscopy Center of Long Island	Other Health System Entities
<b>Operating revenue:</b>												
Net patient service revenue	\$2,871,900	\$2,585,873	\$46,674	\$22,356	\$265	\$-	\$-	\$-	\$2,364	\$-	\$6,902	\$15,630
Physician practice revenue	461,379	482,505	1,242	-	-	-	-	-	-	-	-	81,432
Provision for bad debts	(49,717)	(47,725)	(1,205)	(90)	-	-	(385)	-	(2)	-	-	(334)
Total patient revenue, net of provision for bad debts	3,383,562	3,220,653	46,711	24,366	265	-	(385)	-	2,162	-	6,902	97,728
Other operating revenue	198,735	138,242	512	-	20,325	-	(25,505)	21,066	1,572	32,159	-	39,763
Net assets received from restrictions used for operations	23,256	13,969	-	447	8,948	-	-	21,066	11	32,159	-	136,901
Total operating revenue	3,605,553	3,372,865	47,223	24,713	29,438	-	(25,120)	42,132	3,845	64,319	6,902	157,901
<b>Operating expenses:</b>												
Salaries	1,850,251	1,662,896	27,447	8,696	22,836	-	28,059	-	2,010	7,479	1,253	97,682
Employee benefits	469,073	433,355	8,969	2,357	7,118	-	9,201	-	751	1,965	169	79,546
Supplies and expenses	1,033,326	1,013,858	10,621	23,376	12,588	-	81,439	21,068	1,180	34,192	1,942	24,452
Depreciation and amortization	108,408	101,015	1,206	169	2,746	-	723	-	49	-	6	2,564
Interest	46,584	45,435	816	-	-	-	-	-	-	-	-	45
Total operating expenses	2,562,708	2,306,686	49,050	23,598	45,288	-	119,422	21,068	3,981	43,636	3,081	144,258
Excess/deficiency of operating revenue over operating expenses	38,054	66,169	(1,827)	1,115	(15,850)	-	8,698	(12)	(136)	(11,477)	3,841	(7,487)
<b>Non-operating gains and losses:</b>												
Investment income	62,575	60,550	25	59	7	366	66	1,602	-	10	(23)	(15)
Change in net unrealized gains and losses and change in value of equity method investments	28,423	22,686	-	815	(3)	112	-	5,319	-	1	-	256
Change in fair value of interest rate swap agreements designated as derivative instruments	392	392	-	-	-	-	-	-	-	-	-	-
Other non-operating gains and losses	(7,247)	(3,069)	6	324	-	(3,937)	-	-	21	-	-	39
Total non-operating gains and losses	84,243	80,559	31	1,198	4	(3,459)	66	6,921	21	11	(23)	280
Excess/deficiency of revenue and gains and losses over expenses	122,297	146,728	(1,796)	2,313	(15,826)	(3,459)	8,692	6,909	(115)	(11,466)	3,818	(6,607)
Net assets released from restrictions for capital asset acquisitions	3,134	3,134	-	-	-	-	-	-	-	-	-	-
Change in fair value of interest rate swap agreements designated as cash flow hedges	459	582	(123)	-	-	-	-	-	-	-	-	-
Transfers to/from affiliates	11,132	(28,305)	-	-	15,799	-	(5,302)	-	-	-	-	12,906
Other changes in net assets	-	-	-	-	-	-	-	-	-	-	-	(3,750)
Increase/decrease in unrestricted net assets	\$724,658	\$724,739	(\$1,919)	\$2,313	(\$27)	(\$3,459)	\$3,992	(\$115)	(\$115)	(\$11,466)	\$68	\$6,299



North Shore-Long Island Jewish Health System, Inc.

Consolidated Statements of Financial Position  
June 30, 2014 and December 31, 2013 (In Thousands)

	(Unaudited) June 30, 2014	(Audited) December 31, 2013
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 242,925	\$ 210,601
Marketable securities and other investments	1,670,705	1,739,386
Accounts receivable for services to patients, net of allowance for doubtful accounts	747,073	700,198
Accounts receivable for physician activities, net	72,292	68,443
Assets limited as to use, current portion	88,403	78,956
Pledges receivable, current portion	36,931	35,577
Insurance claims receivable, current portion	94,480	98,399
Other current assets	205,182	159,931
Total current assets	<u>3,157,991</u>	<u>3,091,491</u>
Assets limited as to use, net of current portion	1,185,589	1,159,721
Pledges receivable, net of current portion	118,694	112,821
Property, plant and equipment, net	3,652,699	3,550,093
Insurance claims receivable, net of current portion	320,322	334,073
Other assets	171,002	175,155
Total assets	<u>\$ 8,606,297</u>	<u>\$ 8,423,354</u>
<b>Liabilities and net assets</b>		
Current liabilities:		
Short-term borrowings	\$ 110,218	\$ 110,540
Accounts payable and accrued expenses	579,811	529,423
Accrued salaries and related benefits	554,810	568,164
Current portion of capital lease obligations	6,665	6,308
Current portion of long-term debt	60,570	52,954
Current portion of insurance claims liability	94,480	98,399
Current portion of malpractice and other insurance liabilities	73,718	74,252
Current portion of third-party payer structured liabilities	5,438	5,438
Current portion of estimated payable to third-party payers	423,138	425,232
Total current liabilities	<u>1,908,848</u>	<u>1,870,710</u>
Accrued retirement benefits, net of current portion	344,616	341,044
Capital lease obligations, net of current portion	98,558	76,814
Long-term debt, net of current portion	1,619,142	1,665,372
Insurance claims liability, net of current portion	320,322	334,073
Malpractice and other insurance liabilities, net of current portion	740,185	716,902
Third-party payer structured liabilities, net of current portion	15,241	18,288
Other long-term liabilities	416,381	411,225
Total liabilities	<u>5,463,293</u>	<u>5,434,428</u>
Commitments and contingencies		
Net assets:		
Unrestricted	2,633,063	2,508,405
Temporarily restricted	374,797	346,046
Permanently restricted	135,144	134,475
Total net assets	<u>3,143,004</u>	<u>2,988,926</u>
Total liabilities and net assets	<u>\$ 8,606,297</u>	<u>\$ 8,423,354</u>

North Shore-Long Island Jewish Health System, Inc.

Consolidated Statements of Operations  
 For the Six Months Ended June 30, 2014 and 2013 (In Thousands)

	(Unaudited) 2014	(Unaudited) 2013
Operating revenue:		
Net patient service revenue	\$ 2,971,900	\$ 2,879,672
Physician practice revenue	461,379	436,159
Provision for bad debts	(49,717)	(52,111)
Total patient revenue, net of provision for bad debts	<u>3,383,562</u>	<u>3,263,720</u>
Other operating revenue	198,736	154,136
Net assets released from restrictions used for operations	23,456	20,367
Total operating revenue	<u>3,605,754</u>	<u>3,438,223</u>
Operating expenses:		
Salaries	1,850,251	1,731,637
Employee benefits	469,071	461,792
Supplies and expenses	1,033,326	994,225
Depreciation and amortization	168,468	153,951
Interest	46,584	39,437
Total operating expenses	<u>3,567,700</u>	<u>3,381,042</u>
Excess of operating revenue over operating expenses	38,054	57,181
Non-operating gains and losses:		
Investment income	62,575	48,436
Change in net unrealized gains and losses and change in value of equity method investments	28,423	(7,011)
Change in fair value of interest rate swap agreements designated as derivative instruments	392	640
Other non-operating gains and losses	(7,247)	(1,122)
Total non-operating gains and losses	<u>84,143</u>	<u>40,943</u>
Excess of revenue and gains and losses over expenses	122,197	98,124
Net assets released from restrictions for capital asset acquisitions	3,134	17,769
Change in fair value of interest rate swap agreements designated as cash flow hedges	459	2,089
Other changes in net assets	(1,132)	-
Increase in unrestricted net assets	<u>\$ 124,658</u>	<u>\$ 117,982</u>

**Westchester County Health Care Corporation**  
**Statements of Net Position**  
**December 31, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 204,420,734	\$ 190,851,694
Patient accounts receivable, net	127,674,680	115,519,295
Investments	593,329	591,532
Assets restricted as to use, required for current liabilities	24,090,325	23,681,335
Other current assets	<u>32,991,767</u>	<u>28,555,365</u>
Total current assets	389,770,835	359,199,221
Assets restricted as to use, net	158,294,119	160,247,807
Capital assets, net	318,117,153	304,807,732
Other assets, net	<u>5,444,633</u>	<u>5,209,769</u>
Total assets	<u>871,626,740</u>	<u>829,464,529</u>
<b>Liabilities</b>		
Current liabilities:		
Current portion of long-term debt	18,650,555	15,909,310
Accounts payable and accrued expenses	76,469,754	74,759,978
Accrued salaries and related withholdings	69,053,991	61,357,771
Current portion of estimated liability to third-party payors	11,061,816	7,321,740
Current portion of post retirement health insurance liability	12,164,000	11,614,000
Current portion of estimated self-insurance liability	26,550,000	26,990,000
Current portion of other liabilities	<u>7,069,114</u>	<u>5,515,236</u>
Total current liabilities	221,019,230	203,468,035
Long-term debt, net	435,395,581	441,751,530
Estimated liability to third-party payors, net	43,954,574	27,025,109
Estimated post retirement health insurance liability, net	61,555,000	59,899,000
Estimated self-insurance liability, net	90,046,615	89,394,951
Other liabilities, net	<u>34,078,235</u>	<u>28,618,068</u>
Total liabilities	<u>886,049,235</u>	<u>850,156,693</u>
Commitments and contingencies		
<b>Net Position</b>		
Restricted		
Expendable for capital acquisitions	2,717,305	1,758,330
Expendable for specific operating activities	5,665,000	5,347,770
Total restricted	<u>8,382,305</u>	<u>7,106,100</u>
Unrestricted		
Net investment in capital assets	6,732,192	(3,247,397)
Unrestricted	<u>(29,536,992)</u>	<u>(24,550,867)</u>
Total unrestricted	<u>(22,804,800)</u>	<u>(27,798,264)</u>
Total net position	<u>\$ (14,422,495)</u>	<u>\$ (20,692,164)</u>

**Westchester County Health Care Corporation**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**Years Ended December 31, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
<b>Operating revenues</b>		
Net patient service revenue (net of provision for bad debts of \$41,894,325 and \$47,570,755 in 2013 and 2012, respectively)	\$ 895,371,943	\$ 867,780,675
Other revenue	<u>23,416,354</u>	<u>25,652,393</u>
Total operating revenues	<u>918,788,297</u>	<u>893,433,068</u>
<b>Operating expenses</b>		
Salaries and benefits	473,772,966	488,827,468
Supplies and other expenses	361,061,294	326,173,658
Professional liability	13,714,339	15,029,291
Depreciation and amortization	<u>44,105,277</u>	<u>43,849,809</u>
Total operating expenses	<u>892,653,876</u>	<u>873,880,226</u>
Operating income	26,134,421	19,552,842
<b>Nonoperating activities</b>		
Interest income	3,756,526	4,788,206
Interest expense	<u>(23,621,278)</u>	<u>(23,443,422)</u>
Increase in net position	6,269,669	897,626
<b>Net position</b>		
Beginning of year, as restated	<u>(20,692,164)</u>	<u>(21,589,790)</u>
End of year	<u>\$ (14,422,495)</u>	<u>\$ (20,692,164)</u>

UNAUDITED

WESTCHESTER MEDICAL CENTER

STATEMENTS OF NET POSITION  
 SEPTEMBER 30, 2014 AND DECEMBER 31, 2013

ASSETS	2014	2013	LIABILITIES AND NET POSITION	2014	2013
<b>CURRENT ASSETS:</b>			<b>CURRENT LIABILITIES:</b>		
Cash and cash equivalents.....	\$ 136,822	\$ 198,243	Current portion of long-term debt.....	\$ 9,915	\$ 9,915
Patients accounts receivable - Net.....	149,357	127,675	Current portion of capital leases.....	10,591	8,735
Other assets.....	49,294	32,546	Current portion of post retirement health insurance.....	12,164	12,164
			Accounts payable and accrued expenses.....	86,873	76,195
			Accrued salaries and related withholdings.....	72,624	68,887
			Estimated third-party payors.....	5,072	11,062
			Other liabilities.....	8,103	7,069
Total current assets.....	335,473	358,464	Total current liabilities.....	205,342	194,027
			LONG-TERM DEBT.....	476,584	419,275
			CAPITAL LEASES.....	35,252	16,121
			POST RETIREMENT HEALTH INSURANCE.....	62,933	61,555
ASSETS RESTRICTED AS TO USE, NET .....	54,805	62,629	ESTIMATED THIRD PARTY PAYORS.....	11,932	43,955
PROPERTY, PLANT AND EQUIPMENT, NET.....	394,600	318,117	OTHER LIABILITIES.....	34,078	34,078
OTHER ASSETS, NET.....	11,713	11,636	ESTIMATED SELF-INSURANCE LIABILITIES.....	32,366	33,685
			TOTAL LIABILITIES.....	858,487	802,696
			NET POSITION:		
			Invested in capital assets, net of related debt.....	6,732	6,732
			Unrestricted.....	(68,628)	(58,582)
			Net Position.....	(61,896)	(51,850)
TOTAL ASSETS.....	\$ 796,591	\$ 750,846	TOTAL LIABILITIES AND NET POSITION.....	\$ 796,591	\$ 750,846

BFA Attachment B  
 CON 142168-C

UNAUDITED

WESTCHESTER MEDICAL CENTER

COMBINING STATEMENTS OF OPERATIONS  
FOR THE PERIOD ENDED SEPTEMBER 30, 2014  
(IN THOUSANDS)

	WMC	Foundations	Consolidating Entries	YTD Consolidated
Total Operating Revenues.....	\$ 769,177	\$ 6,088	\$ (3,520)	\$ 771,745
Operating Expenses:				
Personal services.....	302,220	2,262	-	304,482
Fringe benefits.....	106,104	124	-	106,228
All other operating expenses.....	346,672	2,860	(3,520)	346,012
Total Operating Expenses.....	754,996	5,246	(3,520)	756,722
Operating Income (Loss).....	14,181	842	0	15,023
Interest, net.....	(14,321)	16		(14,305)
Income (Loss).....	\$ (140)	\$ 858	\$ -	\$ 718

BFA Attachment B(cont'D)  
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ORANGE REGIONAL MEDICAL CENTER

Consolidated Balance Sheets

June 30, 2014 and December 31, 2013

Assets	Jun 30, 2014	Dec 31, 2013
Current assets:		
Cash and cash equivalents	\$ 19,298,119	25,186,658
Patient accounts receivable less allowance for uncollectible accounts of \$58,672,354 in 2014 and \$56,131,235 in 2013, respectively	54,026,919	53,923,174
Investments	24,667,006	18,110,455
Assets limited or restricted as to use - current	4,788,594	4,942,516
Due From Third Party Payors	1,753,686	1,607,864
Other current assets	15,969,344	17,911,767
Total current assets	120,503,668	121,682,434
Assets limited or restricted as to use	27,476,132	24,935,815
Long-term Investments	26,952,342	25,857,725
Property, plant, and equipment, net	272,953,438	282,214,925
Interest in net assets of Orange Regional Medical Center Foundation, Inc., net	5,350,914	5,266,398
Insurance Claims Receivable	12,889,968	12,889,968
Due From Third Party Payors, net of current portion	2,132,845	2,132,845
Other assets, net	11,787,894	11,968,512
Total assets	\$ 480,047,201	486,948,622
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Current installments of long-term debt	\$ 5,412,541	6,242,739
Accounts payable and accrued expenses	47,397,168	53,904,785
Deferred Revenue	628,154	628,153
Estimated third-party-payor liabilities, net	3,927,043	3,994,861
Total current liabilities	57,364,906	64,770,538
Long-term debt, net of current installments	243,487,086	243,877,972
Estimated third-party-payor liabilities, net of current portion	4,307,272	4,307,272
Malpractice liability	15,921,075	15,921,075
Other liabilities	6,438,410	6,916,542
Deferred Revenue, net of current portion	3,479,012	3,793,089
Accrued retirement benefits	36,351,617	38,263,548
Total liabilities	367,349,378	377,850,036
Net Assets:		
Unrestricted	104,757,318	101,244,880
Temporarily restricted	5,946,741	5,859,942
Permanently restricted	1,993,764	1,993,764
Total net assets	112,697,823	109,098,586
Total liabilities and net assets	\$ 480,047,201	486,948,622

ORANGE REGIONAL MEDICAL CENTER

Consolidated Statements of Operations

June 30, 2014 and 2013

	YEAR TO DATE		QUARTER TO DATE	
	2014	2013	2014	2013
Unrestricted revenues, gains, and other support:				
Patient service revenue, less contractual and other allowances	\$ 188,540,506	180,735,792	92,802,873	90,395,590
Provision for bad debts, net of recoveries	(5,303,292)	(7,345,086)	(1,582,611)	(3,579,877)
Net patient service revenue	183,237,214	173,390,706	91,220,262	86,815,713
Investment income	1,444,031	353,849	900,971	(7,895)
Other revenue	2,477,194	2,664,551	1,261,829	1,484,054
Net assets released from restrictions used for operations	382	5,942	—	—
Total unrestricted revenues, gains, and other support	187,158,821	176,415,048	93,383,062	88,291,872
Expenses:				
Salaries and wages	69,948,002	70,924,388	34,897,419	35,314,903
Employee benefits	28,891,024	32,226,476	13,565,682	15,240,727
Supplies	34,256,149	31,112,728	17,710,940	15,534,029
Purchased services and other	31,020,923	28,623,134	16,060,822	14,533,005
Interest	7,857,573	8,056,158	3,946,725	4,035,121
Depreciation and amortization	13,219,591	13,235,755	6,607,393	6,617,113
Total expenses	185,193,262	184,178,639	92,788,981	91,274,898
Income (Loss) from operations	1,965,559	(7,763,591)	594,081	(2,983,026)
Nonoperating gains:				
Nonoperating income	120,145	34,028	83,642	13,198
Excess (deficiency) of revenues, gains, and other support over expenses	2,085,704	(7,729,563)	677,723	(2,969,828)
Other changes in net assets:				
Net assets released from restrictions used for fixed assets property, plant & equipment	—	22,617	—	—
Transfer from Greater Hudson Valley Health Systems, Inc., net	333,819	41,502	212,890	113,890
Contributions for property, plant & equipment	1,092,915	739,729	—	400,000
Increase (decrease) in unrestricted net assets	\$ 3,512,438	(6,925,715)	890,613	(2,455,938)

ORANGE REGIONAL MEDICAL CENTER

Consolidated Balance Sheets

December 31, 2013 and 2012

(In thousands)

Assets	2013	2012
Current assets:		
Cash and cash equivalents	\$ 25,187	63,308
Patient accounts receivable less allowance for uncollectible accounts of \$56,131 in 2013 and \$53,456 in 2012	53,923	41,937
Investments	18,110	8,489
Assets limited or restricted as to use	4,943	5,813
Due from third-party payors	1,608	1,511
Other current assets	17,912	16,053
Total current assets	121,683	137,111
Assets limited or restricted as to use, net of current portion	24,936	24,063
Property, plant, and equipment, net	282,215	304,201
Long-term investments	25,858	—
Interest in net assets of Orange Regional Medical Center Foundation, Inc., net	5,266	4,778
Insurance claims receivable	12,890	13,708
Due from third-party payors, net of current portion	2,133	—
Other assets, net	11,969	11,677
Total assets	\$ 486,950	495,538
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Current installments of long-term debt and capital lease obligations	\$ 6,243	7,134
Accounts payable and accrued expenses	53,905	49,358
Deferred revenue	628	628
Current portion of estimated third-party payor liabilities	3,995	2,709
Total current liabilities	64,771	59,829
Long-term debt and capital lease obligations, net of current installments	243,878	249,694
Estimated third-party payor liabilities, net of current portion	4,307	2,330
Estimated malpractice liabilities	15,921	16,715
Other liabilities, net	6,917	5,160
Deferred revenue, net of current portion	3,793	4,421
Accrued retirement benefits, net of current portion	38,264	61,969
Total liabilities	377,851	400,118
Commitments and contingencies		
Unrestricted	101,245	88,024
Temporarily restricted	5,860	5,402
Permanently restricted	1,994	1,994
Total net assets	109,099	95,420
Total liabilities and net assets	\$ 486,950	495,538

**ORANGE REGIONAL MEDICAL CENTER**

Consolidated Statements of Operations

Years ended December 31, 2013 and 2012

(In thousands)

	<u>2013</u>	<u>2012</u>
Unrestricted revenues, gains, and other support:		
Patient service revenue, less contractual and other allowances	\$ 360,521	357,820
Provision for bad debts, net of recoveries	<u>(13,638)</u>	<u>(13,738)</u>
Net patient service revenue	346,883	344,082
Investment income	1,620	676
Other revenue	7,278	8,974
Net assets released from restrictions used for operations	<u>7</u>	<u>29</u>
Total unrestricted revenues, gains, and other support	<u>355,788</u>	<u>353,761</u>
Expenses:		
Salaries and wages	139,347	138,634
Employee benefits	61,161	59,426
Supplies	64,572	61,790
Purchased services and other	58,187	55,915
Interest	16,187	16,544
Depreciation and amortization	<u>26,407</u>	<u>27,143</u>
Total expenses	<u>365,861</u>	<u>359,452</u>
Loss from operations	(10,073)	(5,691)
Nonoperating gains:		
Nonoperating income	<u>266</u>	<u>935</u>
Deficiency of revenues, gains, and other support over expenses	(9,807)	(4,756)
Other changes in net assets:		
Net assets released from restrictions used for property, plant, and equipment	24	—
Transfer to Greater Hudson Valley Health Systems, Inc.	(38)	(4,108)
Contributions for property, plant, and equipment	740	1,150
Pension-related changes other than net periodic pension costs	23,040	(12,750)
Postretirement-related changes other than net benefit cost	<u>(738)</u>	<u>(1,027)</u>
Increase (decrease) in unrestricted net assets	<u>\$ 13,221</u>	<u>(21,491)</u>

New York Presbyterian Hospital			
Balance Sheet and Income Statements			
For the period 1/1/12-8/30/14			
	Int Fin Stat for the period 1/1/14- 8/30/14	2013	2012
<b>Balance Sheet</b>			
<b>Assets</b>			
Cash, cash equivalents and short-term investments	\$1,224,929,000	\$1,035,481,000	\$952,629,000
Total Accounts Receivable & Other Current Assets	\$771,907,000	\$788,512,000	\$694,858,000
Total Fixed Assets	\$4,125,956,000	\$4,056,453,000	\$3,678,128,000
Total Other Restricted Assets	<u>\$1,552,438,000</u>	<u>\$1,490,430,000</u>	<u>\$906,287,000</u>
<b>Total Assets</b>	<b>\$7,675,230,000</b>	<b>\$7,370,876,000</b>	<b>\$6,231,902,000</b>
<b>Liabilities and Equity</b>			
Total Accounts Payable	\$358,141,000	\$334,479,000	\$320,266,000
Total Other Current Liabilities	<u>\$516,377,000</u>	<u>\$487,708,000</u>	<u>\$486,184,000</u>
<b>Total Current Liabilities</b>	<b>\$874,518,000</b>	<b>\$822,187,000</b>	<b>\$806,450,000</b>
Total Long Term Liabilities	<u>\$1,774,388,000</u>	<u>\$1,753,376,000</u>	<u>\$1,496,197,000</u>
<b>Total Liabilities</b>	<b>\$2,648,906,000</b>	<b>\$2,575,563,000</b>	<b>\$2,302,647,000</b>
<b>Equity</b>			
<b>Total Equity</b>	<b><u>\$5,026,324,000</u></b>	<b><u>\$4,795,313,000</u></b>	<b><u>\$3,929,255,000</u></b>
<b>Total Liabilities and Equity</b>	<b><u>\$7,675,230,000</u></b>	<b><u>\$7,370,876,000</u></b>	<b><u>\$6,231,902,000</u></b>
<b>Income Statement</b>			
Revenues	\$2,883,759,000	\$4,264,510,000	\$3,913,871,000
Expenses	\$2,759,252,000	\$4,062,347,000	\$3,720,463,000
Total Other Income/(Expense)	<u>\$115,102,000</u>	<u>\$154,159,000</u>	<u>\$155,318,000</u>
<b>Total Net Income</b>	<b><u>\$239,609,000</u></b>	<b><u>\$356,322,000</u></b>	<b><u>\$348,726,000</u></b>

The New York and Presbyterian Hospital

Statements of Financial Position

	December 31	
	2013	2012
	<i>(As Adjusted)</i>	
	<i>(In Thousands)</i>	
<b>Assets</b>		
<b>Current assets:</b>		
Cash, cash equivalents and short-term investments:		
Cash and cash equivalents	\$ 152,982	\$ 181,856
Short-term investments	882,499	770,773
Total cash, cash equivalents and short-term investments	<u>1,035,481</u>	<u>952,629</u>
Patient accounts receivable, less allowance for uncollectibles (2013 – \$181,945; 2012 – \$219,727)	559,638	466,157
Other current assets	71,252	83,121
Assets limited as to use – current portion	28,390	25,578
Due from related organizations – net	–	4,658
Professional liabilities insurance recoveries receivable – current portion	60,812	53,729
Beneficial interest in net assets held by related organizations – current portion	68,420	61,615
Total current assets	<u>1,823,993</u>	<u>1,647,487</u>
Assets limited as to use – noncurrent	1,490,430	906,287
Property, buildings and equipment – net	2,169,218	2,088,036
Other noncurrent assets – net	36,941	35,191
Professional liabilities insurance recoveries receivable – noncurrent	165,350	153,692
Beneficial interest in net assets held by related organizations – noncurrent	1,684,944	1,401,209
Total assets	<u>\$ 7,370,876</u>	<u>\$ 6,231,902</u>

	<b>December 31</b>	
	<b>2013</b>	<b>2012</b>
	<i>(As Adjusted)</i>	
	<i>(In Thousands)</i>	
<b>Liabilities and net assets</b>		
Current liabilities:		
Long-term debt – current portion	\$ 113,411	\$ 94,487
Accounts payable and accrued expenses	334,479	320,266
Accrued salaries and related liabilities	175,823	211,206
Due to related organizations – net	4,671	–
Pension and postretirement benefit liabilities – current portion	12,112	11,384
Professional liabilities and other – current portion	60,812	55,729
Other current liabilities	120,879	113,378
Total current liabilities	<u>822,187</u>	<u>806,450</u>
Long-term debt	1,063,385	666,778
Professional liabilities and other	331,170	311,121
Pension liability	38,633	213,724
Postretirement benefit liability	24,823	28,148
Deferred revenue	3,770	4,813
Other noncurrent liabilities	291,595	271,613
Total liabilities	<u>2,575,563</u>	<u>2,302,647</u>
Commitments and contingencies		
Net assets:		
Unrestricted	3,041,949	2,446,864
Temporarily restricted:		
Lower Manhattan Hospital	–	12,857
Held by related organizations	1,507,968	1,234,020
Total temporarily restricted	<u>1,507,968</u>	<u>1,246,877</u>
Permanently restricted:		
Lower Manhattan Hospital	–	6,710
Held by related organizations	245,396	228,804
Total permanently restricted	<u>245,396</u>	<u>235,514</u>
Total net assets	<u>4,795,313</u>	<u>3,929,255</u>
Total liabilities and net assets	<u>\$ 7,370,876</u>	<u>\$ 6,231,902</u>

The New York and Presbyterian Hospital

Statements of Operations

	Year Ended December 31	
	2013	2012
	<i>(As Adjusted)</i>	
	<i>(In Thousands)</i>	
<b>Operating revenues</b>		
Net patient service revenue	\$ 4,050,632	\$ 3,720,255
Provision for bad debts	(54,081)	(47,346)
Net patient service revenue, less provision for bad debts	3,996,551	3,672,909
Other revenue	267,959	240,962
Total operating revenues	4,264,510	3,913,871
<b>Operating expenses</b>		
Salaries and wages	1,945,813	1,785,613
Employee benefits	551,330	494,447
Supplies and other expenses	1,270,885	1,143,925
Interest and amortization of deferred financing fees, including loss on extinguishment of debt	39,022	56,598
Depreciation and amortization	255,297	239,880
Total operating expenses	4,062,347	3,720,463
Operating income	202,163	193,408
Investment return	153,945	99,424
Excess of revenues over expenses before net medical resident tax refund, prior year reimbursement settlement, and gain on previous year sale of real estate	356,108	292,832
Net medical resident tax refund	214	4,180
Prior year reimbursement settlement	—	27,714
Gain on previous year sale of real estate	—	24,000
Excess of revenues over expenses	356,322	348,726
Other changes in unrestricted net assets:		
Transfer of fixed assets from Royal Charter Properties, Inc.	3,191	—
Transfer of unrestricted net assets related to Lower Manhattan Hospital from New York-Presbyterian Healthcare System, Inc. :	—	197,846
Distributions from New York-Presbyterian Fund, Inc. and other for the purchase of fixed assets	77,785	47,616
Change in pension and postretirement benefit liabilities to be recognized in future periods	157,787	(45,456)
Change in unrestricted net assets	\$ 595,085	\$ 548,732

**Strong Memorial Hospital**  
(A Division of the University of Rochester)  
**Balance Sheets**  
**December 31, 2013 and 2012**

Project #142228  
BFA Attachment A

	2013	2012
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 371,072,209	\$ 334,386,342
Investments	89,328,654	46,110,258
Patient accounts receivable, net of estimated uncollectible amounts of approximately \$41,418,511 and \$39,075,908, respectively	99,474,728	78,989,294
Assets whose use is limited	11,910,204	2,159,758
Pledges receivable	6,300,834	4,110,000
Insurance claims receivable	11,960,279	11,635,363
Other receivables	24,357,473	31,725,683
Deposits in captive insurance company	1,579,831	1,493,169
Inventory	25,486,156	23,934,812
Other current assets	2,886,122	3,886,528
Total current assets	<u>644,356,490</u>	<u>538,431,207</u>
Assets whose use is limited	20,690,016	8,938,964
Deferred financing costs, net	2,260,532	1,719,768
Pledges receivable	8,796,280	7,715,644
Insurance claims receivable	33,635,606	36,049,967
Investments held for long-term purposes	5,097,526	4,742,324
Equity investments	43,387,041	31,358,372
Property and equipment, net	463,535,602	407,782,230
Other noncurrent assets	7,793,015	10,707,719
Total assets	<u>\$ 1,229,552,708</u>	<u>\$ 1,053,446,195</u>
<b>Liabilities and Net Assets</b>		
<b>Current liabilities</b>		
Current installments of long-term debt	\$ 8,755,000	\$ 7,715,000
Accounts payable and accrued expenses	40,401,798	65,920,223
Construction accounts payable	23,325,688	15,563,004
Accrued payroll and payroll taxes	21,215,741	23,998,209
Accrued vacation	18,860,219	17,557,008
Accrued postemployment benefits	15,159,726	23,909,240
Accrued postretirement benefits	1,697,341	2,040,129
Accrued professional liability costs	11,960,279	11,635,363
Accrued third-party payor settlements	63,171,953	43,089,911
Due to other University of Rochester divisions	15,780,388	20,412,359
Total current liabilities	<u>220,328,133</u>	<u>231,840,446</u>
Accrued postemployment benefits	23,895,938	22,553,835
Accrued postretirement benefits	07,102,727	71,471,556
Accrued professional liability costs	52,869,531	59,120,598
Accrued third-party payor settlements	51,017,110	51,154,947
Fair value of interest rate swaps	10,295,410	15,629,549
Fair value of asset retirement obligation	3,015,260	182,558
Other long-term liabilities	825,323	-
Long-term debt, excluding current installments	237,368,404	169,262,251
Total liabilities	<u>666,797,836</u>	<u>621,215,740</u>
<b>Commitments and contingencies :</b>		
<b>Net assets</b>		
Unrestricted	503,933,482	387,885,488
Temporarily restricted	53,723,864	39,802,643
Permanently restricted	5,097,526	4,742,324
Total net assets	<u>562,754,872</u>	<u>432,230,455</u>
Total liabilities and net assets	<u>\$ 1,229,552,708</u>	<u>\$ 1,053,446,195</u>

**Strong Memorial Hospital**  
(A Division of the University of Rochester)  
**Statements of Operations and Changes in Net Assets**  
**For the Years Ended December 31, 2013 and 2012**

Project #142228

BFA Attachment A (cont.)

	2013	2012
<b>Unrestricted revenues</b>		
Patient service revenue	\$ 1,215,927,225	\$ 1,107,377,391
Provision for bad debts	<u>(14,447,381)</u>	<u>(10,880,686)</u>
Net patient service revenue	1,201,479,844	1,096,496,705
Other revenue	84,472,711	82,892,275
Net assets released from restrictions - operations	<u>653,338</u>	<u>466,320</u>
Total unrestricted revenues	<u>1,286,605,893</u>	<u>1,179,855,300</u>
<b>Expenses</b>		
Salaries	477,235,251	441,937,536
Benefits	156,008,702	147,306,859
Pharmaceutical and medical supplies	258,651,174	236,559,571
University and Medical Center cost allocations	52,296,941	45,967,415
Professional and contract services	20,920,914	20,646,019
Interest	7,658,873	7,006,592
Depreciation and amortization	58,335,681	54,990,367
University of Rochester Medical Faculty Group clinical support	23,386,799	25,967,051
Other expenses	<u>108,830,587</u>	<u>103,345,110</u>
Total expenses	<u>1,163,324,922</u>	<u>1,083,726,520</u>
Income from operations	123,280,971	96,128,780
<b>Other gains (losses), net</b>		
Investment activity	13,750,280	7,865,156
Loss on early extinguishment of debt	-	(55,603)
Other	<u>18,218,086</u>	<u>(8,745,046)</u>
Total other gains (losses), net	<u>31,968,366</u>	<u>(935,493)</u>
Excess of revenues over expenses	155,249,337	95,193,287
<b>Other changes</b>		
Net assets released from restrictions - capital	695,510	217,874
Transfer of endowment to temporarily restricted net assets	(108,620)	(3,100,000)
Transfers to the University of Rochester Medical Center Divisions	<u>(39,588,233)</u>	<u>(40,335,289)</u>
Increase in unrestricted net assets	<u>116,247,994</u>	<u>51,975,872</u>
<b>Temporarily restricted net assets</b>		
Contributions	11,856,634	3,498,269
Investment income	548,424	392,286
Net realized and unrealized gains on investments	2,457,753	1,260,562
Change in valuation of deferred gift annuities	108,620	(826,157)
Transfer of endowment from restricted net assets	-	3,100,000
Transfer of gifts from the School of Medicine and Dentistry	298,638	400,000
Net assets released from restrictions	<u>(1,348,848)</u>	<u>(684,194)</u>
Increase in temporarily restricted net assets	<u>13,921,221</u>	<u>7,140,766</u>
<b>Permanently restricted net assets</b>		
Contributions to endowment	<u>355,202</u>	<u>21,971</u>
Increase in permanently restricted net assets	<u>355,202</u>	<u>21,971</u>
Increase in net assets	130,524,417	59,138,609
Net assets, beginning of year	<u>432,230,455</u>	<u>373,091,846</u>
Net assets, end of year	<u>\$ 562,754,872</u>	<u>\$ 432,230,455</u>

STRONG MEMORIAL HOSPITAL  
BALANCE SHEET  
FOR THE PERIODS ENDED NOVEMBER 30, 2014 AND DECEMBER 31, 2013

Project #142228  
BFA Attachment B

	11/30/14	12/31/13
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 361,979,168	\$ 371,072,209
Short-term investments at market value	102,573,254	89,328,654
Patient accounts receivable, net of estimated uncollectibles of \$26,298,567 and \$21,113,128 respectively	192,248,455	160,834,941
Advances from third-party payors	(65,243,871)	(61,360,213)
Net patient accounts receivable	127,004,584	99,474,728
Assets whose use is limited	-	11,910,204
Pledges receivable	4,254,047	6,300,834
Insurance claims receivable	11,147,549	11,960,279
Other receivables	28,104,199	24,357,473
Deposits in captive insurance company	-	1,579,831
Inventory	27,109,060	25,486,156
Other current assets	9,970,077	2,886,121
Total current assets	672,141,938	644,356,490
Assets whose use is limited	6,134,564	20,690,016
Deferred financing costs, net	2,161,666	2,260,532
Pledges receivable	5,115,334	8,796,280
Insurance claims receivable	32,486,928	33,635,606
Investments held for long-term purposes	5,230,207	5,097,526
Equity investments	33,847,368	43,387,041
Property and equipment, net	516,660,564	463,535,602
Other noncurrent assets	5,883,034	7,793,615
Total assets	\$ 1,279,661,604	\$ 1,229,552,708
<b>Liabilities and Net Assets</b>		
<b>Current liabilities:</b>		
Current installments of long-term debt	\$ 9,600,000	\$ 8,755,000
Due to other University of Rochester divisions	15,983,231	15,780,388
Accounts payable and accrued expenses	47,245,991	40,401,798
Construction accounts payable	8,531,872	23,325,688
Accrued payroll and payroll taxes	17,772,903	21,215,741
Accrued vacation	20,137,236	18,860,219
Accrued postemployment benefits	16,238,477	15,159,726
Accrued postretirement benefits	1,944,475	1,697,341
Accrued professional liability costs	11,147,549	11,960,279
Accrued third-party payor settlements	47,970,011	63,171,953
Deferred revenue	1,556,028	-
Total current liabilities	198,127,773	220,328,132
Accrued postemployment benefits	26,071,413	23,895,938
Accrued postretirement benefits	69,894,251	67,182,727
Accrued professional liability costs	51,323,715	52,069,531
Accrued third-party payor settlements	62,799,403	51,017,110
Fair value of interest rate swaps	10,955,470	10,295,410
Fair value of asset retirement obligation	6,001,886	3,015,260
Other long-term liabilities	825,324	825,324
Long-term debt, excluding current installments	227,568,149	237,368,404
Total liabilities	653,567,384	666,797,836
<b>Net assets:</b>		
Unrestricted	563,274,989	503,933,482
Temporarily restricted	57,589,023	53,723,864
Permanently restricted	5,230,207	5,097,526
Total net assets	626,094,220	562,754,872
Total liabilities and net assets	\$ 1,279,661,604	\$ 1,229,552,708

STRONG MEMORIAL HOSPITAL  
STATEMENT OF OPERATIONS  
FOR THE ELEVEN MONTHS ENDING NOVEMBER 30, 2014  
(in thousands)

Project #142228  
BFA Attachment B (cont.)

	NOVEMBER 2014 CYTD
<b>Operating Revenue:</b>	
Patient Service Revenue	\$ 1,226,495
Recovery for Third Party Settlements	(0,403)
	<hr/>
Patient Service Revenue before Uncompensated Care	1,218,012
	<hr/>
Charity Care	(37,910)
Provision for Bad Debts	(15,936)
	<hr/>
Net Patient Service Revenue	1,164,166
	<hr/>
Other operating revenue	120,787
Net assets released from restrictions-operations	789
	<hr/>
Total Operating Revenue	1,285,742
	<hr/>
<b>Operating Expenses:</b>	
Salaries	472,769
Outside Temporary Service Costs	2,482
Benefits	157,043
Allocations:	
University	21,660
Medical Center	29,117
Professional Liability Insurance	3,404
Depreciation & Amortization	54,913
Interest	6,820
Medical Supplies	134,572
Pharmaceuticals	147,529
All Other	134,240
	<hr/>
Total Operating Expenses	1,164,540
	<hr/>
Income from Operations before Clinical Transfers	121,193
	<hr/>
<b>Clinical Transfers:</b>	
Primary Care Network Support	(4,262)
Net Cash Collections on Article 28 PC sites - FY13 DOS	(103)
URMFG Faculty Support	(19,309)
	<hr/>
Total Clinical Transfers	(23,674)
	<hr/>
Income from Operations after Clinical Transfers	97,519
	<hr/>
<b>Non-Operating Revenue (Expense):</b>	
Auxiliary Activities	681
Advancement Activities	(2,445)
Investment Income	1,828
Net realized gains	5,889
Net unrealized gains (loss)	(207)
Change in SFAS 158 liability	(956)
Unrealized gain (loss) on interest rate swaps	(660)
Gain (loss) on disposal of fixed assets, net of sales	48
Net assets released from restrictions-capital	930
	<hr/>
Net Non-Operating Revenue (Expense)	5,108
	<hr/>
<b>Non-Clinical Transfers:</b>	
Medical Center Strategic Research Plan	(12,375)
SMD/SON Advancement Initiative	(8,691)
Highlands at Brighton Operating Support	(1,355)
Visiting Nurse Service Support	(1,400)
Medical School Anonymous Endowment Transfer	(6,299)
Medical School, Capital and Other Support	(10,613)
	<hr/>
Total Non-Clinical Transfers	(40,733)
	<hr/>
<b>Increase in Unrestricted Net Assets</b>	<b>\$ 61,891</b>

## MEMO

TO: CON Project File  
 RE: CON Project 142228 – NICU Expansion  
 DATE: January 12, 2015

### *Service Location:*

601 Elmwood Ave  
 Rochester, NY 14620

### *Description:*

Strong Memorial Hospital (SMH) seeks to renovate existing space within the hospital to add eight (8) Neonatal Intensive Care beds for a total of 34 NICU Intensive Care beds.

### *Project Cost & Revenue:*

	Current Year	Year 1 Incremental	Year 3 Incremental
Project Capital Cost	\$2,261,373	N/A	N/A
Operating Cost	\$24,661,397	\$399,186	\$11,124
Operating Revenue	\$38,181,812	\$461,154	\$461,154

### *Projected Changes to Community Capacity:*

#### **Community Capacity**

Monroe County has three facilities with at least one type of NICU bed. The county contains a total of 77 NICU beds including 19 NICU Continuing Care, 30 NICU Intermediate Care, and 28 NICU Intensive Care beds. The majority of those beds are located at SMH which has designation as a Regional Perinatal Center. The available beds by facility are in Table 1. The addition of 8 NICU Intensive Care beds would bring the regional total to 85 and SMH total NICU beds to 68.

*Table 1. NICU Capacity, Monroe County*

	Number of Beds		
	NICU Continuing	NICU Intermediate	NICU Intensive
Rochester General Hospital	5	7	2
Strong Memorial Hospital	14	20	26
The Unity Hospital of Rochester	0	3	0
<b>Monroe County Total</b>	<b>19</b>	<b>30</b>	<b>28</b>

**Community Need**

Utilizing 2012 SPARCS data we reviewed the number of NICU services provided by the facilities in Monroe County (Defined by Revenue Codes 0172-0174). Due to an apparent coding aberration by one of the facilities in Monroe County, community review of NICU by severity is not possible. Therefore for the purposes of regional analysis we combine NICU Continuing, NICU Intermediate and NICU Intensive care for both bed type and utilization (Defined henceforth as Level II-IV NICU).

In Monroe County in 2012 there were 2,236 Patients in the NICU accounting for a total of 31,989 patient days with an average length of stay (ALOS) of 14.3 days. This results in an average daily census (ADC) of 87.6. A facility level breakdown is provided in Table 2.

*Table 2. NICU Utilization*  
**Level II-IV NICU Utilization, Monroe County Facilities, 2012**

	Patients	Patient Days	ADC	Occupancy	ALOS
The Unity Hospital of Rochester	171	681	1.87	62%	3.98
Strong Memorial Hospital	1057	26363	72.23	120%	24.94
Rochester General Hospital	433	2634	7.22	52%	6.08
Highland Hospital <sup>1</sup>	575	2311	6.33	N/A	4.02
<b>Monroe County Facilities</b>	<b>2236</b>	<b>31989</b>	<b>87.64</b>	<b>114%</b>	<b>14.31</b>

In order to determine whether current capacity is accurate at a regional level we utilized a Poisson distribution at 95% and 99.9% Confidence Intervals. Table 3 details the results of the regional analysis. In order to achieve 95% availability there is a need for approximately 105 beds, compared to the 77 currently available. This would result in capacity overflow for 1-2 days a month which is reasonable given the fact that SMH has demonstrated the ability to operate above capacity at a significantly higher rate. There is variability in need by facility. While SMH demonstrates a need for additional beds it appears that Rochester General Hospital has adequate capacity at the 95% level. Unity Hospital, which represents a small percentage of the overall capacity demonstrates minimal additional need.

Regarding occupancy, SMH is the only facility in the region to report occupancy rates over 100% in 2012. Because of the volume of patients that SMH sees for these services, this drives the regional occupancy rate of 114%. NY State does not define an appropriate for occupancy rate for NICU services, but the occupancy rates of the other two facilities in the county with NICU beds are below the urban need thresholds for Medical/Surgical Pediatric and Obstetric Beds (85%, 70%, and 75% respectively).

*Table 3. NICU Community Need Poisson Analysis*  
**Community Need for Additional Level II-IV NICU Services**

	SMH	RGH	Unity	Monroe County
Regional Level II-IV ADC	72.23	7.22	1.87	87.60
Level II-IV Poisson (95%)	88.80	12.45	4.53	105.85
Level II-IV Poisson (99.9%)	107.18	19.34	8.68	125.91
Current Capacity	60.00	14.00	3.00	77.00
95% Difference	28.80	-1.55	1.53	28.85
99% Difference	47.18	5.34	5.68	48.91

<sup>1</sup> While Highland Hospital does not have any NICU beds on its license the facility may still bill for NICU level care if the diagnoses are appropriate. These patients are included in the community need analysis in the interest of identifying the entire patient population needing intensive care.

At a facility level, SMH also demonstrates a significant need for additional capacity to achieve 95% availability for the Intensive Care (Level IV) beds which are being requested. The Level IV analysis for SMH is in Table 4. It should be noted that the ALOS SMH Level IV patients is 25 days which is significantly higher than the both the statewide and county rates of 15.8 and 14.3 respectively in the same year. The NY State median ALOS for Level IV NICU patients in 2012 was 6 Days. SMH reports a median ALOS of 10 days for the same timeframe.

It does appear that SMH has a larger than expected number of patients with extended lengths of stay. Based on NY State rates SMH hospital should expect to have 2% of Level IV NICU patients stay longer than 100 days, accounting for 22 patients per year. However, SMH's actual number of patients with stays longer than 100 days in 2012 was 72, more than 300% of the expected number based on NY State utilization rates.

*Table 4. NICU Institutional Need, SMH, Poisson Analysis*  
**SMH Level IV NICU Need**

	SMH
Level IV Total ADC	71.89
Level IV Poisson (95%)	88.42
Level IV Poisson (99.9%)	106.76
Current Capacity	26
95% Difference	62.42
99% Difference	80.76

**Patient Origin**

Overall Monroe county facilities provided NICU services to 577 neonates originating from outside Monroe County in 2012 constituting 26% of all NICU stays. However this rate varies greatly from facility to facility. SMH has the largest percent of patients from outside Monroe County and accounts for 70% of the total NICU patients in Monroe County hospitals residing outside Monroe County. This aligns with the facility's designation as a Regional Perinatal Center.

*Table 5. Monroe County NICU Patient Origin*

	NICU Level II-IV Patient Population from Outside Monroe County		
	NICU Patients	% of Facility NICU Patients	%of Monroe NICU Patients
SMH	406	38%	70%
RGH	58	13%	10%
Unity	23	13%	4%
Highland Hospital	90	16%	16%
Monroe County	577	26%	100%

**Need Conclusion**

The demonstrated community and institutional need indicate that the addition of 8 NICU Intensive Care Beds at SMH is appropriate.

*Projected Changes to Community Access:*

The addition of eight beds has no impact on geographic access for the community, except that this may increase ability for SMH to see additional regional patients requiring highly specialized care from the region. SMH has a good history of providing care to underserved populations.

*Comments:*

While SMH's LOS is significantly longer than the NY State average, it appears that the facility may see a larger proportion of patients with more intensive needs that have longer stays than is typical even for a Level IV NICU.

*Recommendation - Approval*

**Contingencies:** None

**Conditions:** None.

**Mohawk Valley Eye Surgery Center**  
**Balance Sheet**  
As of December 31, 2013

	Dec 31, 13
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
First Niagara Bank	-2,264.74
<b>Total Checking/Savings</b>	-2,264.74
<b>Total Current Assets</b>	-2,264.74
<b>Fixed Assets</b>	
Accumulated Depreciation	-11,277.00
Furniture and Equipment	
Canon Color Copier	1,517.40
Nurse Call System	6,935.12
<b>Total Furniture and Equipment</b>	8,452.52
Leasehold Improvements	6,730.56
Medical Equipment	68,105.68
<b>Total Fixed Assets</b>	72,011.76
<b>Other Assets</b>	
Due from Officer	45,000.00
<b>Total Other Assets</b>	45,000.00
<b>TOTAL ASSETS</b>	<b>114,747.02</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Other Current Liabilities	
Due to K&P Acquisitions	71,863.61
Due to Kwiat Eye & Laser	151,599.76
Payroll Liabilities	1,435.98
<b>Total Other Current Liabilities</b>	224,899.35
<b>Total Current Liabilities</b>	224,899.35
<b>Total Liabilities</b>	224,899.35
<b>Equity</b>	
Members Equity	3,329.96
Net Income	-113,482.29
<b>Total Equity</b>	-110,152.33
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>114,747.02</b>

**Mohawk Valley Eye Surgery Center**  
**Profit & Loss**  
January through December 2013

	Jan - Dec 13
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
Fee for Service Income	293,572.79
<b>Total Income</b>	293,572.79
<b>Expense</b>	
Automobile Expense	2,899.01
Bank Service Charges	790.30
Depreciation Expense	11,277.00
Dues and Subscriptions	226.06
Equipment Lease Expense	0.00
Filing Fees	9.00
<b>Insurance Expense</b>	
Health Insurance	1,319.76
Insurance Expense - Other	4,799.14
<b>Total Insurance Expense</b>	6,118.90
Janitorial Expense	5,395.26
Licenses & Certifications	4,476.00
Linen Service	2,326.00
Meals and Entertainment	795.24
Medical Supplies	249,409.08
Office Supplies	8,965.63
Payroll Expenses	71,970.24
Payroll Taxes	7,709.22
Postage	25.50
Professional Education	485.00
<b>Professional Fees</b>	
Accounting	6,000.00
Consulting	600.00
Professional Fees - Other	3,412.10
<b>Total Professional Fees</b>	10,012.10
Repairs and Maintenance	7,642.07
Security	211.68
Staff Expenses	3,978.19
Telephone Expense	32.90
<b>Utilities</b>	
Cable/Internet	1,925.76
Gas/Electric	10,374.94
<b>Total Utilities</b>	12,300.70
<b>Total Expense</b>	407,055.08
<b>Net Ordinary Income</b>	-113,482.29
<b>Net Income</b>	-113,482.29

**Mohawk Valley Eye Surgery Center**  
**Balance Sheet**  
As of October 27, 2014

	<u>Oct 27, 14</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
First Niagara Bank	19,050.21
<b>Total Checking/Savings</b>	19,050.21
<b>Other Current Assets</b>	
VGI-HLTH CA AD	5,000.00
<b>Total Other Current Assets</b>	5,000.00
<b>Total Current Assets</b>	24,050.21
<b>Fixed Assets</b>	
Accumulated Depreciation	-11,277.00
<b>Furniture and Equipment</b>	
Canon Color Copier	1,517.40
Nurse Call System	6,935.12
<b>Total Furniture and Equipment</b>	8,452.52
Leasehold Improvements	6,730.56
Medical Equipment	68,105.68
<b>Total Fixed Assets</b>	72,011.76
<b>Other Assets</b>	
Due from Officer	127,750.00
<b>Total Other Assets</b>	127,750.00
<b>TOTAL ASSETS</b>	<b>223,811.97</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
401k Payable	71.03
Due to K&P Acquisitions	61,863.61
Due to Kwiat Eye & Laser	141,624.76
<b>Total Other Current Liabilities</b>	203,559.40
<b>Total Current Liabilities</b>	203,559.40
<b>Total Liabilities</b>	203,559.40
<b>Equity</b>	
Members Draw	-5,000.00

**Mohawk Valley Eye Surgery Center**  
**Balance Sheet**  
As of October 27, 2014

	<u>Oct 27, 14</u>
Members Equity	-235,730.15
Net Income	<u>260,982.72</u>
Total Equity	<u>20,252.57</u>
 <b>TOTAL LIABILITIES &amp; EQUITY</b>	 <b><u>223,811.97</u></b>

## Mohawk Valley Eye Surgery Center

## Profit &amp; Loss

January 1 through October 27, 2014

	<u>Jan 1 - Oct 27, 14</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
Bad Checks	-50.00
Fee for Service Income	916,334.37
Refunds	-2,735.34
<b>Total Income</b>	<u>913,549.03</u>
<b>Expense</b>	
Automobile Expense	530.20
Bank Service Charges	1,770.94
Continuing Education	336.00
Corp Tax	175.00
Dues and Subscriptions	450.00
Filing Fees	25.00
HCRA Pool Surcharge	1,033.00
Insurance Expense	
Health Insurance	-2,200.00
Insurance Expense - Other	7,595.87
<b>Total Insurance Expense</b>	<u>5,395.87</u>
Interest Expense	8.44
Janitorial Expense	8,992.10
Leased Employees	4,500.52
Licenses & Certifications	24.00
Linen Service	5,259.35
Meals and Entertainment	3,364.97
Medical Supplies	371,632.73
Medical Waste Disposal	3,079.46
Office Supplies	13,497.49
Payroll Expenses	107,328.00
Payroll Taxes	9,510.06
Postage	50.28
Professional Fees	
Accounting	13,500.00
Consulting	2,500.00
Legal Fees	4,380.38
Professional Fees - Other	7,068.40
<b>Total Professional Fees</b>	<u>27,448.78</u>
Real Estate Taxes	7,084.80
Rent Expense	47,499.33
Repairs and Maintenance	8,683.00
Travel Expense	10,862.12
Utilities	

**Mohawk Valley Eye Surgery Center**

**Profit & Loss**

January 1 through October 27, 2014

	<u>Jan 1 - Oct 27, 14</u>
Cable/Internet	2,134.01
Gas/Electric	<u>11,890.86</u>
Total Utilities	<u>14,024.87</u>
Total Expense	<u>652,566.31</u>
Net Ordinary Income	<u>260,982.72</u>
Net Income	<u><u>260,982.72</u></u>

CON#132305

BFA Attachment A

Jewish Home of Rochester- Financial Summary

	<u>2013</u>	<u>2012</u>	<u>2011</u>
CURRENT ASSETS	\$18,591,146	\$10,009,019	\$9,409,553
LONG TERM ASSETS	28,998,383	35,163,855	38,514,464
TOTAL ASSETS	\$47,589,529	\$45,172,874	\$47,924,017
CURRENT LIABILITIES	\$5,917,457	\$6,590,466	\$8,831,055
LONG TERM LIABILITIES	16,563,837	17,133,698	19,611,499
TOTAL LIABILITIES	\$22,481,294	\$23,724,164	\$28,442,554
WORKING CAPITAL POSITION	12,673,689	3,418,553	578,498
NET ASSETS	\$25,108,235	\$21,448,710	\$19,481,463
REVENUES	\$41,916,949	\$43,731,177	\$42,403,715
EXPENSES	42,745,394	44,926,471	44,415,765
EXCESS OF REVENUES OVER EXPENSES	(\$828,445)	(\$1,195,294)	(\$2,012,050)
NUMBER OF BEDS	362	362	362
PERCENT OCCUPANCY	96.40%	94.41%	93.23%
MEDICAID	55.60%	60.07%	59.28%
MEDICARE	18.30%	14.96%	15.73%
PRIVATE PAY	26.10%	24.96%	25.09%

JEWISH SENIOR LIFE FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION  
December 31,

ASSETS	2013	2012
<b>Current assets:</b>		
Cash and cash equivalents	\$ 795,580	\$ 239,334
Investments	49,783,245	46,104,490
Pledges receivable	1,435,409	316,162
Prepaid expense	11,561	7,527
Total current assets	<u>52,025,795</u>	<u>46,667,513</u>
Pledges receivable, net	468,887	630,171
Due from Jewish Senior Life Community Services, Inc.	120,850	150,000
Due from Jewish Home of Rochester Senior Housing, Inc.	409,800	409,800
Due from Jewish Home of Rochester Enriched Housing, Inc.	-	1,860,662
Beneficial interest in perpetual trust	2,437,759	2,179,138
Total assets	<u>\$ 55,463,091</u>	<u>\$ 51,897,284</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 104,558	\$ 42,497
Annuities payable	32,645	32,645
Due to Jewish Home of Rochester, Inc.	356,828	7,386
Due to Jewish Home of Rochester Senior Housing, Inc.	8,529	10,313
Due to Jewish Senior Life	14,750	-
Deferred revenue	86,269	25,789
Total current liabilities	<u>603,579</u>	<u>118,630</u>
Annuities payable	92,684	103,412
Contributions held on behalf of Jewish Home of Rochester, Inc.	5,478,344	4,790,279
Contributions held on behalf of Jewish Home of Rochester Enriched Housing, Inc.	41,303	35,069
Total liabilities	<u>6,215,910</u>	<u>5,047,390</u>
<b>Net assets:</b>		
Unrestricted	48,688,915	46,283,561
Temporarily restricted	553,266	561,333
Permanently restricted	5,000	5,000
Total net assets	<u>49,247,181</u>	<u>46,849,894</u>
Total liabilities and net assets	<u>\$ 55,463,091</u>	<u>\$ 51,897,284</u>

JEWISH SENIOR LIFE FOUNDATION, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
 For the Year Ended December 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2013
<b>Revenues, gains, and other support:</b>				
Contributions	\$ 480,939	\$ 504,232	\$ -	\$ 985,171
Legacies and bequests	1,175,265	-	-	1,175,265
Dividends and interest income	572,598	-	-	572,598
Net realized and unrealized gains on investments	6,013,658	15,047	-	6,028,705
Net assets released from restrictions	527,346	(527,346)	-	-
Total revenues	8,769,806	(8,067)	-	8,761,739
<b>Expenses:</b>				
Program services	3,222,138	-	-	3,222,138
Supporting services:				
Management and general	477,003	-	-	477,003
Fundraising	804,649	-	-	804,649
Total expenses	4,503,790	-	-	4,503,790
Excess of revenues over expenses	4,266,016	(8,067)	-	4,257,949
<b>Other changes in net assets:</b>				
Forgiveness of supported organization's loan	(1,860,662)	-	-	(1,860,662)
Increase in net assets	2,405,354	(8,067)	-	2,397,287
Net assets - beginning of year	46,283,561	561,333	5,000	46,849,894
<b>Net assets - end of year</b>	<b>\$ 48,688,915</b>	<b>\$ 553,266</b>	<b>\$ 5,000</b>	<b>\$ 49,247,181</b>

JEWISH SENIOR LIFE FOUNDATION, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
For the Year Ended December 31, 2012

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2012
<b>Revenues, gains, and other support:</b>				
Contributions	\$ 413,120	\$ 932,884	\$ -	\$ 1,346,004
Legacies and bequests	980,394	-	-	980,394
Dividends and interest income	727,955	-	-	727,955
Net realized and unrealized gains on investments	5,025,017	7,281	-	5,032,298
Net assets released from restrictions	781,302	(781,302)	-	-
<b>Total revenues</b>	<b>7,927,788</b>	<b>158,863</b>	<b>-</b>	<b>8,086,651</b>
<b>Expenses:</b>				
Program services	3,844,339	-	-	3,844,339
Supporting services:				
Management and general	377,940	-	-	377,940
Fundraising	582,950	-	-	582,950
<b>Total expenses</b>	<b>4,805,229</b>	<b>-</b>	<b>-</b>	<b>4,805,229</b>
(Deficiency) excess of revenues over expenses	3,122,559	158,863	-	3,281,422
<b>Other changes in net assets:</b>				
Forgiveness of supported organization's loan	(976,019)	-	-	(976,019)
<b>Increase in net assets</b>	<b>2,146,540</b>	<b>158,863</b>	<b>-</b>	<b>2,305,403</b>
Net assets - beginning of year	44,137,021	402,470	5,000	44,544,491
<b>Net assets - end of year</b>	<b>\$ 46,283,561</b>	<b>\$ 561,333</b>	<b>\$ 5,000</b>	<b>\$ 46,849,894</b>

**Jewish Home of Rochester  
Balance Sheet**

	<u>For the period ending 10/31/2014</u>	<u>For the period ending 9/30/2014</u>	<u>For the Audited period ending 12/31/2013</u>
<b>Assets</b>			
<i>Current Assets</i>			
Cash	\$1,258,686	\$581,496	\$826,938
Patient Funds	168,260	167,873	163,210
Investments	803,658	593,939	398,990
Patient Accounts Receivable	9,739,817	10,879,877	8,545,066
Less: Allowance for Doubtful Accounts	(653,726)	(735,226)	(1,291,290)
Net Patient Accounts Receivable	<u>\$9,086,091</u>	<u>\$10,144,651</u>	<u>\$7,253,776</u>
Other Receivables	\$1,854,772	\$1,847,870	\$1,978,681
Prepaid Expenses	227,258	300,947	452,484
Inventories	81,603	69,141	62,721
Contribution Receivable	5,613,586	5,684,950	6,478,335
Due from Affiliates	1,760,228	1,955,768	1,848,128
<b>Total Current Assets</b>	<u><b>\$20,634,139</b></u>	<u><b>\$21,346,433</b></u>	<u><b>\$18,460,273</b></u>
<i>Limited Use Assets</i>			
Investments	\$381,509	\$378,388	\$590,427
Workers Comp Long Term Rec	310,373	310,373	310,373
Escrow deposits	2,377,451	2,327,277	1,950,757
<b>Total limited use assets</b>	<u><b>\$3,069,332</b></u>	<u><b>\$3,016,036</b></u>	<u><b>\$2,851,556</b></u>
<i>Fixed Assets</i>			
Construction in Progress	\$1,490,070	\$1,431,464	\$1,228,967
Land and Building	14,837,906	14,837,906	14,837,906
Land and Building Improvements	22,332,173	22,243,751	22,182,447
Fixed Equipment	7,939,970	7,922,420	7,916,320
Moveable Equipment and Vehicles	13,746,217	13,744,448	13,402,847
<b>Total Fixed Assets</b>	<u><b>60,346,335</b></u>	<u><b>60,179,989</b></u>	<u><b>59,578,486</b></u>
Less: Accumulated Depreciation	(38,515,292)	(36,293,479)	(34,311,476)
<b>Net Fixed Assets</b>	<u><b>\$23,831,044</b></u>	<u><b>\$23,886,510</b></u>	<u><b>\$25,267,010</b></u>
<b>Deferred Expenses</b>	<u><b>\$803,972</b></u>	<u><b>\$811,557</b></u>	<u><b>\$879,817</b></u>
<b>Total Assets</b>	<u><b>\$48,338,486</b></u>	<u><b>\$49,060,536</b></u>	<u><b>\$47,458,656</b></u>

Jewish Home of Rochester  
Balance Sheet

	<u>For the period ending 10/31/2014</u>	<u>For the period ending 9/30/2014</u>	<u>For the Audited period ending 12/31/2013</u>
<b>Liabilities and Equity</b>			
<i>Liabilities</i>			
<i>Current Liabilities</i>			
Accounts payable and accrued expenses	\$1,596,855	\$1,897,109	\$2,392,504
Line of Credit	400,000	400,000	
Accrued payroll, vacations and related withholdings	2,410,686	2,609,142	1,894,744
Due to Affiliates			11,913
Patient Funds	168,260	167,673	163,210
Deferred revenue	168,460	235,719	614,293
Mortgage payable - Short term	886,683	882,023	840,169
<b>Total current liabilities</b>	<u>\$5,630,944</u>	<u>\$6,191,668</u>	<u>\$5,916,833</u>
<i>Long term liabilities</i>			
Accrued pension and post retirement benefits	3,440,720	3,416,472	3,467,831
Due to third party payors	2,348,722	2,421,283	1,797,247
Mortgage payable - long term	\$10,354,989	\$10,431,040	\$11,098,758
<b>Total long term liabilities</b>	<u>\$16,144,432</u>	<u>\$16,268,796</u>	<u>\$16,363,837</u>
<b>Total Liabilities</b>	<u>\$21,775,376</u>	<u>\$22,460,462</u>	<u>\$22,280,670</u>
<i>Net Assets</i>			
<i>Unrestricted</i>			
Operating prior years	(\$5,006,178)	(\$5,006,178)	(\$8,044,771)
Limited use	24,659,702	24,659,898	24,659,898
Operating current year	1,243,449	1,208,981	3,038,666
<b>Total Unrestricted Net Assets</b>	<u>\$20,896,973</u>	<u>\$20,862,501</u>	<u>\$19,653,593</u>
Restricted use	2,319,436	2,358,532	2,193,999
Permanently restricted	3,346,702	3,379,041	3,330,394
<b>Total Net Assets</b>	<u>\$26,563,111</u>	<u>\$26,600,074</u>	<u>\$25,177,986</u>
<b>Total Liabilities and Net Assets</b>	<u>\$48,338,486</u>	<u>\$49,060,536</u>	<u>\$47,458,656</u>

Jewish Home of Rochester  
Statement of Revenue and Expense  
For the Period Ended 10/31/2014  
Preliminary & Unaudited

REVENUE	YTD 2013	YEAR TO DATE				MONTH TO DATE			
		ACTUAL	BUDGET	VARIANCE	% VARIANCE	ACTUAL	BUDGET	VARIANCE	% VARIANCE
<b>Routine Service Revenue</b>									
Private	\$9,131,005	\$9,383,660	\$9,242,673	\$120,687	1.31%	\$928,319	\$942,540	(\$114,221)	-12.12%
Medicaid	13,820,365	13,521,312	14,388,437	(866,126)	-6.01%	1,471,868	1,487,038	4,048	0.34%
Medicare	2,158,378	2,649,972	2,230,735	419,237	19.78%	323,868	227,478	98,392	42.37%
Managed Care	4,198,185	5,384,322	4,513,832	870,390	19.28%	828,151	488,598	159,654	34.06%
<b>Total Routine Service Revenue</b>	<b>29,305,952</b>	<b>30,919,286</b>	<b>30,374,078</b>	<b>645,188</b>	<b>1.70%</b>	<b>3,252,324</b>	<b>3,105,852</b>	<b>148,872</b>	<b>4.72%</b>
<b>Ancillary Revenue</b>									
Adult Day Health Care Revenue	1,288,102	1,514,171	1,408,174	14,997	1.00%	209,402	155,124	54,369	35.05%
Other Income	2,429,185	2,547,019	2,421,871	125,147	5.17%	279,377	280,295	19,083	7.33%
Non Operating Income	305,959	385,891	248,089	119,822	48.68%	41,834	48,440	(6,566)	-13.43%
Total Revenue before NYS Cash Receipts Assessment	49,850	51,903	50,572	1,331	2.83%	5,551	5,172	378	7.32%
<b>Total Revenue before NYS Cash Receipts Assessment</b>	<b>33,379,048</b>	<b>35,398,249</b>	<b>34,591,764</b>	<b>806,485</b>	<b>2.33%</b>	<b>3,788,679</b>	<b>3,574,882</b>	<b>213,906</b>	<b>5.98%</b>
<b>NYS Cash Receipts Assessment Income</b>	<b>1,609,068</b>	<b>1,543,639</b>	<b>1,674,784</b>	<b>(131,145)</b>	<b>-7.83%</b>	<b>158,588</b>	<b>250,472</b>	<b>(93,886)</b>	<b>-37.48%</b>
<b>Total Revenue</b>	<b>34,988,115</b>	<b>36,941,888</b>	<b>36,266,548</b>	<b>675,340</b>	<b>1.86%</b>	<b>3,945,264</b>	<b>3,825,154</b>	<b>120,110</b>	<b>3.14%</b>
<b>EXPENSES</b>									
Nursing Administration	663,638	711,188	681,822	29,375	4.31%	78,656	68,879	9,690	12.40%
RHCF Nursing	7,604,528	7,769,405	7,778,156	(17,750)	-0.23%	777,338	832,427	(55,091)	-6.62%
TCP	2,445,148	2,657,226	2,802,638	(54,587)	2.10%	279,685	274,018	5,667	2.07%
<b>Nursing Total</b>	<b>10,713,211</b>	<b>11,128,028</b>	<b>11,062,616</b>	<b>68,212</b>	<b>0.80%</b>	<b>1,135,678</b>	<b>1,178,424</b>	<b>(40,749)</b>	<b>-3.46%</b>
<b>Adult Day Health Care</b>	<b>446,219</b>	<b>483,230</b>	<b>417,488</b>	<b>45,741</b>	<b>10.98%</b>	<b>50,639</b>	<b>42,893</b>	<b>7,946</b>	<b>18.81%</b>

Jewish Home of Rochester  
Statement of Revenue and Expense  
For the Period Ended 10/31/2014  
Preliminary & Unaudited

ANCILLARY	YTD 2013	YEAR TO DATE				MONTH TO DATE			
		ACTUAL	BUDGET	VARIANCE	% VARIANCE	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Central Supply	59,481	65,867	64,901	967	1.49%	7,808	6,665	1,243	18.84%
Laboratory	63,281	56,821	65,000	(8,178)	-12.58%	4,662	6,500	(1,538)	-23.66%
Radiology	53,783	37,851	54,180	(16,309)	-30.11%	2,075	5,418	(2,541)	-48.02%
Volunteers	52,337	43,078	48,174	(4,108)	-8.71%	4,411	6,148	(1,737)	-28.26%
Recreation Therapy	412,717	489,869	565,171	(75,302)	-13.32%	50,866	60,438	(9,573)	-15.84%
Pharmacy	595,959	743,199	598,937	144,262	24.09%	92,475	58,094	33,781	57.53%
Podiatry	1,162	787	450	337	74.95%	94	45	49	108.27%
Dental	45,180	53,987	44,881	9,305	20.82%	5,088	4,813	475	10.29%
Psychiatry	82,530	82,530	82,520	10	0.01%	8,253	8,252	1	0.01%
Physical Therapy	691,904	838,881	663,870	175,221	28.40%	89,359	68,936	20,423	29.63%
Occupational Therapy	890,002	860,323	721,573	138,750	19.23%	87,012	74,723	12,289	15.45%
Speech & Hearing	97,131	131,369	105,131	26,238	24.86%	12,951	11,103	1,848	16.65%
Outpatient Expansion	171,582	192,080	220,228	(28,138)	-12.78%	22,483	22,664	(171)	-0.75%
Social Work	183,473	193,825	200,893	(8,967)	-3.47%	21,094	20,994	100	0.48%
Medical Records	35,181	37,108	35,978	1,130	3.14%	4,498	3,785	731	19.43%
Medical	1,284,637	1,500,401	1,295,875	204,726	15.80%	174,752	129,732	48,020	35.76%
Employee Health	58,221	58,818	58,752	(134)	-0.23%	4,715	8,089	(3,374)	-22.56%
House Calls	245,091	273,345	288,352	(13,007)	-4.54%	35,960	30,185	5,775	19.13%
Ophthalmology	9,510	12,385	10,000	2,385	23.95%	800	1,000	(200)	-20.00%
Ancillary Total	4,819,152	5,673,360	5,122,255	551,105	10.76%	630,563	524,982	106,601	20.12%
<b>NON REVENUE SUPPORT</b>									
Staff & Organizational Dev	234,352	238,845	311,201	(72,256)	-23.22%	21,758	39,813	(17,856)	-45.08%
Fine Dining	3,033,247	2,759,533	2,854,428	(85,895)	-3.36%	310,180	289,423	20,767	7.18%
Plant Operations	581,814	892,006	812,730	79,276	12.94%	98,888	81,786	36,122	58.86%
Utilities	450,473	601,511	482,515	118,998	3.94%	57,088	48,251	8,834	18.31%
Home Services	73,186	75,587	69,389	6,198	8.93%	811	7,187	(6,377)	-88.72%
Grounds	76,707	88,874	112,542	(25,889)	-22.98%	4,389	4,889	(300)	-8.40%
Security	198,759	193,875	200,773	(7,098)	-3.54%	21,289	20,894	395	1.89%
Environmental Services	766,561	811,615	821,588	(10,071)	-1.23%	85,161	84,309	851	1.01%
Laundry & Linen	107,485	124,958	114,748	10,209	8.90%	13,747	11,772	1,975	16.77%
Transportation	473,013	454,817	486,862	(32,045)	-6.58%	40,445	48,886	(8,242)	-16.93%
Finance	953,668	952,787	958,878	(8,081)	-0.83%	114,655	97,437	17,118	17.57%
Information Technology	594,880	591,502	620,777	(29,275)	-4.72%	53,458	62,914	(9,448)	-16.01%
Admissions	128,534	117,202	139,523	(22,320)	-18.00%	11,450	14,125	(2,675)	-18.94%
Administration	814,469	853,548	795,658	57,889	7.28%	77,707	78,098	(1,609)	-2.11%
Pastoral Care	88,805	73,071	85,137	3,934	5.69%	7,054	7,180	(108)	-1.48%
Hospice									
Public Relations	292,870	314,274	313,055	1,218	0.39%	30,104	22,646	7,458	32.93%
Quality Management	58,740	64,017	83,717	(300)	0.47%	5,893	5,567	326	5.85%
Communications	48,132	42,932	44,857	(1,855)	-4.38%	4,797	4,380	437	10.03%
Postage	18,453	25,279	22,756	2,523	11.09%	3,385	4,443	(1,058)	-23.81%
Printing & Duplicating	58,021	49,843	57,941	(7,998)	-13.80%	8,334	5,818	2,516	8.80%
Human Resources	721,788	778,612	741,589	35,043	4.73%	137,474	132,890	4,584	3.45%
Strategic Plan									
Total Non Revenue Support	9,754,036	9,789,465	9,894,744	(95,279)	-0.98%	1,103,672	1,050,047	53,624	5.11%

Jewish Home of Rochester  
Statement of Revenue and Expense  
For the Period Ended 10/31/2014  
Preliminary & Unaudited

	YTD 2013	YEAR TO DATE				MONTH TO DATE			
		ACTUAL	BUDGET	VARIANCE	% VARIANCE	ACTUAL	BUDGET	VARIANCE	% VARIANCE
<b>UNASSIGNED EXPENSES</b>									
Depreciation	2,242,868	2,213,389	2,171,792	41,597	1.92%	226,075	217,433	8,642	3.97%
Amortization	75,845	75,845	75,845		0.00%	7,585	7,585		0.00%
Property Tax	33,041	33,236	34,653	(1,457)	-4.20%	3,324	3,489	(165)	-4.20%
Long Term Debt Interest	657,077	614,380	614,358	22	0.00%	59,776	59,771	5	0.01%
Line of Credit Interest	18,719	11,851	7,292	4,559	62.54%	1,808	729	1,079	148.00%
Insurance	199,929	201,875	209,858	(7,983)	-3.71%	12,009	20,988	(8,979)	-42.72%
Employee Benefits	4,523,932	4,715,943	4,883,301	(167,358)	-3.43%	450,905	495,724	(44,819)	-9.04%
<b>Total Unassigned Expenses</b>	<b>7,751,408</b>	<b>7,886,500</b>	<b>7,998,934</b>	<b>(130,435)</b>	<b>-1.63%</b>	<b>781,480</b>	<b>805,677</b>	<b>(24,197)</b>	<b>-5.40%</b>
<b>NON OPERATING EXPENSES</b>									
Beautician	69,457	68,840	71,288	(2,348)	-3.28%	6,932	7,412	(480)	-6.47%
<b>Total Non Operating Expenses</b>	<b>69,457</b>	<b>68,840</b>	<b>71,288</b>	<b>(2,348)</b>	<b>-3.28%</b>	<b>6,932</b>	<b>7,412</b>	<b>(480)</b>	<b>-6.47%</b>
<b>Total Expenses before NYS Cash Receipts Assessment</b>	<b>33,553,483</b>	<b>35,300,322</b>	<b>34,565,327</b>	<b>434,996</b>	<b>1.26%</b>	<b>3,688,692</b>	<b>3,607,215</b>	<b>81,747</b>	<b>2.27%</b>
NYS Cash Receipts Assessment Expense	2,071,164	2,061,147	2,062,072	(925)	-0.04%	290,293	289,965	328	0.11%
Coal Savings Initiative									
<b>Total Expenses</b>	<b>35,624,647</b>	<b>37,361,469</b>	<b>36,627,399</b>	<b>434,071</b>	<b>1.10%</b>	<b>3,979,255</b>	<b>3,897,180</b>	<b>82,075</b>	<b>2.11%</b>
<b>CONTRIBUTIONS</b>									
Jewish Home Foundation Contribution	1,017,361	939,463	1,087,419	(147,956)	-13.61%	72,895	133,842	(60,747)	-45.45%
Prior Year Adjustments					0.00%				0.00%
Distribution to JSL	(129,187)	(129,187)	(129,187)		0.00%	(12,917)	(12,917)		0.00%
Gain/(Loss) From Operations	251,862	690,715	597,402	93,313	16.82%	26,988	48,700	(21,712)	-44.58%
Donations	703	6,645		6,645	0.00%				0.00%
Auxiliary Donations									
Jewish Federation Contribution	79,167	71,667	79,167	(7,500)	-4.77%	4,167	7,917	(3,750)	-47.37%
United Way Donor Choice Contribution	16,931	16,200	16,667	(377)	-2.26%	2,670	1,667	1,003	60.18%
Distribution to JHR Senior Housing									
JSL Foundation Contribution - MCP		450,000		450,000	0.00%				0.00%
<b>Gain/(Loss) After Contributions</b>	<b>347,482</b>	<b>1,235,316</b>	<b>993,236</b>	<b>542,081</b>	<b>78.20%</b>	<b>32,824</b>	<b>50,283</b>	<b>(17,459)</b>	<b>-34.72%</b>

## Jewish Home of Rochester

The following table shows how this nursing home performs in key quality measure areas.

Percentage of residents who...	Performance Ranking 
<p> Self-report moderate to severe pain (short stay) Reporting period: July 2013 to June 2014 <b>25.7% This Facility</b> 14.1% State average 18.8% National average</p>	<p> 1 out of 5 stars</p>
<p> Have pressure sores that are new or worsened Reporting period: July 2013 to June 2014 <b>1.5% This Facility</b> 1.2% State average 1.0% National average</p>	<p> 2 out of 5 stars</p>
<p> Were given, appropriately, the seasonal influenza vaccine (short stay) Reporting period: July 2013 to June 2014 <b>94.8% This Facility</b> 85.9% State average 84.4% National average</p>	<p> 4 out of 5 stars</p>
<p> Were given, appropriately, the pneumococcal vaccine Reporting period: July 2013 to June 2014 <b>90.7% This Facility</b> 84.7% State average 83.0% National average</p>	<p> 3 out of 5 stars</p>
<p> Newly received an antipsychotic medication Reporting period: July 2013 to June 2014 <b>0.5% This Facility</b> 2.4% State average 2.4% National average</p>	<p> 5 out of 5 stars</p>
<p> Needed increased help with daily activities (long stay) Reporting period: October 2013 to June 2014 <b>16.0% This Facility</b> 14.4% State average 15.7% National average</p>	<p> 2 out of 5 stars</p>
<p> Self-report moderate to severe pain (long stay) Reporting period: October 2013 to June 2014 <b>10.6% This Facility</b> 5.5% State average 7.7% National average</p>	<p> 1 out of 5 stars</p>
<p> Have pressure sores (long stay) Reporting period: October 2013 to June 2014 <b>5.4% This Facility</b> 7.7% State average 6.0% National average</p>	<p> 4 out of 5 stars</p>

132305 BNHLC Attachment A – Quality Measures and Inspection Report

<p> Lose too much weight (long stay)                  Reporting period: October 2013 to June 2014  <b>4.5% This Facility</b>                  6.4% State average                  7.2% National average</p>	<p>                  4 out of 5 stars</p>
<p> Lose control of their bowels or bladder (long stay, low risk)                  Reporting period: October 2013 to June 2014  <b>59.6% This Facility</b>                  44.5% State average                  44.3% National average</p>	<p>                  2 out of 5 stars</p>
<p> Had a catheter inserted and left in their bladder (long stay)                  Reporting period: October 2013 to June 2014  <b>2.0% This Facility</b>                  2.6% State average                  3.1% National average</p>	<p>                  3 out of 5 stars</p>
<p> Had a urinary tract infection (long stay)                  Reporting period: October 2013 to June 2014  <b>4.5% This Facility</b>                  5.6% State average                  5.8% National average</p>	<p>                  3 out of 5 stars</p>
<p> Have depressive symptoms (long stay)                  Reporting period: October 2013 to June 2014  <b>5.7% This Facility</b>                  11.7% State average                  6.2% National average</p>	<p>                  3 out of 5 stars</p>
<p> Were physically restrained (long stay)                  Reporting period: October 2013 to June 2014  <b>0.0% This Facility</b>                  1.6% State average                  1.2% National average</p>	<p>                  5 out of 5 stars</p>
<p> Experienced one or more falls with major injury (long stay)                  Reporting period: October 2013 to June 2014  <b>6.5% This Facility</b>                  2.7% State average                  3.2% National average</p>	<p>                  1 out of 5 stars</p>
<p> Were given, appropriately, the seasonal influenza vaccine (long stay)                  Reporting period: October 2013 to June 2014  <b>100.0% This Facility</b>                  96.8% State average                  94.0% National average</p>	<p>                  5 out of 5 stars</p>
<p> Were given, appropriately, the pneumococcal vaccine (long stay)                  Reporting period: October 2013 to June 2014  <b>99.4% This Facility</b>                  96.9% State average                  94.2% National average</p>	<p>                  3 out of 5 stars</p>
<p> Received an antipsychotic medication (long stay)                  Reporting period: October 2013 to June 2014  <b>12.8% This Facility</b>                  18.0% State average                  19.8% National average</p>	<p>                  4 out of 5 stars</p>

## Jewish Home of Rochester

### Inspection Report

### Report Period: December 2010 to November 2014

PFI: 3374

Regional Office: [WRO--Rochester Area Office](#)

This report displays citations for Certification Surveys and Complaint Surveys during the reporting period.

### Summary

This table summarizes the citations in the details section of this report and compares them against the statewide average.

Measure	This Facility	Statewide Average
Standard Health Deficiencies	11	23
Life Safety Code Deficiencies	21	11
Total Deficiencies	32	34
Deficiencies Related to Actual Harm or Immediate Jeopardy	0	1
% of Deficiencies Related to Actual Harm or Immediate Jeopardy	0%	3%

## HSP Attachment A - CON 132178 Big Apple Dialysis Management, LLC - "Dialysis Facility Compare"

### HEALTH & HOSPITALS CORP

### DRS. BHAT & MATTOO

	HARLEM HOSPITAL	KINGS COUNTY HOSPITAL CENTER	LINCOLN HOSPITAL	METROPOLITAN HOSPITAL CENTER	Central Brooklyn Dialysis Center, Inc.	East End Dialysis Center, Inc.	New Hyde Park Dialysis Center, Inc.	New York Renal Associates, Inc.	Newtown Dialysis Center, Inc.	Newtown Dialysis Center, Inc. - Astoria Dialysis Center	Newtown Dialysis Center, Inc. - Broadway Dialysis Center	Newtown Dialysis Center, Inc. - Morisania Dialysis Center	Ridgewood Dialysis Center, Inc.	Ridgewood Dialysis Center, Inc. - Central Park Dialysis Center	Ridgewood Dialysis Center, Inc. - Springfield Gardens Dialysis Center	West Nassau Dialysis Center, Inc.
CMS Certification Number (CCN)	332354	332346	332394	332344	332646	332658	332620	332582	332568	332652	332647	332648	332541	332514	332587	332610
City Location of Center	New York	Brooklyn	Bronx	New York	Brooklyn	Riverhead	New Hyde Park	Bronx	Astoria	Astoria	Elmhurst	Bronx	Ridgewood	New York	Laurelton	Valley Stream
<b>Patients who had an average hemoglobin value greater than 12.0 g/dL</b> <small>Note 1</small> NY Average: 1% National Average: 0% <i>Lower percentages are better</i>	3%	Not Reported	Number of patients is too small to report	Number of patients is too small to report	0%	4%	3%	0%	2%	0%	2%	0%	0%	0%	1%	1%
<b>Rate of Transfusions</b> <small>Note 2</small> Lower numbers are better	As Expected	As Expected	As Expected	As Expected	As Expected	As Expected	As Expected	As Expected	As Expected	As Expected	As Expected	As Expected	As Expected	As Expected	As Expected	As Expected
<b>Hemodialysis patients who had enough wastes removed from their blood during dialysis: Urea Reduction Ratio greater than or equal to 65%</b> <small>Note 3</small> NY Average: 98% National Average: 99% <i>Higher percentages are better</i>	100%	96%	100%	92%	99%	99%	97%	100%	98%	100%	100%	98%	95%	97%	95%	100%
<b>Adult hemodialysis patients who had enough wastes removed from their blood during dialysis: Kt/V greater than or equal to 1.2</b> <small>Note 4</small> NY Average: 90% National Average: 90% <i>Higher percentages are better</i>	26%	Data Missing	96%	85%	91%	95%	94%	96%	96%	94%	96%	84%	89%	86%	94%	96%

HSP Attachment A - CON 132178 Big Apple Dialysis Management, LLC - "Dialysis Facility Compare"

	HARLEM HOSPITAL	KINGS COUNTY HOSPITAL CENTER	LINCOLN HOSPITAL	METROPOLITAN HOSPITAL CENTER	Central Brooklyn Dialysis Center, Inc.	East End Dialysis Center, Inc.	New Hyde Park Dialysis Center, Inc.	New York Renal Associates, Inc.	Newtown Dialysis Center, Inc.	Newtown Dialysis Center, Inc. - Astoria Dialysis Center	Newtown Dialysis Center, Inc. - Broadway Dialysis Center	Newtown Dialysis Center, Inc. - Morisania Dialysis Center	Ridgewood Dialysis Center, Inc.	Ridgewood Dialysis Center, Inc. - Central Park Dialysis Center	Ridgewood Dialysis Center, Inc. - Springfield Gardens Dialysis Center	West Nassau Dialysis Center, Inc.
Adult peritoneal dialysis patients who had enough wastes removed from their blood: Kt/V greater than or equal to 1.7 <sup>Note 5</sup> NY Average: 74% National Average: 81% <i>Higher percentages are better</i>	Facility Does Not Provide Peritoneal Dialysis	Facility Does Not Provide Peritoneal Dialysis	Facility Does Not Provide Peritoneal Dialysis	Data not reported	Facility Does Not Provide Peritoneal Dialysis	Facility Does Not Provide Peritoneal Dialysis	Number of Patients is too small to report	Number of Patients is too small to report	Data Not Reported	Facility Does Not Provide Peritoneal Dialysis	Number of Patients is too small to report	Facility Does Not Provide this Service	Facility Does Not Provide Peritoneal Dialysis	Facility Does Not Provide Peritoneal Dialysis	Facility Does Not Provide Peritoneal Dialysis	Facility Does Not Provide Peritoneal Dialysis
Adult patients who received treatment through an arteriovenous fistula <sup>Note 6</sup> NY Average: 65% National Average: 63% <i>Higher percentages are better</i>	68%	80%	72%	28%	60%	52%	74%	72%	68%	65%	67%	55%	68%	45%	66%	63%
Adult patients who had a catheter (tube) left in a vein longer than 90 days, for their regular hemodialysis treatments <sup>Note 7</sup> NY Average: 13% National Average: 11% <i>Lower percentages are better</i>	1%	7%	2%	22%	17%	14%	10%	10%	9%	5%	7%	33%	12%	24%	10%	18%
Adult dialysis patients who had too much calcium in their blood: Average calcium greater than 10.2 mg/dL. <sup>Note 8</sup> NY Average: 2% National Average: 2% <i>Lower percentages are better.</i>	6%	5%	8%	1%	3%	1%	1%	3%	3%	2%	2%	Number of Patients is too small to report	1%	4%	5%	3%
Rate of hospital admission <sup>Note 9</sup>	As Expected	As Expected	As Expected	Worse Than Expected	Worse Than Expected	As Expected	As Expected	As Expected	As Expected	Worse Than Expected	As Expected	As Expected	Worse Than Expected	Worse Than Expected	As Expected	As Expected
Patient death rate <sup>Note 10</sup>	Better Than Expected	As Expected	As Expected	As Expected	As Expected	As Expected	As Expected	As Expected	As Expected	As Expected	Better Than Expected	Worse Than Expected	Worse Than Expected	Worse Than Expected	As Expected	Better Than Expected

Source: Dialysis Facility Compare (<http://www.medicare.gov/dialysisfacilitycompare/search.html>)

Prepared with data available on December 4, 2014

Please see Notes page for explanation of quality indicators and data reporting periods.

## Comparison of "Dialysis Facility Compare" Statistics for ESRDs

### Explanation of Quality Indicators

- Note 1:** Anemia is a common complication in people with kidney disease. Healthy kidneys produce a hormone called erythropoietin, or EPO, which stimulates the bone marrow to produce the proper number of red blood cells needed to carry oxygen to vital organs. Diseased kidneys, however, often don't make enough EPO. As a result, the bone marrow makes fewer red blood cells. Other common causes of anemia include blood loss from hemodialysis and low levels of iron and folic acid. [Data Period 1/1/13-12/31/13]
- Note 2:** An important goal of anemia management in dialysis is to avoid unnecessary blood transfusions. Dialysis providers can help prevent unnecessary transfusions by providing several treatments for anemia. Some of the anemia treatments may have side effects for patients with some medical conditions, so decisions about anemia treatment must be tailored to individual patient's conditions. [Data Period 1/1/13-12/31/13]
- Note 3:** Urea Reduction Ratio (URR) - This shows the percentage of adult hemodialysis patients at each facility who had a URR of 65 or more. (Some experts recommend a URR of 65 percent or higher.) [Data Period 1/1/13-12/31/13]
- Note 4:** For the Kt/V, the top part of the fraction (Kt) represents the volume of fluid completely cleared of urea during a single treatment; the bottom part of the fraction (V) is the total volume of water a patient's body contains. The Kt/V is more accurate than the URR in measuring how much urea is removed during dialysis. Patients with Kt/V lower than 1.2 have a higher risk of health problems. [Data Period 1/1/13-12/31/13]
- Note 5:** Adults with kidney failure who get peritoneal dialysis need to be closely monitored to ensure that their blood is cleaned enough. This is measured by a blood test called Kt/V. Test results of 1.7 or higher show that the patient is getting the dialysis often enough and the right amount of dialysis solution. Peritoneal dialysis patients with Kt/V lower than 1.7 have a higher risk of health problems. [Data Period 1/1/13-12/31/13]
- Note 6:** This shows the percentage of adult patients receiving regular hemodialysis at a certain facility who used an arteriovenous fistula for their treatment. The arteriovenous fistula is considered the best long-term vascular access for hemodialysis because it allows good blood flow, lasts a long time, and has a lower complication rate than other types of access. Although some patients may not be able to have an AV fistula or may not want one, facilities that have higher percentages may be doing a better job of helping patients understand why they are important. [Data Period 1/1/13-12/31/13]
- Note 7:** This shows the percentage of adult hemodialysis patients being treated at a certain facility who had a catheter (tube) inserted into a vein for hemodialysis treatment that was left in place for more than 90 days. Patients who do not have time to get a permanent vascular access before starting hemodialysis treatments may need to use a venous catheter for temporary access. Catheters are not ideal for permanent access, because they can clog, become infected, and cause narrowing of the veins. But a catheter will work for several weeks or months while permanent access is developed. Although some patients may need them for longer periods, those numbers should be low. [Data Period 1/1/13-12/31/13]
- Note 8:** If calcium levels get too high or too low, it can affect how the nervous system and muscles work, including the heart. Dialysis providers, including dialysis facilities, can influence the amount of calcium in their patients' bodies in several ways, including changes to the calcium levels used in the dialysis solution and use of medications like vitamin D and calcium-containing phosphorus binders. Dialysis facilities with a high percentage of patients with high calcium blood levels may not be making the correct adjustments to keep patients' calcium levels normal. [Data Period 1/1/13-12/31/13]
- Note 9:** Even when they're getting dialysis treatments regularly, patients with kidney failure often get sick and have to go to the hospital because of infections or other problems that may be related to the dialysis treatment itself. Facilities whose patients have lower ratios of hospital admissions may be better at helping their patients avoid these serious problems. Patient hospitalizations at a facility can be worse than expected due to a variety of reasons. For example, a facility may specialize in treating patients who are very ill and who may not live long; it does not always mean they are not providing good care. [Data Period 1/1/13-12/31/13]
- Note 10:** Generally, patients with kidney failure don't live as long as patients with normal kidneys. Many factors affect how long a dialysis patient lives. Some of these factors are under the control of the patient (like not skipping treatments), and some of these factors are under the control of the facility (like making sure patients get all the treatments the doctor prescribes). Patient deaths lets you know if the patients treated at a certain dialysis facility generally live longer, as long, or not as long as expected. Patient deaths at a facility can be worse than expected due to a variety of reasons. For example, a facility may specialize in treating patients who are very ill and who may not live long; it does not always mean they are not providing good care. [Data Period 1/1/10-12/31/13]

**Source:** *Dialysis Facility Compare* (<http://www.medicare.gov/dialysisfacilitycompare/search.html>)

The table below compares the Summary Statistic (which is the percent of scores at, or better than, the New York State average for the acquiring or affiliated entity. The Summary Statistic is intended to be a rough indicator of performance. (Higher is better)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Operator	Sites	Reportable Statistics per Site	Total Statistics Possible (1) x (2)	Statistics Not Available or Do Not Apply	Denominator (3)-(4)	Statistics Not Reported	Statistics worse than NYS Average	Numerator (6)+(7)	Summary Rate at or better than NYS Average 1.00- ((8)/(5))
HHC	4	10	40	5	35	3	9	12	66%
Bhat & Mattoo	12	10	120	12	108	1	36	37	66%

# COOK COUNTY HEALTH & HOSPITALS SYSTEM

Toni Preckwinkle  
President  
Cook County Board of Commissioners  
  
John Jay Shannon, MD  
Chief Executive Officer  
Cook County Health & Hospitals System



Cook County Health & Hospitals System  
Board Members  
  
M. Hill Hammock • Chairman  
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Ada Mary Gugenheim  
Wayne M. Lerner, DPH, FACHE  
Rev. Calvin S. Morris, PhD  
Luis Muñoz, MD, MPH  
Jorge Ramirez  
Carmen Velasquez  
Dorene P. Wiese, EdD

**John H. Stroger, Jr. Hospital**  
1969 West Ogden ~ Chicago, IL 60612

**October 17, 2014**

**Dr. Ram Raju, MD, FACS.**  
President and CEO,  
New York Health and Hospitals Corporation  
125 Worth Street, Room 514  
New York, NY 10013

## **REPORT ON QUALITY OF CARE PROVIDED BY TWO (2) DIALYSIS ORGANIZATIONS, NYC HEALTH AND HOSPITALS CORPS (HHC) VERSUS BIG APPLE DIALYSIS MANAGEMENT LLC, USING PUBLICLY AVAILABLE QUALITY INDICATORS.**

### **Introduction/Background**

*Dr. Ram Raju*, President and CEO, New York City Health and Hospitals Corporation requested for an independent expert review and comparison of the quality of care of two dialysis providers namely (a) New York Health and Hospitals Corporation (HHC) and (b) Big Apple Dialysis management LLC in the New York City area.

The Key question is to determine whether the quality of care provided to dialysis patients by HHC compared to Big Apple dialysis management is (a) better, (b) the same or (c) worse, using publicly available Centers for Medicare and Medicaid Services (CMS) dialysis facility quality measures.

### **Brief Resume**

*Dr. Peter Hart* is the Chairman of Nephrology for Cook County Health and Hospitals System (CCHHS) and Associate Professor of Medicine at Rush University Medical College, Chicago. He is Board certified in Internal Medicine and Nephrology and has over 32 years of experience.

*Dr. Kalyani Perumal* is the Director of Dialysis Services for Cook County Health and Hospitals System (CCHHS) and Assistant Professor of Medicine at University of Illinois College of Medicine, Chicago. She is Board certified in Internal Medicine and Nephrology and has over 15 years of experience.

**Source of Data:** Medicare dialysis reports obtained from submissions by the dialysis clinics and sourced from the Dialysis Facility Compare website: [medicare.gov/dialysis-facility-compare](http://medicare.gov/dialysis-facility-compare).

Additional material on patient/payor- mix was supplied by both HHC and Big Apple dialysis management.

### **HHC Dialysis units**

HHC has four (4) hospital based in-center dialysis units namely Metropolitan, Harlem, Lincoln and Kings. The units are non-profit and owned by HHC and have a total of 59 dialysis stations. Home Hemodialysis training is not provided and peritoneal dialysis is provided by Metropolitan Hospital Center only. A majority (72%) of the dialysis patients is minorities (Latino- 42%, African American- 30%) and over two- thirds of all the patients are Medicare and/or Medicaid patients and about 17% are uninsured. In Lincoln Hospital Dialysis Unit, 58% are uninsured.

### **Big Apple Dialysis units**

Big Apple has twelve (12) privately owned and independent in-center dialysis units and two of these are nursing home based units. Ten (10) are for profit and two (2) non-profit namely Ridgewood-Central Park and Newtown- Morisania dialysis centers.

They have a total of 295 dialysis stations, three (3) units provide Home hemodialysis training and peritoneal dialysis is provided by Newtown, New Hyde Park and Broadway dialysis units. A majority (62%) of the dialysis patients is minorities (African American- 42%, Latino- 20%) and 80% of all the patients are Medicare and/or Medicaid patients. Percentage of uninsured patients is not stated.

## **Results of Quality Indicators**

### **TREATMENT OUTCOMES**

Some quality indicators are expressed in percentage (%) and compared to State (NY) average and National average. Other indicators are expressed qualitatively and classified as: "better than expected", "as expected" or "worse than expected". State (NY) and national averages are included for comparison. Of note, quality indicators are adjusted for characteristics of patient mix in the facility such as race, age, gender and diabetes as cause of End Stage Renal Disease (ESRD).

#### **(1) Anemia management**

**Hemoglobin:** Percentage (%) of patient(s) who had an average hemoglobin value greater than 12.0 g/d. Lower Percentages are better.

HHC vs Big Apple: HHC- 1 unit had Hb < 12g/dl (25%), 2 units did not have data for comparison (50%). 1 unit had Hb >12g/dl (25%). Big Apple- 4 units had Hb < 12g/dl (33%), 8 units had Hb >12g/dl (66%)

In this quality measure, 33% of Big Apple units and 25% of units in HHC met the goal. 66% of units in Big Apple and 25% of units in HHC were above goal.

It is not possible to derive any conclusions for this quality measure as 2 units in HHC did not have data for valid comparison of all the units in both the systems.

**Rate of transfusions: HHC vs Big Apple**

Both units had similar results; hence no difference was identified between these two systems

**(2) Dialysis Adequacy** Hemodialysis patients who had enough wastes removed from their blood during dialysis:

**Urea Reduction Ratio (URR) greater than or equal to 65%.** Higher percentages are better.  
HHC vs Big Apple: 3 of the 4 units (75%) in HHC and 7 of the 12 units (58%) in Big Apple met the goal.

HHC units performed better than Big Apple system.

**Kt/V in adults greater than or equal to 1.2.** Higher percentages are better

HHC vs Big Apple: 1 unit (25%) in HHC and 11/12 (91%) units in Big Apple system were at or above national average. 2 units in HHC system did not have data reported in this quality measure. Dialysis units in Big Apple system performed better in this measure of dialysis adequacy. Of note, both urea reduction ratio and Kt/V are measures of dialysis adequacy. CMS has mandated use of Kt/v as a measure of dialysis adequacy since 2013.

In this quality measure, assessing dialysis adequacy both systems HHC and Big Apple performed similarly.

**(3) Vascular Access**

**% of adults receiving dialysis treatment with Ateriovenous fistula (AVF).** Higher percentages are better

HHC vs Big Apple: 3/4 (75%) of HHC units and 8/12 (67%) of Big Apple units were above national average. Both systems had similar rates of AV fistula.

**% of adults receiving dialysis treatment with catheter for more than 90 days.** Lower percentages are better

HHC vs Big Apple: 3/4 units (75%) in HHC and 6/12 (50%) in Big Apple system met the national goal.

HHC units had better performance in this quality measure

**(4) Mineral and Bone Disorder**

**% of adult dialysis patients with average calcium greater than 10.2mg/dL.** Lower percentages are better

1/4 (25%) in HHC group and 7/12 (58%) in Big Apple group met national average.

Big Apple group performed better in this quality measure

## PATIENT OUTCOMES

### Hospitalizations and deaths:

The Standardized Hospitalization ratio (SHR) and Standardized Mortality Ratio (SMR) and ranges of uncertainty indicate whether dialysis patients being treated at a dialysis facility were admitted to the hospital or died more often (worse than expected), less often (better than expected) or about the same (as expected) compared to patients treated in similar facilities.

Notes: (a) Time at risk and deaths within 60 days after patient transfer out are attributed to the original dialysis facility. (b) Time at risk and hospitalizations starting 3 days prior to kidney transplantation are excluded from SHR.

### Standardized Hospitalization Ratio (SHR)

HHC vs Big Apple: Hospital admission - 75% of units in both systems had "as expected rates". 1 unit in Big Apple had "worse than expected" SHR. 1 unit in HHC had no data.

### Standardized Mortality Ratio (SMR)

HHC vs Big Apple: Patient death rate - 50% of units in both systems had "as expected rates". 42% of units in Big Apple had "worse than expected" patient death rates. No data was available for 1 unit in HHC.

On face value, it seemed that the SHR and SMR for Big Apple was worse than expected compared to HHC but both of these indicators- Hospital admission and patient death rates cannot be fully evaluated as patients are admitted for several reasons and may have higher mortality due to their coexisting medical conditions. In the absence of patients' medical history, acuity of illness, reason for admission, readmissions or death, it is difficult to derive any valid conclusions from this data. Additionally, Big Apple has two (2) nursing home based dialysis units which may account for the worse than expected patient death rate. It is well known that nursing home residents, especially those on dialysis are typically very ill and are complex patients who require frequent admissions, readmissions with significant morbidity that results in higher SHR and SMR. These patients may negatively impact the patient care outcome variables of an otherwise outstanding dialysis facility.

### Summary and Conclusion

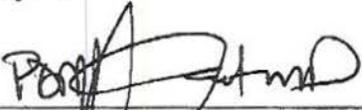
Dialysis Facility compare quality measures are a set of quality care measures developed over the last 10 years to assess quality performance at all Medicare certified facilities in the United States. Although they are adjusted for race, age, gender and presence of diabetes as the cause of ESRD, they do not (1) reflect provider-related variance in quality of care, (2) can't fully account for patient or case-mix differences between facilities and (3) do not account for dialysis facility size (small versus large), location (urban versus sub-urban) and neighborhoods. Indeed, the current

Ten (10) quality measures (treatment and patient outcomes) are inadequate tools to gauge the optimal level of care provided by dialysis facilities and there is no gold standard to estimate facility specific SHR and SMR. These measures compared to State and National norms are just averages and should not be misinterpreted as standards that represent ideal care. In our opinion they are epidemiologic tools that may be useful for facility based quality improvement initiatives and unlikely to truly reflect the best care provided by outstanding dialysis facilities.

**Summary:**

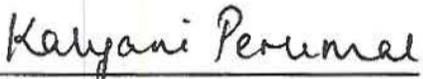
- 1) Anemia and Rate of transfusion- Taken together, there is insufficient data to compare both dialysis groups.
- 2) Dialysis Adequacy- Both groups performed well in this quality measure.
- 3) Vascular Access- HHC group had better performance compared to Big Apple group
- 4) Mineral and Bone disorder- Big Apple group performed better compared to HHC group
- 5) Standardized Hospitalization and Mortality Ratio: Both groups had comparable "as expected rates" for SHR and SMR.

**Conclusion:** The quality of care provided to dialysis patients by Big Apple dialysis management compared to New York Health and Hospitals Corporation is on the aggregate "the same" using the Centers for Medicare and Medicaid Services (CMS) dialysis facility quality measures. However, Big Apple has three (3) times the number of dialysis facilities operated by HHS and more chronic dialysis treatment options for patients with ESRD namely home hemodialysis and peritoneal dialysis.




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**Peter Hast, MD, FACP**  
Chairman of Nephrology, CCHHS




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**Kalyani Perumal, MD**  
Director of Dialysis, CCHHS



**Big Apple Dialysis Management, LLC**

**Consolidated and Site Specific Pro Forma Balance Sheet**

ASSETS	Consolidated	Kings	Lincoln	Metropolitan	Harlem
Cash	\$2,222,499	\$792,206	\$464,457	\$439,531	\$526,305
Equip & Fixed Assets	\$1,137,380				
<b>TOTAL ASSETS</b>	<b>\$3,359,879</b>	<b>\$792,206</b>	<b>\$464,457</b>	<b>\$439,531</b>	<b>\$526,305</b>
<b>LIABILITIES AND MEMBERS EQUITY</b>					
Working Capital Loan	\$1,111,250	\$396,103	\$232,229	\$219,766	\$263,153
Permanent Financing	\$1,023,642				
Total Liabilities	\$2,134,892	\$396,103	\$232,229	\$219,766	\$263,153
Members Equity	\$1,224,987	\$396,103	\$232,228	\$219,765	\$263,152
<b>TOTAL LIABILITIES AND MEMBERS EQUITY</b>	<b>\$3,359,879</b>	<b>\$792,206</b>	<b>\$464,457</b>	<b>\$439,531</b>	<b>\$526,305</b>

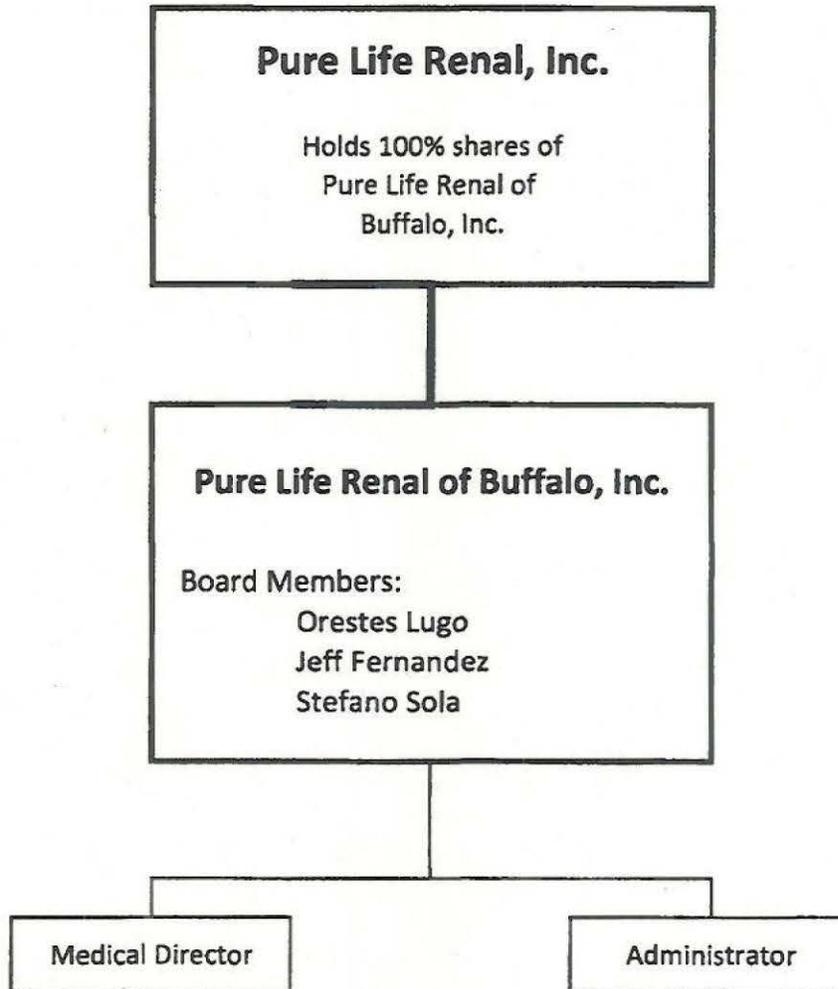
Central Brooklyn Dialysis Center, LLC Balance Sheet and Income Statements For the Period 1/1/2012-7/31/2014				East End Dialysis Management, LLC Balance Sheet and Income Statements For the Period 1/1/2012-7/31/2014			
Balance Sheet				Balance Sheet			
	Int Fin Stat	Cert Fin Stat			Int Fin Stat	Cert Fin Stat	
	1/1/2014-7/31/2014	2013	2012		1/1/2014-7/31/2014	2013	2012
<b>Assets</b>				<b>Assets</b>			
Total Current Assets	\$3,396,700	\$3,447,364	\$4,131,305	Total Current Assets	\$1,501,088	\$1,444,225	\$1,270,986
Total Fixed & Other Assets	\$1,928,695	\$1,931,578	\$621,996	Total Fixed & Other Assets	\$316,764	\$350,035	\$259,943
Total Assets	\$5,325,395	\$5,378,942	\$4,753,301	Total Assets	\$1,817,852	\$1,794,260	\$1,530,929
<b>Liabilities and Equity</b>				<b>Liabilities and Equity</b>			
Total Current Liabilities	\$2,350,618	\$2,279,705	\$2,312,407	Total Current Liabilities	\$753,728	\$683,451	\$781,216
Total Long Term Liabilities	\$300,734	\$85,720	\$101,904	Total Long Term Liabilities	\$75,000	\$79,482	\$83,964
Total Liabilities	\$2,651,352	\$2,365,425	\$2,414,311	Total Liabilities	\$828,728	\$762,933	\$865,180
<b>Equity</b>				<b>Equity</b>			
Total Equity	\$2,674,044	\$3,013,517	\$2,338,990	Total Equity	\$989,124	\$1,031,327	\$665,749
Total Liabilities and Equity	\$5,325,396	\$5,378,942	\$4,753,301	Total Liabilities and Equity	\$1,817,852	\$1,794,260	\$1,530,929
<b>Income Statement</b>				<b>Income Statement</b>			
Revenues	\$5,478,163	\$9,233,875	\$8,491,605	Revenues	\$2,530,214	\$3,915,393	\$3,647,640
Expenses	\$4,497,028	\$7,231,489	\$6,746,067	Expenses	\$2,175,714	\$3,370,428	\$3,407,845
Total Other Income/(Expense)	(\$39,951)	\$84,665	\$27,377	Total Other Income/(Expense)	\$3,296	\$6,463	\$2,873
Total Net Income	\$941,184	\$1,938,132	\$1,674,274	Total Net Income	\$357,796	\$545,578	\$242,683

New Hyde Park Dialysis Center Balance Sheet and Income Statements For the Period 1/1/2012-7/31/2014				Newtown Dialysis Center, Inc. Balance Sheet and Income Statements For the Period 1/1/2012-7/31/2014			
	Balance Sheet		2012		Balance Sheet		2012
	Int Fin Stat	Cert Fin Stat			Int Fin Stat	Cert Fin Stat	
	1/1/2014-7/31/2014	2013			1/1/2014-7/31/2014	2013	
<b>Assets</b>							
Total Current Assets	\$2,484,091	\$2,800,281	\$2,303,562	Total Current Assets	\$6,233,807	\$6,658,833	\$7,641,168
Total Fixed & Other Assets	\$368,964	\$463,025	\$524,205	Total Fixed & Other Assets	\$6,754,684	\$1,291,554	\$1,306,697
Total Assets	\$2,853,055	\$3,263,306	\$2,827,767	Total Assets	\$12,988,491	\$7,950,387	\$8,947,865
<b>Liabilities and Equity</b>				<b>Liabilities and Equity</b>			
Total Current Liabilities	\$1,207,169	\$1,489,642	\$1,402,168	Total Current Liabilities	\$5,129,065	\$4,040,942	\$5,947,359
Total Long Term Liabilities	\$149,712	\$192,607	\$276,485	Total Long Term Liabilities	\$4,704,399	\$1,725,224	\$456,626
Total Liabilities	\$1,356,881	\$1,682,249	\$1,678,653	Total Liabilities	\$9,833,464	\$5,766,166	\$6,403,985
<b>Equity</b>				<b>Equity</b>			
Total Equity	\$1,496,174	\$1,581,057	\$1,149,114	Total Equity	\$3,155,027	\$2,184,221	\$2,543,880
Total Liabilities and Equity	\$2,853,055	\$3,263,306	\$2,827,767	Total Liabilities and Equity	\$12,988,491	\$7,950,387	\$8,947,865
	Income Statement				Income Statement		
Revenues	\$4,485,303	\$7,676,808	\$6,743,606	Revenues	\$11,414,696	\$18,324,575	\$15,661,669
Expenses	\$3,749,804	\$6,346,896	\$5,608,010	Expenses	\$10,526,864	\$17,497,627	\$14,805,025
Total Other Income/(Expense)	(\$7,839)	\$2,003	\$8,569	Total Other Income/(Expense)	(\$37,021)	(\$19,418)	\$6,346
Total Net Income	\$727,660	\$1,301,953	\$1,129,762	Total Net Income	\$850,811	\$768,396	\$747,761

New York Renal Associates, Inc. Balance Sheet and Income Statements For the Period 1/1/2012-7/31/2014				Ridgewood Dialysis Center, Inc. Balance Sheet and Income Statements For the Period 1/1/2012-7/31/2014			
Balance Sheet				Balance Sheet			
	Int Fin Stat	Cert Fin Stat			Int Fin Stat	Cert Fin Stat	
	1/1/2014-7/31/2014	2013	2012		1/1/2014-7/31/2014	2013	2012
<b>Assets</b>				<b>Assets</b>			
Total Current Assets	\$3,003,546	\$3,195,700	\$2,251,975	Total Current Assets	\$9,151,478	\$6,847,779	\$8,065,318
Total Fixed & Other Assets	\$1,409,766	\$1,164,390	\$1,481,313	Total Fixed & Other Assets	\$6,471,840	\$4,143,255	\$3,984,716
Total Assets	\$4,413,312	\$4,360,090	\$3,733,288	Total Assets	\$15,623,318	\$10,991,034	\$12,050,034
<b>Liabilities and Equity</b>				<b>Liabilities and Equity</b>			
Total Current Liabilities	\$1,747,253	\$1,731,986	\$1,623,970	Total Current Liabilities	\$6,901,003	\$5,186,126	\$6,554,439
Total Long Term Liabilities	\$34,563	\$0	\$72,498	Total Long Term Liabilities	\$1,630,362	\$1,431,462	\$1,785,521
Total Liabilities	\$1,781,816	\$1,731,986	\$1,696,468	Total Liabilities	\$8,531,365	\$6,617,588	\$8,339,960
<b>Equity</b>				<b>Equity</b>			
Total Equity	\$2,631,496	\$2,628,104	\$2,036,820	Total Equity	\$7,091,953	\$4,373,446	\$3,710,074
Total Liabilities and Equity	\$4,413,312	\$4,360,090	\$3,733,288	Total Liabilities and Equity	\$15,623,318	\$10,991,034	\$12,050,034
<b>Income Statement</b>				<b>Income Statement</b>			
Revenues	\$4,878,173	\$8,390,106	\$7,087,114	Revenues	\$14,788,918	\$25,392,448	\$20,109,479
Expenses	\$3,978,583	\$6,625,954	\$6,508,664	Expenses	\$13,281,373	\$23,002,849	\$18,889,449
Total Other Income/(Expenses)	\$3,802	(\$1,044)	\$39,385	Total Other Income/(Expenses)	(\$13,804)	\$69,839	\$43,948
Total Net Income	\$903,392	\$1,592,284	\$514,081	Total Net Income	\$1,450,743	\$2,283,372	\$1,136,132

West Nassau Dialysis Center, Inc.			
Balance Sheet and Income Statements			
For the Period 1/1/2012-7/31/2014			
	Balance Sheet		
	Int Fin Stat	Cert Fin Stat	
	1/1/2014-7/31/2014	2013	2012
<b>Assets</b>			
Total Current Assets	\$2,200,718	\$2,802,595	\$2,833,443
Total Fixed & Other Assets	\$373,162	\$2,251,301	\$2,239,131
Total Assets	\$2,573,880	\$5,053,896	\$5,072,574
<b>Liabilities and Equity</b>			
Total Current Liabilities	\$1,150,437	\$1,574,745	\$1,543,236
Total Long Term Liabilities	\$155,512	\$507,623	\$740,110
Total Liabilities	\$1,305,949	\$2,082,368	\$2,283,346
<b>Equity</b>			
Total Equity	\$1,267,931	\$2,971,528	\$2,789,228
Total Liabilities and Equity	\$2,573,880	\$5,053,896	\$5,072,574
<b>Income Statement</b>			
Revenues	\$3,507,696	\$6,282,730	\$5,677,459
Expenses	\$2,937,480	\$5,046,020	\$4,393,178
Total Other Income/(Expens	(\$21,228)	(\$40,564)	(\$45,767)
Total Net Income	\$548,988	\$1,038,407	\$1,113,487

### Table of Organization



**PURE LIFE RENAL, INC**  
**Balance Sheet (Unaudited)**  
**As Of October 31, 2014**

**ASSETS**

**CURRENT ASSETS:**

Cash	\$ 7,140,920
Prepays & Others	<u>28,255</u>

Total current assets 7,169,175

FIXED ASSETS, Net 71,348

DEPOSITS 2,420,905

**TOTAL ASSETS** **\$ 9,661,428**

**LIABILITIES & SHAREHOLDERS' EQUITY**

**CURRENT LIABILITIES:**

Accounts Payable	3,346
Accrued Expenses	108,581
Accrued Preferred Dividends	512,581
Interest Payable	<u>-</u>

Total current liabilities 624,508

**LONG-TERM LIABILITIES:**

Deferred Rent 24,000

Total long-term liabilities 24,000

**TOTAL LIABILITIES** 648,508

**SHAREHOLDERS' EQUITY:**

Preferred stock, \$0.001 par value - 10,500,000 shares  
 issued and outstanding 10,500

Common stock, \$0.001 par value - 5,229,412 shares  
 issued and outstanding 5,229

Warrants -

Additional paid-in capital 11,713,109

Retained Earnings (accumulated deficit) (2,715,918)

**TOTAL SHAREHOLDERS' EQUITY** 9,012,920

**TOTAL LIABILITIES & SHAREHOLDERS' EQUITY** **\$ 9,661,428**

**PURE LIFE RENAL, INC**  
**Statement Of Operations (Unaudited)**  
**For The Ten Months Ending October 31, 2014**

	YEAR TO DATE OCTOBER	YEAR TO DATE OCTOBER BUDGET	YEAR TO DATE VARIANCE
<b>REVENUES:</b>			
Hemo - Medicare	\$ -	\$ -	\$ -
PD	0	0	0
Acute	0	0	0
HH	0	0	0
On-Going Revenue	\$ -	\$ -	\$ -
Contractual Adjustments	0	0	0
<b>Total Revenue</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Management Fees Income	5,000	0	5,000
<b>COST OF GOODS SOLD:</b>			
Hemo Supplies	0	0	0
Hemo Drugs	0	0	0
PD	0	0	0
Acute	0	0	0
HH	0	0	0
<b>Total COGS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>PAYROLL:</b>			
Administrative	600,547	702,833	102,086
Direct	0	0	0
Indirect	0	0	0
Payroll Taxes, Fees, Benefits, PTO	112,306	192,709	80,403
<b>Total Payroll</b>	<u>\$ 712,854</u>	<u>\$ 895,342</u>	<u>\$ 182,488</u>
G & A Expenses	471,355	427,080	(44,275)
Bad Debts	0	0	0
Management Fee Expense	0	0	0
<b>EBITDA</b>	<b>\$ (1,179,208)</b>	<b>\$ (1,322,422)</b>	<b>\$ 143,214</b>
Depreciation & Amortization	15,198	20,000	4,802
Amortization-Intangibles	0	0	0
<b>OPERATING INCOME / EBIT</b>	<b>\$ (1,194,406)</b>	<b>\$ (1,342,422)</b>	<b>\$ 148,016</b>
Interest, Net	(29,014)	(15,000)	(14,014)
<b>INCOME (LOSS) BEFORE MINORITY INTEREST</b>	<b>\$ (1,223,420)</b>	<b>\$ (1,357,422)</b>	<b>\$ 134,002</b>
Minority Interest			
<b>PRETAX INCOME (LOSS)</b>	<b>\$ (1,223,420)</b>	<b>\$ (1,357,422)</b>	<b>\$ 134,002</b>
Income Taxes	0	0	0
<b>NET INCOME (LOSS)</b>	<b>\$ (1,223,420)</b>	<b>\$ (1,357,422)</b>	<b>\$ 134,002</b>

**Pure Life Renal of Buffalo, Inc.**

**Day 1 Pro Forma Balance Sheet**

**ASSETS**

Cash	\$1,200,000
Inventories	\$85,000
Prepays & Others	<u>\$40,000</u>
Total Current Assets	\$1,325,000

Property and Equipment-Net	\$140,000
Goodwill	\$3,433,000
Intangible Assets-Net	\$8,302,000

**TOTAL ASSETS** \$13,200,000

**LIABILITIES AND MEMBERS EQUITY**

Accounts Payable	\$0
Accrued Expenses	\$0

Total Liabilities \$0

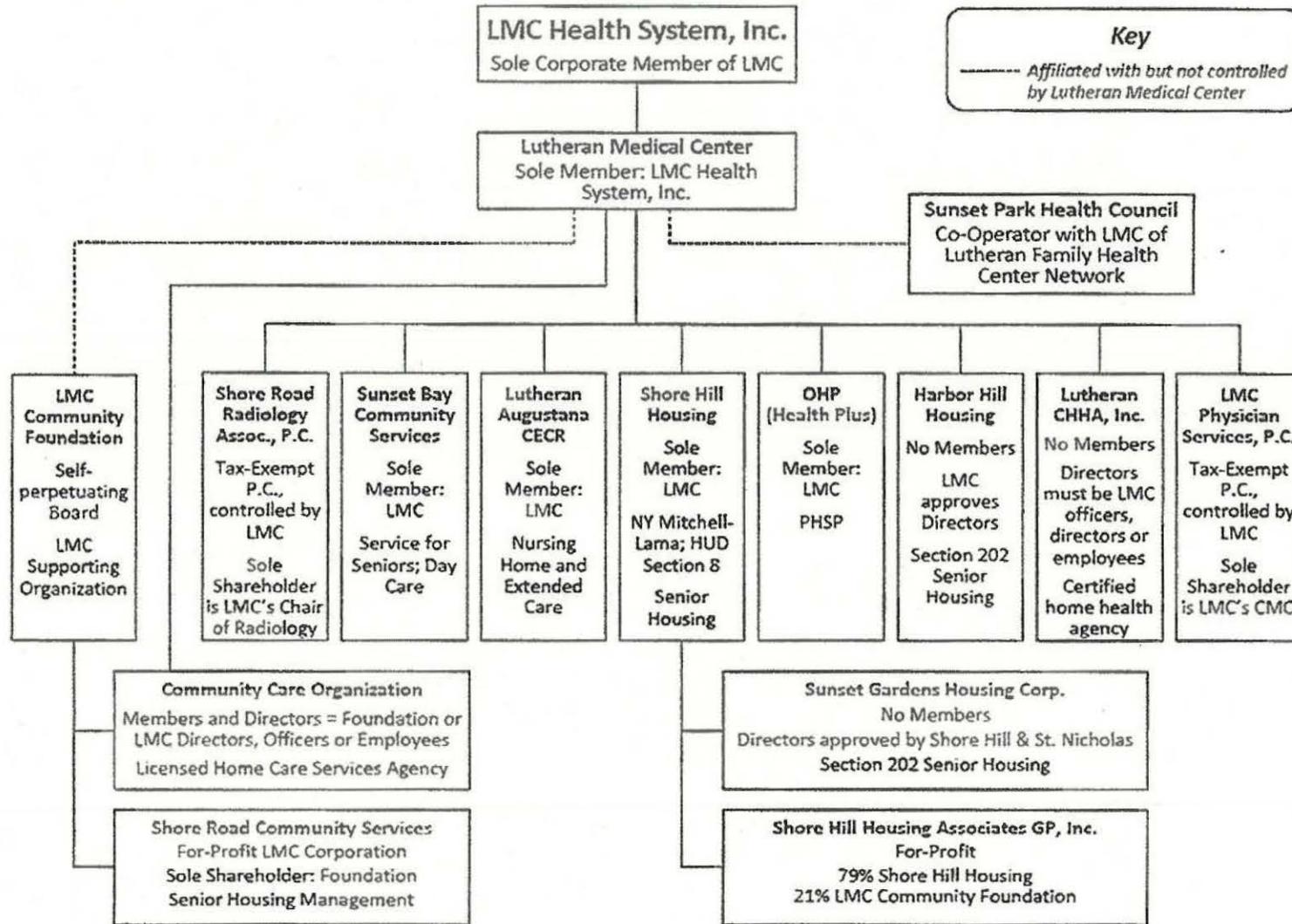
Members Equity \$13,200,000

**TOTAL LIABILITIES AND MEMBERS EQUITY** \$13,200,000

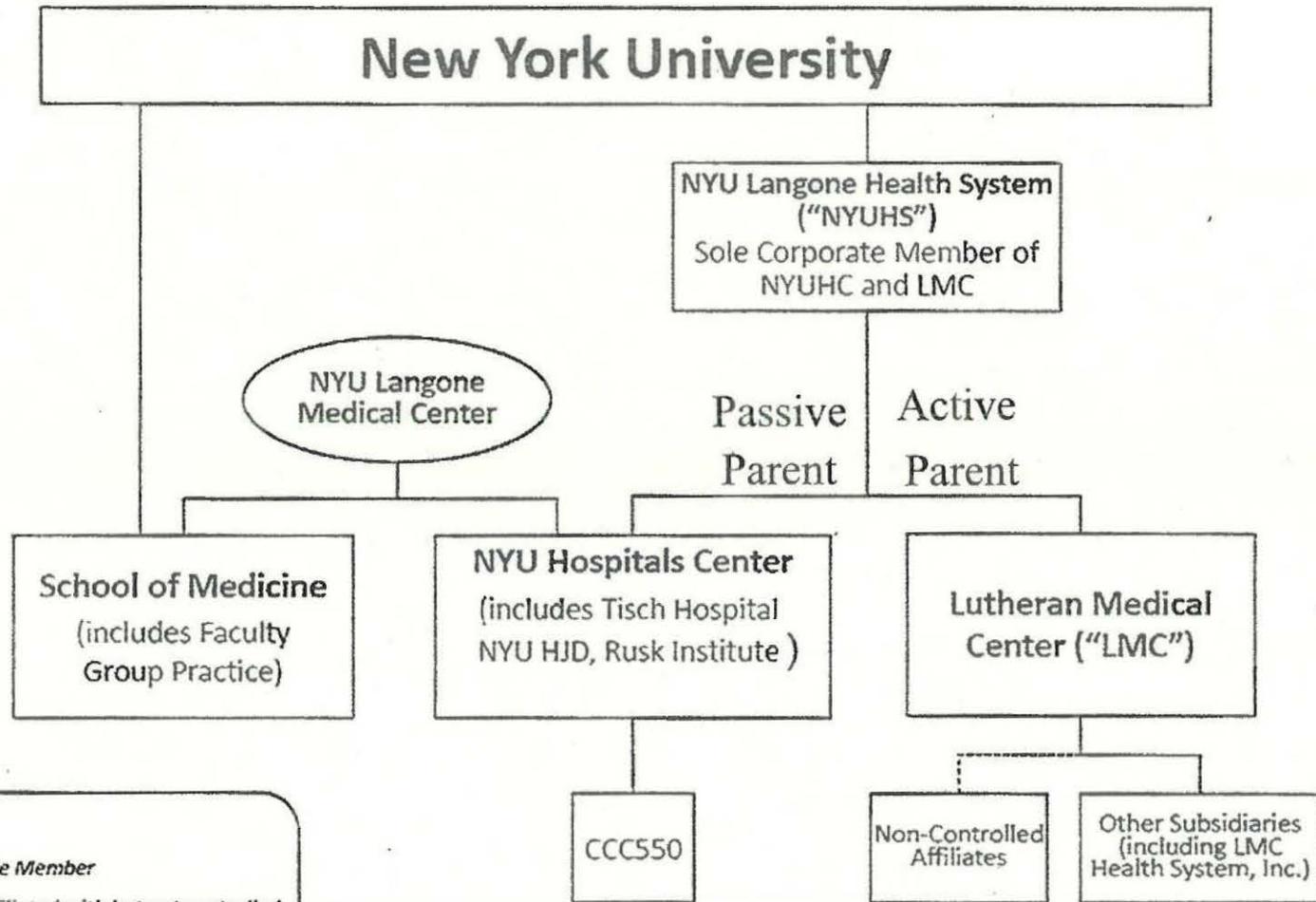
Pure Life Renal, Inc.  
Capitalization Table

<u>Shareholders</u>	<u>Number of Shares</u>	
Stefano Ciampolini	1,685,294	6.01%
Orestes Lugo	1,444,941	5.15%
Jeff Fernandez	577,955	2.06%
Kim Coyle	361,222	1.29%
Fiduciaria Centro Nord SPA (Ciampolini Family Trust)	858,184	3.06%
Stefano Sola	281,664	1.00%
Jorge Pedraza	56,194	0.20%
Stephen and Lori Sadaka	112,388	0.40%
Reinaldo & Zoraida Fernandez	56,142	0.20%
Eugene & Jumi Kim	56,142	0.20%
Marvelus Investments LLC	223,873	0.80%
IMZ Financial Services, Inc. 401 (k) Plan- FBO Irwim Zagoria	<u>55,413</u>	<u>0.20%</u>
	5,769,412	20.56%
 <u>Stock Options and Warrants</u>		
Orestes Lugo (Employee Stock Option)	447,058	1.59%
Stefano Ciampolini (Employee Stock Option)	111,764	0.40%
Stefano Sola (Employee Stock Option)	111,764	0.40%
Arnold E. Freeman (Warrants)	98,353	0.35%
Oded Ben Joseph (Warrants)	98,353	0.35%
WM. Braun Jones, III ( Warrants)	36,883	0.13%
Jonathan R. Wallace (Warrants)	36,883	0.13%
Michael J. Cromwell, III (Warrants)	36,883	0.13%
Future Warrants to Outcome Capital	<u>307,351</u>	<u>1.10%</u>
	1,285,292	4.58%
 <u>Series A Preferred Stock</u>		
Noro-Moseley Partners VII, L.P.	760,470	2.71%
Noro-Moseley Partners SBIC, L.P.	2,239,530	7.98%
Montreux Equity Partners V Associatees Master Fund, LLC	5,000,000	17.82%
Florida Growth Fund, LLC	2,500,000	8.91%
Montreux Equity Partners V, LLC	5,000,000	17.82%
Noro-MoseleyPartners VII, L.P.	760,470	2.71%
Noro-Moseley Partners SBIC, L.P.	2,239,530	7.99%
Florida Growth Fund, LLC	<u>2,500,000</u>	<u>8.91%</u>
	21,000,000	74.86%
 Total	 28,054,704	 100.00%

# Lutheran Medical Center and Affiliates Organizational Structure (Pre-Closing)



# NYU and Affiliates: Organizational Structure (Post-Closing)



**Key**

- Sole Member
- - - - - Affiliated with but not controlled by entity shown above
- Unincorporated division of New York University



**NYU Hospitals Center**  
**Consolidated Balance Sheets**  
**December 31, 2013 and 2012**

<i>(in thousands)</i>	2013	2012
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 87,566	\$ 340,705
Marketable securities	3,438	3,470
Assets limited as to use	55,510	28,185
Assets limited as to use – Board designated	-	400,005
Patient accounts receivable, less allowances for uncollectibles (2013 – \$77,196 and 2012 – \$49,844)	270,577	189,614
Contributions receivable	95,067	28,851
Insurance receivables – billed	29,235	26,812
Due from related organizations	541	2,463
Inventories	30,722	19,226
Disaster recoveries receivable - federal grants	38,386	-
Commercial insurance recoveries receivable	2,618	18,118
Other current assets	69,263	52,160
Total current assets	682,923	1,109,609
Marketable securities, less current portion	23,285	22,209
Assets limited as to use, less current portion	297,697	341,902
Assets limited as to use – Board designated	496,137	-
Contributions receivable, less current portion	97,786	146,150
Other assets	29,270	10,789
Deferred financing costs	11,097	11,583
Property, plant and equipment, net	1,571,448	1,169,136
Total assets	\$ 3,209,643	\$ 2,811,378
<b>Liabilities and Net Assets</b>		
<b>Current liabilities</b>		
Current portion of long-term debt	\$ 27,734	\$ 85,680
Accounts payable and accrued expenses	132,182	168,272
Accounts payable and accrued expenses - disaster-related	34,258	36,053
Accrued salaries and related liabilities	56,668	49,998
Accrued interest payable	12,282	16,460
Current portion of accrued postretirement liabilities	1,798	1,737
Deferred revenue	1,377	35,529
Due to related organizations, net	18,413	2,000
Other current liabilities	70,758	74,038
Total current liabilities	355,470	469,767
Long-term debt, less current portion	1,180,886	867,399
Outstanding losses and loss adjustment expenses	218,528	197,628
Accrued pension liabilities	62,257	138,179
Accrued postretirement liabilities, less current portion	58,362	67,080
Other liabilities	165,386	142,831
Total liabilities	2,040,889	1,882,884
<b>Net assets</b>		
Unrestricted	822,730	576,058
Temporarily restricted	332,986	339,425
Permanently restricted	13,038	13,011
Total net assets	1,168,754	928,494
Total liabilities and net assets	\$ 3,209,643	\$ 2,811,378

**NYU Hospitals Center**  
**Consolidated Statements of Operations**  
**Years Ended December 31, 2013 and 2012**

<i>(in thousands)</i>	2013	2012
<b>Operating revenue</b>		
Net patient service revenue, less provision for bad debts (2013 - \$18,479, 2012 - \$23,547)	\$ 1,821,487	\$ 1,726,882
Grants and sponsored programs	668	818
Premiums earned	35,053	39,082
Contributions	3,592	3,956
Endowment distribution and return on short-term investments	5,799	13,782
Commercial insurance recoveries-unallocated	3,850	54,118
Federal grant-disaster recovery	96,021	39,344
Other revenue	99,024	81,701
Net assets released from restrictions for operating purposes	15,867	20,836
Total operating revenue	<u>2,081,361</u>	<u>1,980,519</u>
<b>Operating expenses</b>		
Salaries and wages	698,641	678,392
Employee benefits	250,446	219,841
Supplies and other	827,781	756,156
Depreciation and amortization	87,051	78,088
Interest	35,572	24,674
Disaster-related expenses	81,530	40,495
Total operating expenses	<u>1,981,021</u>	<u>1,797,646</u>
Gain from operations	100,340	182,873
<b>Other items</b>		
Impairment of property, plant and equipment, net	3,327	(31,931)
Loss on disposals of property, plant and equipment	(4,745)	(1,865)
Investment return less endowment distribution, net	(3,866)	342
Mission based payment to NYUSoM	(30,000)	(35,735)
Excess of revenue over expenses	65,056	113,684
<b>Other changes in unrestricted net assets</b>		
Changes in pension and postretirement obligations	108,389	(44,064)
Contributions for capital asset acquisitions	104	647
Net assets released from restrictions for capital purposes	73,123	810
Transfer of equity to NYUSoM	-	(10,063)
Net increase in unrestricted net assets	<u>\$ 246,672</u>	<u>\$ 61,014</u>

**NYU Hospitals Center  
Consolidated Balance Sheets  
August 31, 2014 and 2013**

<i>(in thousands)</i>	<b>2014</b>	<b>2013</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 323,459	\$ 182,861
Marketable securities	3,731	3,562
Assets limited as to use	40,796	48,350
Assets limited as to use - board designated	55,512	20,000
Patient accounts receivable, less allowances for uncollectibles (2014 - \$79,552 and 2013 - \$73,614)	303,479	258,400
Contributions receivable	67,904	103,907
Insurance receivables - billed	42,405	37,251
Due from related organizations, net	-	3,161
Inventories	32,193	28,796
Disaster recovery receivable	23,402	10,441
Commercial insurance recoveries receivable	-	2,618
Other current assets	61,134	39,889
Total current assets	<u>954,015</u>	<u>719,236</u>
Marketable securities, less current portion	24,087	22,177
Assets limited as to use, less current portion	378,737	306,399
Assets limited as to use - board designated, less current portion	456,501	468,918
Contributions receivable, less current portion	106,171	70,745
Other assets	18,609	18,565
Disaster recovery receivable, less current portion	106,336	-
Deferred financing costs	10,519	11,976
Property, plant and equipment, net	1,958,347	1,473,762
Total assets	<u>\$ 4,013,322</u>	<u>\$ 3,091,778</u>
<b>Liabilities and Net Assets</b>		
<b>Current liabilities</b>		
Current portion of long-term debt	\$ 36,363	\$ 77,165
Accounts payable and accrued expenses	176,425	155,779
Accounts payable and accrued expenses - disaster-related	42,166	20,612
Accrued salaries and related liabilities	46,840	35,695
Accrued interest payable	9,754	7,925
Current portion of accrued postretirement liabilities	1,916	1,740
Deferred revenue - disaster recovery	64,886	-
Deferred revenue - other	23,709	17,617
Due to related organizations, net	2,269	-
Other current liabilities	44,841	64,518
Total current liabilities	<u>449,169</u>	<u>381,051</u>
Long-term debt, less current portion	1,401,199	1,121,794
Outstanding losses and loss adjustment expenses	233,239	215,972
Accrued pension liabilities	96,594	85,909
Accrued postretirement liabilities, less current portion	72,646	57,279
Other liabilities	199,640	176,451
Total liabilities	<u>2,452,487</u>	<u>2,038,456</u>
<b>Net assets</b>		
Unrestricted	1,031,365	758,080
Temporarily restricted	516,425	282,204
Permanently restricted	13,045	13,038
Total net assets	<u>1,560,835</u>	<u>1,053,322</u>
Total liabilities and net assets	<u>\$ 4,013,322</u>	<u>\$ 3,091,778</u>

**NYU Hospitals Center**  
**Consolidated Statements of Operations**  
**Years Ended August 31, 2014 and 2013**

<i>(in thousands)</i>	2014	2013
<b>Operating revenue</b>		
Net patient service revenue, less provision for bad debts (2014 - \$11,611, 2013 - \$19,583)	\$ 2,039,503	\$ 1,662,617
Premiums earned	39,356	33,497
Contributions	6,190	3,367
Endowment distribution and return on short-term investments	21,194	3,060
Commercial insurance recoveries	9,232	54,118
Disaster recovery reimbursement	97,098	107,420
Other revenue	110,836	80,971
Net assets released from restrictions for operating purposes	23,044	2,467
Total operating revenue	2,346,453	1,948,280
<b>Operating expenses</b>		
Salaries and wages	736,018	675,690
Employee benefits	257,451	241,900
Supplies and other	971,323	752,683
Depreciation and amortization	98,565	83,598
Interest	46,166	31,527
Disaster-related expenses	22,139	115,074
Total operating expenses	2,131,662	1,900,472
Gain from operations	214,791	47,808
<b>Other items</b>		
Impairment of property, plant and equipment, net	2,540	(28,957)
Gain (loss) on disposals of property, plant and equipment	231	(4,745)
Disaster recovery reimbursement for capital	73,374	-
Grant for capital assets	140	104
Investment return in excess of (less than) endowment distribution, net	8,023	(7,550)
Mission based payment to NYUSoM	(30,000)	(35,735)
Excess (deficiency) of revenue over expenses	269,099	(29,075)
<b>Other changes in unrestricted net assets</b>		
Changes in pension and postretirement obligations	(22,854)	96,438
Net assets released from restrictions for capital purposes	15,040	72,658
Net assets released from restrictions for hazard mitigation	12,000	-
Net increase in unrestricted net assets	\$ 273,285	\$ 140,021

## LUTHERAN HEALTHCARE

### COMBINED BALANCE SHEETS AS OF DECEMBER 31, 2013 AND 2012 (In thousands)

	2013	2012
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 36,058	\$ 28,930
Investments	48,129	63,028
Assets limited as to use	1,449	1,457
Patient accounts receivable — less allowance for uncollectible accounts of \$17,722 and \$18,288 in 2013 and 2012, respectively	82,837	80,081
Premiums receivable	3,449	3,950
Other receivables	11,500	15,686
Due from third-party payors	15,038	17,706
Other current assets	25,298	40,882
Total current assets	223,758	251,720
ASSETS LIMITED AS TO USE — Less current portion	69,606	88,055
INVESTMENTS	103,770	72,579
PROPERTY AND EQUIPMENT — Net	182,188	178,179
OTHER ASSETS	80,743	79,504
<b>TOTAL</b>	<b>\$ 660,065</b>	<b>\$ 670,037</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable and accrued expenses	\$ 51,360	\$ 51,127
Accrued salaries and related liabilities	29,293	27,967
Accrued medical costs	4,898	5,852
Current portion of obligations under capital leases	3,012	2,946
Current portion of long-term debt	6,525	6,414
Current portion of professional liabilities	2,600	2,600
Other current liabilities	14,924	21,962
Current portion of due to third-party payors	14,463	17,319
Total current liabilities	127,075	136,187
<b>LONG-TERM LIABILITIES:</b>		
Due to third-party payors	30,439	33,262
Professional liabilities — less current portion	88,076	86,538
Obligations under capital leases — less current portion	5,485	4,502
Long-term debt — less current portion	108,313	110,833
Accrued pension liability	51,480	91,536
Other long-term liabilities	19,920	20,717
Total long-term liabilities	303,713	347,388
Total liabilities	430,788	483,575
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>NET ASSETS:</b>		
Unrestricted (including contingent reserve of \$33,025 in 2012 —	224,261	182,093
Temporarily restricted	4,505	3,872
Permanently restricted	511	497
Total net assets	229,277	186,462
<b>TOTAL</b>	<b>\$ 660,065</b>	<b>\$ 670,037</b>

## LUTHERAN HEALTHCARE

### COMBINED STATEMENTS OF OPERATIONS FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012 (In thousands)

	2013	2012
<b>REVENUE:</b>		
Net patient service revenue (after contractual allowances and discounts)	\$ 593,791	\$ 528,565
Provision for bad debts	<u>(25,918)</u>	<u>(18,955)</u>
Net patient service revenue — net of provision for bad debts	567,873	509,610
Premium revenue	7,308	433,376
Grant income	50,859	47,992
Investment income	5,492	5,466
Net assets released from restrictions	5,321	1,652
Other revenue	<u>28,827</u>	<u>27,468</u>
Total revenue	<u>665,680</u>	<u>1,025,564</u>
<b>EXPENSES:</b>		
Salaries and wages	330,165	333,214
Employee benefits	113,643	106,334
Supplies and expenses	211,584	228,301
Medical costs	(5,820)	358,064
Depreciation and amortization	21,252	20,601
Interest	<u>1,613</u>	<u>4,976</u>
Total expenses	<u>672,437</u>	<u>1,051,490</u>
<b>OPERATING LOSS</b>	(6,757)	(25,926)
<b>NONOPERATING (LOSSES) GAINS</b>	<u>(899)</u>	<u>73,976</u>
<b>(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES</b>	(7,656)	48,050
<b>OTHER CHANGES IN UNRESTRICTED NET ASSETS:</b>		
Defined benefit plan adjustments	42,330	(23,525)
Changes in unrealized gains and losses on investments	3,034	3,744
Contributions	272	1,606
Net assets released for capital acquisitions	<u>4,188</u>	<u>1,352</u>
<b>INCREASE IN UNRESTRICTED NET ASSETS</b>	<u>\$ 42,168</u>	<u>\$ 31,227</u>

LUTHERAN HEALTHCARE  
COMBINED BALANCE SHEETS  
AS OF SEPTEMBER 30, 2014  
AND DECEMBER 31, 2013  
(In thousands)

	9/30/2014	12/31/2013
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 18,159	\$ 36,058
Investments	24,635	48,129
Assets limited as to use	1,449	1,449
Patient care receivables, net	83,795	82,837
Premiums receivable—net	-	3,449
Other Receivables	11,825	11,500
Due from third-party payors	9,441	15,038
Other current assets	15,210	25,298
Total current assets	164,514	223,758
DUE FROM THIRD-PARTY PAYORS--Less current portion	-	-
ASSETS LIMITED AS TO USE--Less current portion	60,373	69,606
INVESTMENTS	132,952	103,770
PROPERTY AND EQUIPMENT--Net	176,234	182,188
OTHER LONG-TERM ASSETS	83,828	80,743
<b>TOTAL</b>	<b>\$ 617,901</b>	<b>\$ 660,065</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Borrowings under line of credit	\$ 10,000	
Accounts payable and accrued expenses	43,388	51,360
Accrued salaries and related liabilities	22,527	29,293
Accrued medical costs	1,723	4,898
Current portion of long-term debt	9,256	9,537
Current portion of professional liabilities	2,600	2,600
Other current liabilities	599	14,924
Current portion of due to third-party payors	13,831	14,463
Total current liabilities	103,924	127,075
DUE TO THIRD-PARTY PAYORS - Less current portion	29,550	30,439
PROFESSIONAL LIABILITIES--Less current portion	92,782	88,076
LONG-TERM DEBT—Less current portion	112,237	113,798
ACCRUED PENSION LIABILITY	49,123	51,480
OTHER LONG-TERM LIABILITIES	20,733	19,920
Total liabilities	408,349	430,788
<b>NET ASSETS:</b>		
Unrestricted	206,124	224,261
Temporarily restricted	2,917	4,505
Permanently restricted	511	511
Total net assets	209,552	229,277
<b>TOTAL</b>	<b>\$ 617,901</b>	<b>\$ 660,065</b>

**LUTHERAN HEALTHCARE**

COMBINED STATEMENTS OF OPERATIONS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014  
(In thousands)

	2014 YTD
<b>REVENUES:</b>	
Patient service revenue	\$ 472,701
Provision for Bad Debt	<u>18,437</u>
Net patient service revenue	456,264
Premium revenue	3,015
Grants and contributions	22,328
Investment income	3,734
Net assets released from restrictions	4,535
Other revenue	<u>23,203</u>
 Total revenues	 <u>513,079</u>
<b>EXPENSES:</b>	
Salaries and wages	262,209
Employee benefits	82,390
Supplies and expenses	167,906
Medical costs	-
Depreciation and amortization	16,213
Interest	<u>3,484</u>
 Total expenses	 <u>532,202</u>
 OPERATING NET INCOME (LOSS)	 <u>(19,123)</u>
Other Non-Operating Revenue	<u>-</u>
 EXCESS OF REVENUES OVER (UNDER) EXPENSES	 <u>(19,123)</u>
DEFINED BENEFIT PLAN ADJUSTMENTS	-
CHANGE IN UNREALIZED GAINS AND (LOSSES) ON INVESTMENTS	674
CONTRIBUTIONS AND GRANTS	285
TRANSFERS TO/FR RESTRICTED AND UNRESTRICTED ASSETS	-
TRANSFERS OF NET ASSETS TO/FROM RELATED ENTITIES	-
NET ASSETS RELEASED FOR CAPITAL ACQUISITIONS	<u>26</u>
 INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	 <u>\$ (18,138)</u>

DIGESTIVE DISEASE DIAGNOSTIC AND TREATMENT CENTER, LLC  
(A Limited Liability Company)

BALANCE SHEETS

December 31, 2013 and 2012

ASSETS

	<u>2013</u>	<u>2012</u>
<b>CURRENT ASSETS</b>		
Cash	\$ 474,320	\$ 340,817
Accounts Receivable	<u>632,126</u>	<u>1,592,681</u>
<b>TOTAL CURRENT ASSETS</b>	<u>1,106,446</u>	<u>1,933,498</u>
<b>LEASEHOLD IMPROVEMENTS AND EQUIPMENT- NET (Note 3)</b>	274,148	366,005
<b>ORGANIZATION COSTS - Net (Note 4)</b>	<u>2,451</u>	<u>7,116</u>
<b>TOTAL ASSETS</b>	<u>\$ 1,383,045</u>	<u>\$ 2,306,619</u>

LIABILITIES AND MEMBERS' EQUITY

<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 74,175	\$ 85,342
Accrued Expenses	22,883	15,249
Accrued Payroll	34,764	40,332
Member Loan (Note 5)	9,357	9,357
Loan Payable - Current Portion (Note 6)	<u>124,914</u>	<u>120,862</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>266,093</u>	<u>271,142</u>
<b>LONG-TERM LIABILITIES</b>		
Loan Payable - Less Current Portion (Note 6)	<u>98,957</u>	<u>223,065</u>
<b>TOTAL LONG-TERM LIABILITIES</b>	<u>98,957</u>	<u>223,065</u>
<b>TOTAL LIABILITIES</b>	<u>365,050</u>	<u>494,207</u>
<b>COMMITMENTS AND CONTINGENCIES (Note 7)</b>		
<b>MEMBERS' EQUITY</b>	<u>1,017,995</u>	<u>1,812,412</u>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<u>\$ 1,383,045</u>	<u>\$ 2,306,619</u>

**DIGESTIVE DISEASE DIAGNOSTIC AND TREATMENT CENTER, LLC**  
(A Limited Liability Company)

**STATEMENTS OF INCOME AND MEMBERS' EQUITY**

For the Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<b>REVENUES</b>		
Medical Income	\$ 4,382,555	\$ 4,474,151
Other Income	<u>2,501</u>	<u>7,800</u>
<b>TOTAL REVENUES</b>	<u>4,385,056</u>	<u>4,481,951</u>
<b>OPERATING EXPENSES</b>		
Salaries (Schedule I)	466,829	407,904
Employee Benefits (Schedule II)	85,520	73,925
Medical Expenses (Schedule III)	866,156	391,421
Property Costs (Schedule IV)	622,202	593,498
Administrative and General (Schedule V)	<u>879,366</u>	<u>661,422</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>2,920,073</u>	<u>2,128,170</u>
<b>NET INCOME</b>	1,464,983	2,353,781
<b>MEMBERS' EQUITY - BEGINNING OF YEAR</b>	1,812,412	1,530,631
<b>MEMBERS' CONTRIBUTIONS</b>	171,000	-
<b>MEMBERS' WITHDRAWALS</b>	<u>(2,430,400)</u>	<u>(2,072,000)</u>
<b>MEMBERS' EQUITY - END OF YEAR</b>	<u>\$ 1,017,995</u>	<u>\$ 1,812,412</u>

Digestive Disease Diagnostic and Treatment Center, LLC  
Balance Sheet and Income Statements  
Internal Financial Statements for the period 1/1/2014-10/31/2014

Balance Sheet

Assets

Total Checking/Savings	\$243,289
Total Accounts Receivable & Other Current Assets	\$629,627
Total Fixed Assets	\$410,742
Total Other Assets	<u>\$78,158</u>
Total Assets	<u>\$1,361,816</u>

Liabilities and Equity

Total Accounts Payable	\$53,949
Total Other Current Liabilities	<u>\$84,539</u>
Total Current Liabilities	\$138,488
Total Long Term Liabilities	<u>\$2,253,027</u>
Total Liabilities	\$2,391,515

Equity

Total Equity	<u>(\$1,029,699)</u>
Total Liabilities and Equity	<u>\$1,361,816</u>

Income Statement

Revenues	\$5,579,019
Expenses	\$3,009,383
Total Other Income/(Expense)	<u>(\$150,511)</u>
Total Net Income	<u>\$2,419,125</u>

Odyssey Foundation of New York, Inc.

Balance Sheets  
June 30, 2014 and 2013

	2014	2013
<b>ASSETS</b>		
Current Assets:		
Cash	\$ 906,139	\$ 886,106
Cash held for the benefit of related party	156,116	156,116
Prepaid expenses	-	5,559
<b>Total current assets</b>	<b>1,062,255</b>	<b>1,047,781</b>
Equipment, net	467	-
<b>Total assets</b>	<b>\$ 1,062,722</b>	<b>\$ 1,047,781</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities:		
Accrued Expenses		
Accounts payable and accrued expenses	\$ 9,366	\$ 13,716
Due to related party	1,838	76,637
<b>Total current liabilities</b>	<b>11,204</b>	<b>90,353</b>
Net Assets:		
Unrestricted	846,902	789,862
Temporarily restricted for grants to related party	156,116	156,116
Temporarily restricted for events	48,500	11,450
<b>Total net assets</b>	<b>1,051,518</b>	<b>957,428</b>
<b>Total liabilities and net assets</b>	<b>\$ 1,062,722</b>	<b>\$ 1,047,781</b>

Odyssey Foundation of New York, Inc.

Statements of Activities  
Years Ended June 30, 2014 and 2013

	2014	2013
<b>Unrestricted Revenue:</b>		
Contributions	\$ 53,007	\$ 46,664
Net revenue from special events:		
Special events revenue and support	194,210	120,918
Net assets released from restrictions for special events	11,450	70,330
Less: costs of direct benefit to donors	(36,876)	(27,157)
<b>Net revenue from special events</b>	<b>168,784</b>	<b>164,091</b>
Interest income	1,005	781
Other revenue	1,562	3,827
Net assets released from restrictions - grants to related party	6,916	24,093
<b>Total unrestricted revenue</b>	<b>231,274</b>	<b>239,456</b>
<b>Expenses:</b>		
Program services	117,377	150,831
Management and general	29,350	42,199
Fund-raising activities	27,507	15,330
<b>Total expenses</b>	<b>174,234</b>	<b>208,360</b>
<b>Increase in unrestricted net assets</b>	<b>57,040</b>	<b>31,096</b>
<b>Temporarily Restricted Net Assets:</b>		
Contributions - grants for related party	6,916	11,000
Contributions for special events	48,500	11,450
Net assets released from restrictions	(18,366)	(94,423)
<b>Increase in temporarily restricted net assets</b>	<b>37,050</b>	<b>(71,973)</b>
<b>Increase in net assets</b>	<b>94,090</b>	<b>(40,877)</b>
<b>Net Assets:</b>		
Beginning	957,428	998,305
Ending	\$ 1,051,518	\$ 957,428

CON#142152  
BFA Attachment B

Pro Forma Balance Sheet

ASSETS:

Cash	<u>\$265,660</u>
Total Assets	\$265,660

LIABILITIES:

Working Capital Loan	<u>\$132,830</u>
TOTAL LIABILITIES	\$132,830

NET ASSETS	\$132,830
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**DRNC OPERATING, LLC**  
**Doing Business As**  
**DELHI REHABILITATION & NURSING CENTER**

**ORGANIZATIONAL CHART**

<b><u>DRNC OPERATING, LLC</u></b>	
<b>Members:</b>	
Ephraim Zagelbaum	48.00%
Alexander Barth	23.00%
Yehudah J. Walden	23.00%
Pincus Zagelbaum	2.00%
Yechiel Zagelbaum	2.00%
Yoel Zagelbaum	2.00%

**Doing Business As**  
**DELHI REHABILITATION & NURSING CENTER**

RHCf Administrator  
 Director of Nursing  
 Direct Care Staff  
 Support Staff  
 Clerical Staff

Lease

<b><u>DRNC REALTY, LLC</u></b> (RHCf Real Estate)	
<b>Members:</b>	
Ephraim Zagelbaum, Member	48.00%
Alexander Barth, Member	23.00%
Yehudah J. Walden, Member	23.00%
Pincus Zagelbaum	2.00%
Yechiel Zagelbaum	2.00%
Yoel Zagelbaum	2.00%

**DRNC OPERATING, LLC d/b/a DELHI REHABILITATION & NURSING CENTER**  
**176-BED RESIDENTIAL HEALTH CARE FACILITY**

**PRO FORMA BALANCE SHEET**

**ASSETS**

Working Capital	\$2,424,505
<b>TOTAL ASSETS</b>	<b><u>\$2,424,505</u></b>

**LIABILITIES AND EQUITY**

**LIABILITIES**

Working Capital Loan	<u>\$1,212,252</u>
<b>TOTAL LIABILITIES</b>	<b>\$1,212,252</b>

<b>MEMBER EQUITY</b>	<u>\$1,212,253</u>
<b>TOTAL LIABILITIES AND MEMBER EQUITY</b>	<b><u>\$2,424,505</u></b>

**DRNC REALTY, LLC**

**PRO FORMA BALANCE SHEET**

**ASSETS**

Project Cost	\$28,066,346
Acquisition of Property	<u>\$2,780,000</u>
<b>TOTAL ASSETS</b>	<b><u>\$30,846,346</u></b>

**LIABILITIES AND EQUITY**

**LIABILITIES**

Project Loan	\$23,134,760
<b>TOTAL LIABILITIES</b>	<u>\$23,134,760</u>

<b>MEMBER EQUITY</b>	<u>\$7,711,587</u>
<b>TOTAL LIABILITIES AND MEMBER EQUITY</b>	<b><u>\$30,846,346</u></b>

**CON 142195 DRNC Operating, LLC d/b/a Delhi Rehab & Nursing Center****Alpine Rehabilitation & Nursing Center**

	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>
Current Assets	\$992,011	\$947,235	\$819,452
Fixed Assets	\$1,637,592	\$1,807,684	\$1,171,675
Other Assets	\$341,695	\$521,654	\$0
Total Assets	<u>\$2,971,298</u>	<u>\$3,276,573</u>	<u>\$1,991,127</u>
Current Liabilities	\$1,330,282	\$1,449,175	\$1,207,301
Long Term Liabilities	\$1,066,317	\$1,465,786	\$568,139
Total Liabilities	<u>\$2,396,599</u>	<u>\$2,914,961</u>	<u>\$1,775,440</u>
Net Assets	\$574,699	\$361,612	\$215,687
Working Capital Position	(\$338,271)	(\$501,940)	(\$387,849)
Operating Revenues	\$7,066,847	\$5,899,989	\$6,057,574
Operating Expenses	<u>\$6,923,887</u>	<u>\$5,760,415</u>	<u>\$6,082,101</u>
Operating Net Income	\$142,960	\$139,574	(\$24,527)

**Highland Rehabilitation & Nursing Center**

	<b><u>2013</u></b>
Current Assets	\$1,642,375
Fixed Assets	\$458,997
Other Assets	\$136,090
Total Assets	<u>\$2,237,462</u>
Current Liabilities	\$2,260,759
Long Term Liabilities	\$47,721
Total Liabilities	<u>\$2,308,480</u>
Net Assets	(\$71,018)
Working Capital Position	(\$618,384)
Operating Revenues	\$8,137,283
Operating Expenses	<u>\$8,227,261</u>
Operating Net Income	(\$89,978)

**Norwich Rehabilitation & Nursing Center**

	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>
Current Assets	\$1,300,807	\$1,278,742	\$571,465
Fixed Assets	\$560,355	\$584,725	\$342,787
Other Assets	\$87,072	\$85,344	\$0
Total Assets	<u>\$1,948,234</u>	<u>\$1,948,811</u>	<u>\$914,252</u>
Current Liabilities	\$1,665,260	\$1,967,074	\$1,093,998
Long Term Liabilities	\$336,106	\$85,344	\$70,431
Total Liabilities	<u>\$2,001,366</u>	<u>\$2,052,418</u>	<u>\$1,164,429</u>
Net Assets	(\$53,132)	(\$103,607)	(\$250,177)
Working Capital Position	(\$364,453)	(\$688,332)	(\$522,533)
Operating Revenues	\$6,858,036	\$5,895,365	\$5,681,516
Operating Expenses	<u>\$6,864,703</u>	<u>\$5,749,421</u>	<u>\$5,917,693</u>
Operating Net Income	(\$6,667)	\$145,944	(\$236,177)

**Tarrytown Hall Care Center**

	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>
Current Assets	\$2,873,733	\$3,526,220	\$1,915,300
Fixed Assets	\$1,980,509	\$1,901,358	\$2,010,035
Other Assets	\$1,548,891	\$1,501,872	\$1,498,627
Total Assets	<u>\$6,403,133</u>	<u>\$6,929,450</u>	<u>\$5,423,962</u>
Current Liabilities	\$3,575,620	\$4,460,145	\$3,967,179
Long Term Liabilities	\$1,991,523	\$1,318,821	\$1,967,936
Total Liabilities	<u>\$5,567,143</u>	<u>\$5,778,966</u>	<u>\$5,935,115</u>
Net Assets	\$835,990	\$1,150,484	(\$511,153)
Working Capital Position	(\$701,887)	(\$933,925)	(\$2,051,879)
Operating Revenues	\$13,226,817	\$12,797,986	\$12,138,139
Operating Expenses	<u>\$13,450,978</u>	<u>\$11,123,161</u>	<u>\$13,799,078</u>
Operating Net Income	(\$224,161)	\$1,674,825	(\$1,660,939)

**CON 142195 DRNC Operating, LLC d/b/a Delhi Rehab & Nursing Center****Combined Financials for Facility Operating LLC & Realty LLC as indicated:**

<u>Alpine Rehabilitation &amp; Nursing Center</u>	<u>YTD 10/31/2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b><u>YEY Group, LLC</u></b>				
Current Assets	\$1,252,229	\$1,062,423	\$995,997	\$819,452
Fixed Assets	\$4,774,684	\$4,603,467	\$4,847,809	\$1,171,675
Other Assets	\$191,096	\$389,795	\$600,600	
Total Assets	\$6,218,009	\$6,055,685	\$6,444,406	\$1,991,127
Current Liabilities	\$1,206,995	\$1,472,369	\$1,585,400	\$1,207,301
Long Term Liabilities	\$4,011,698	\$4,022,242	\$4,544,443	\$568,139
Total Liabilities	\$5,218,693	\$5,494,611	\$6,129,843	\$1,775,440
Net Assets	\$999,316	\$561,074	\$314,563	\$215,687
Working Capital Position	\$45,234	(\$409,946)	(\$589,403)	(\$387,849)
Operating Revenues	\$5,739,961	\$7,066,847	\$5,899,989	\$6,057,574
Operating Expenses	\$4,722,715	\$5,790,512	\$5,554,658	\$6,082,101
Operating Net Income	\$1,017,246	\$1,276,335	\$345,331	(\$24,527)
<u>Highland Rehabilitation &amp; Nursing Center</u>	<u>YTD 10/31/2014</u>	<u>2013</u>		
<b><u>HRNC Realty, LLC</u></b>				
Current Assets	\$1,944,570	\$1,743,375		
Fixed Assets	\$5,871,649	\$6,078,372		
Other Assets	\$594,798	\$273,842		
Total Assets	\$8,411,017	\$8,095,589		
Current Liabilities	\$1,909,996	\$2,478,053		
Long Term Liabilities	\$5,327,389	\$4,681,055		
Total Liabilities	\$7,237,385	\$7,159,108		
Net Assets	\$1,173,632	\$936,481		
Working Capital Position	\$34,574	(\$734,678)		
Operating Revenues	\$8,038,770	\$8,137,283		
Operating Expenses	\$7,154,754	\$7,169,762		
Operating Net Income	\$884,016	\$967,521		
<u>Norwich Rehabilitation &amp; Nursing Center</u>	<u>YTD 10/31/2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b><u>Norwich Realty Associates, LLC</u></b>				
Current Assets	\$1,229,138	\$1,028,776	\$1,006,886	\$571,465
Fixed Assets	\$2,602,963	\$2,709,956	\$2,785,249	\$342,787
Other Assets	\$203,039	\$175,938	\$209,756	
Total Assets	\$4,035,140	\$3,914,670	\$4,001,891	\$914,252
Current Liabilities	\$945,750	\$1,786,635	\$2,088,908	\$1,093,998
Long Term Liabilities	\$2,790,463	\$2,195,273	\$2,059,511	\$70,431
Total Liabilities	\$3,736,213	\$3,981,908	\$4,148,419	\$1,164,429
Net Assets	\$298,927	(\$67,238)	(\$146,528)	(\$250,177)
Working Capital Position	\$283,388	(\$757,859)	(\$1,082,022)	(\$522,533)
Operating Revenues	\$6,240,636	\$6,858,036	\$5,895,365	\$5,681,516
Operating Expenses	\$4,874,472	\$5,660,888	\$5,469,613	\$5,917,693
Operating Net Income	\$1,366,164	\$1,197,148	\$425,752	(\$236,177)
<u>Tarrytown Hall Care Center</u>	<u>YTD 10/31/2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b><u>Pharney Group Realty, LLC</u></b>				
Current Assets	\$3,136,302	\$3,419,617	\$3,621,754	\$2,148,101
Fixed Assets	\$2,517,576	\$1,980,509	\$1,901,358	\$2,010,035
Other Assets	\$1,494,678	\$1,548,891	\$1,501,872	\$1,498,627
Total Assets	\$7,148,556	\$6,949,017	\$7,024,984	\$5,656,763
Current Liabilities	\$2,393,690	\$3,862,792	\$4,548,317	\$3,958,946
Long Term Liabilities	\$3,183,211	\$1,991,523	\$1,318,821	\$1,967,936
Total Liabilities	\$5,576,901	\$5,854,315	\$5,867,138	\$5,926,882
Net Assets	\$1,571,655	\$1,094,702	\$1,157,846	(\$270,119)
Working Capital Position	\$742,612	(\$443,175)	(\$926,563)	(\$1,810,845)
Operating Revenues	\$11,145,368	\$13,226,817	\$12,797,986	\$12,138,139
Operating Expenses	\$9,714,492	\$11,601,628	\$11,061,833	\$10,344,093
Operating Net Income	\$1,430,876	\$1,625,189	\$1,736,153	\$1,794,046

## Tarrytown Hall Care Center

The following table shows how this nursing home performs in key quality measure areas.

Percentage of residents who...	Performance Ranking 
<p> Self-report moderate to severe pain (short stay)                      Reporting period: July 2013 to June 2014  <b>7.4% This Facility</b>                      14.1% State average                      18.8% National average</p>	<p>                      4 out of 5 stars</p>
<p> Have pressure sores that are new or worsened                      Reporting period: July 2013 to June 2014  <b>0.4% This Facility</b>                      1.2% State average                      1.0% National average</p>	<p>                      4 out of 5 stars</p>
<p> Were given, appropriately, the seasonal influenza vaccine (short stay)                      Reporting period: July 2013 to June 2014  <b>97.4% This Facility</b>                      85.9% State average                      84.4% National average</p>	<p>                      5 out of 5 stars</p>
<p> Were given, appropriately, the pneumococcal vaccine                      Reporting period: July 2013 to June 2014  <b>99.7% This Facility</b>                      84.7% State average                      83.0% National average</p>	<p>                      5 out of 5 stars</p>
<p> Newly received an antipsychotic medication                      Reporting period: July 2013 to June 2014  <b>1.7% This Facility</b>                      2.4% State average                      2.4% National average</p>	<p>                      3 out of 5 stars</p>
<p> Needed increased help with daily activities (long stay)                      Reporting period: October 2013 to June 2014  <b>12.0% This Facility</b>                      14.4% State average                      15.7% National average</p>	<p>                      4 out of 5 stars</p>
<p> Self-report moderate to severe pain (long stay)                      Reporting period: October 2013 to June 2014  <b>3.3% This Facility</b>                      5.5% State average                      7.7% National average</p>	<p>                      3 out of 5 stars</p>
<p> Have pressure sores (long stay)                      Reporting period: October 2013 to June 2014  <b>1.9% This Facility</b>                      7.7% State average                      6.0% National average</p>	<p>                      5 out of 5 stars</p>

## 142195 BNHLC Attachment A – Quality Measures and Inspection Report

<p> <b>Lose too much weight (long stay)</b>          Reporting period: October 2013 to June 2014  <b>8.2% This Facility</b>          6.4% State average          7.2% National average</p>	<p>          2 out of 5 stars</p>
<p> <b>Lose control of their bowels or bladder (long stay, low risk)</b>          Reporting period: October 2013 to June 2014  <b>34.2% This Facility</b>          44.5% State average          44.3% National average</p>	<p>          4 out of 5 stars</p>
<p> <b>Had a catheter inserted and left in their bladder (long stay)</b>          Reporting period: October 2013 to June 2014  <b>1.1% This Facility</b>          2.6% State average          3.1% National average</p>	<p>          5 out of 5 stars</p>
<p> <b>Had a urinary tract infection (long stay)</b>          Reporting period: October 2013 to June 2014  <b>8.5% This Facility</b>          5.6% State average          5.8% National average</p>	<p>          1 out of 5 stars</p>
<p> <b>Have depressive symptoms (long stay)</b>          Reporting period: October 2013 to June 2014  <b>20.3% This Facility</b>          11.7% State average          6.2% National average</p>	<p>          1 out of 5 stars</p>
<p> <b>Were physically restrained (long stay)</b>          Reporting period: October 2013 to June 2014  <b>0.0% This Facility</b>          1.6% State average          1.2% National average</p>	<p>          5 out of 5 stars</p>
<p> <b>Experienced one or more falls with major injury (long stay)</b>          Reporting period: October 2013 to June 2014  <b>3.9% This Facility</b>          2.7% State average          3.2% National average</p>	<p>          2 out of 5 stars</p>
<p> <b>Were given, appropriately, the seasonal influenza vaccine (long stay)</b>          Reporting period: October 2013 to June 2014  <b>99.6% This Facility</b>          96.8% State average          94.0% National average</p>	<p>          4 out of 5 stars</p>
<p> <b>Were given, appropriately, the pneumococcal vaccine (long stay)</b>          Reporting period: October 2013 to June 2014  <b>99.6% This Facility</b>          96.9% State average          94.2% National average</p>	<p>          4 out of 5 stars</p>
<p> <b>Received an antipsychotic medication (long stay)</b>          Reporting period: October 2013 to June 2014  <b>21.1% This Facility</b>          18.0% State average          19.8% National average</p>	<p>          2 out of 5 stars</p>

# Tarrytown Hall Care Center

## Inspection Report

### Report Period: December 2010 to November 2014

PFI: 1115

Regional Office: [MARO--New Rochelle Area Office](#)

This report displays citations for Certification Surveys and Complaint Surveys during the reporting period.

## Summary

This table summarizes the citations in the details section of this report and compares them against the statewide average.

Measure	This Facility	Statewide Average
Standard Health Deficiencies	19	23
Life Safety Code Deficiencies	13	11
Total Deficiencies	32	34
Deficiencies Related to Actual Harm or Immediate Jeopardy	0	1
% of Deficiencies Related to Actual Harm or Immediate Jeopardy	0%	3%

## Alpine Rehabilitation and Nursing Center

The following table shows how this nursing home performs in key quality measure areas.

Percentage of residents who...	Performance Ranking 
 Self-report moderate to severe pain (short stay) Reporting period: July 2013 to June 2014 <b>23.1% This Facility</b> 14.1% State average 18.8% National average	 2 out of 5 stars
 Have pressure sores that are new or worsened Reporting period: July 2013 to June 2014 <b>0.0% This Facility</b> 1.2% State average 1.0% National average	 5 out of 5 stars
 Were given, appropriately, the seasonal influenza vaccine (short stay) Reporting period: July 2013 to June 2014 <b>91.7% This Facility</b> 85.9% State average 84.4% National average	 3 out of 5 stars
 Were given, appropriately, the pneumococcal vaccine Reporting period: July 2013 to June 2014 <b>89.6% This Facility</b> 84.7% State average 83.0% National average	 3 out of 5 stars
 Newly received an antipsychotic medication Reporting period: July 2013 to June 2014 <b>3.7% This Facility</b> 2.4% State average 2.4% National average	 1 out of 5 stars
 Needed increased help with daily activities (long stay) Reporting period: October 2013 to June 2014 <b>23.5% This Facility</b> 14.4% State average 15.7% National average	 1 out of 5 stars
 Self-report moderate to severe pain (long stay) Reporting period: October 2013 to June 2014 <b>9.8% This Facility</b> 5.5% State average 7.7% National average	 1 out of 5 stars
 Have pressure sores (long stay) Reporting period: October 2013 to June 2014 <b>5.7% This Facility</b> 7.7% State average 6.0% National average	 4 out of 5 stars

## 142195 BNHLC Attachment A – Quality Measures and Inspection Report

<p> <b>Lose too much weight (long stay)</b>          Reporting period: October 2013 to June 2014  <b>4.8% This Facility</b>          6.4% State average          7.2% National average</p>	<p>          4 out of 5 stars</p>
<p> <b>Lose control of their bowels or bladder (long stay, low risk)</b>          Reporting period: October 2013 to June 2014  <b>38.4% This Facility</b>          44.5% State average          44.3% National average</p>	<p>          4 out of 5 stars</p>
<p> <b>Had a catheter inserted and left in their bladder (long stay)</b>          Reporting period: October 2013 to June 2014  <b>9.4% This Facility</b>          2.6% State average          3.1% National average</p>	<p>          1 out of 5 stars</p>
<p> <b>Had a urinary tract infection (long stay)</b>          Reporting period: October 2013 to June 2014  <b>9.1% This Facility</b>          5.6% State average          5.8% National average</p>	<p>          1 out of 5 stars</p>
<p> <b>Have depressive symptoms (long stay)</b>          Reporting period: October 2013 to June 2014  <b>17.3% This Facility</b>          11.7% State average          6.2% National average</p>	<p>          2 out of 5 stars</p>
<p> <b>Were physically restrained (long stay)</b>          Reporting period: October 2013 to June 2014  <b>0.5% This Facility</b>          1.6% State average          1.2% National average</p>	<p>          3 out of 5 stars</p>
<p> <b>Experienced one or more falls with major injury (long stay)</b>          Reporting period: October 2013 to June 2014  <b>2.5% This Facility</b>          2.7% State average          3.2% National average</p>	<p>          3 out of 5 stars</p>
<p> <b>Were given, appropriately, the seasonal influenza vaccine (long stay)</b>          Reporting period: October 2013 to June 2014  <b>100.0% This Facility</b>          96.8% State average          94.0% National average</p>	<p>          5 out of 5 stars</p>
<p> <b>Were given, appropriately, the pneumococcal vaccine (long stay)</b>          Reporting period: October 2013 to June 2014  <b>100.0% This Facility</b>          96.9% State average          94.2% National average</p>	<p>          5 out of 5 stars</p>
<p> <b>Received an antipsychotic medication (long stay)</b>          Reporting period: October 2013 to June 2014  <b>30.7% This Facility</b>          18.0% State average          19.8% National average</p>	<p>          1 out of 5 stars</p>

# Alpine Rehabilitation and Nursing Center

## Inspection Report

### Report Period: December 2010 to November 2014

PFI: 0364

Regional Office: [Central New York Regional Office](#)

This report displays citations for Certification Surveys and Complaint Surveys during the reporting period.

## Summary

This table summarizes the citations in the details section of this report and compares them against the statewide average.

Measure	This Facility	Statewide Average
Standard Health Deficiencies	11	23
Life Safety Code Deficiencies	3	11
Total Deficiencies	14	34
Deficiencies Related to Actual Harm or Immediate Jeopardy	2	1
% of Deficiencies Related to Actual Harm or Immediate Jeopardy	14%	3%

## Norwich Rehabilitation & Nursing Center

The following table shows how this nursing home performs in key quality measure areas.

Percentage of residents who...	Performance Ranking 
<p> Self-report moderate to severe pain (short stay) Reporting period: July 2013 to June 2014 <b>17.3% This Facility</b> 14.1% State average 18.8% National average</p>	<p> 2 out of 5 stars</p>
<p> Have pressure sores that are new or worsened Reporting period: July 2013 to June 2014 <b>0.7% This Facility</b> 1.2% State average 1.0% National average</p>	<p> 3 out of 5 stars</p>
<p> Were given, appropriately, the seasonal influenza vaccine (short stay) Reporting period: July 2013 to June 2014 <b>83.6% This Facility</b> 85.9% State average 84.4% National average</p>	<p> 2 out of 5 stars</p>
<p> Were given, appropriately, the pneumococcal vaccine Reporting period: July 2013 to June 2014 <b>82.4% This Facility</b> 84.7% State average 83.0% National average</p>	<p> 2 out of 5 stars</p>
<p> Newly received an antipsychotic medication Reporting period: July 2013 to June 2014 <b>1.4% This Facility</b> 2.4% State average 2.4% National average</p>	<p> 4 out of 5 stars</p>
<p> Needed increased help with daily activities (long stay) Reporting period: October 2013 to June 2014 <b>13.8% This Facility</b> 14.4% State average 15.7% National average</p>	<p> 3 out of 5 stars</p>
<p> Self-report moderate to severe pain (long stay) Reporting period: October 2013 to June 2014 <b>0.0% This Facility</b> 5.5% State average 7.7% National average</p>	<p> 5 out of 5 stars</p>
<p> Have pressure sores (long stay) Reporting period: October 2013 to June 2014 <b>2.6% This Facility</b> 7.7% State average 6.0% National average</p>	<p> 5 out of 5 stars</p>

## 142195 BNHLC Attachment A – Quality Measures and Inspection Report

<p> <b>Lose too much weight (long stay)</b>          Reporting period: October 2013 to June 2014  <b>9.0% This Facility</b>          6.4% State average          7.2% National average</p>	<p>          1 out of 5 stars</p>
<p> <b>Lose control of their bowels or bladder (long stay, low risk)</b>          Reporting period: October 2013 to June 2014  <b>53.8% This Facility</b>          44.5% State average          44.3% National average</p>	<p>          2 out of 5 stars</p>
<p> <b>Had a catheter inserted and left in their bladder (long stay)</b>          Reporting period: October 2013 to June 2014  <b>3.3% This Facility</b>          2.6% State average          3.1% National average</p>	<p>          2 out of 5 stars</p>
<p> <b>Had a urinary tract infection (long stay)</b>          Reporting period: October 2013 to June 2014  <b>1.1% This Facility</b>          5.6% State average          5.8% National average</p>	<p>          5 out of 5 stars</p>
<p> <b>Have depressive symptoms (long stay)</b>          Reporting period: October 2013 to June 2014  <b>26.0% This Facility</b>          11.7% State average          6.2% National average</p>	<p>          1 out of 5 stars</p>
<p> <b>Were physically restrained (long stay)</b>          Reporting period: October 2013 to June 2014  <b>0.5% This Facility</b>          1.6% State average          1.2% National average</p>	<p>          3 out of 5 stars</p>
<p> <b>Experienced one or more falls with major injury (long stay)</b>          Reporting period: October 2013 to June 2014  <b>1.0% This Facility</b>          2.7% State average          3.2% National average</p>	<p>          5 out of 5 stars</p>
<p> <b>Were given, appropriately, the seasonal influenza vaccine (long stay)</b>          Reporting period: October 2013 to June 2014  <b>94.8% This Facility</b>          96.8% State average          94.0% National average</p>	<p>          1 out of 5 stars</p>
<p> <b>Were given, appropriately, the pneumococcal vaccine (long stay)</b>          Reporting period: October 2013 to June 2014  <b>96.9% This Facility</b>          96.9% State average          94.2% National average</p>	<p>          2 out of 5 stars</p>
<p> <b>Received an antipsychotic medication (long stay)</b>          Reporting period: October 2013 to June 2014  <b>11.5% This Facility</b>          18.0% State average          19.8% National average</p>	<p>          4 out of 5 stars</p>

## Norwich Rehabilitation & Nursing Center

### Inspection Report

### Report Period: December 2010 to November 2014

PFI: 4522

Regional Office: [Central New York Regional Office](#)

This report displays citations for Certification Surveys and Complaint Surveys during the reporting period.

### Summary

This table summarizes the citations in the details section of this report and compares them against the statewide average.

Measure	This Facility	Statewide Average
Standard Health Deficiencies	23	23
Life Safety Code Deficiencies	10	11
Total Deficiencies	33	34
Deficiencies Related to Actual Harm or Immediate Jeopardy	0	1
% of Deficiencies Related to Actual Harm or Immediate Jeopardy	0%	3%

## Highland Rehabilitation and Nursing Center

The following table shows how this nursing home performs in key quality measure areas.

Percentage of residents who...	Performance Ranking 
<p> Self-report moderate to severe pain (short stay) Reporting period: July 2013 to June 2014 <b>35.6% This Facility</b> 14.1% State average 18.8% National average</p>	<p> 1 out of 5 stars</p>
<p> Have pressure sores that are new or worsened Reporting period: July 2013 to June 2014 <b>1.7% This Facility</b> 1.2% State average 1.0% National average</p>	<p> 2 out of 5 stars</p>
<p> Were given, appropriately, the seasonal influenza vaccine (short stay) Reporting period: July 2013 to June 2014 <b>77.0% This Facility</b> 85.9% State average 84.4% National average</p>	<p> 2 out of 5 stars</p>
<p> Were given, appropriately, the pneumococcal vaccine Reporting period: July 2013 to June 2014 <b>75.2% This Facility</b> 84.7% State average 83.0% National average</p>	<p> 2 out of 5 stars</p>
<p> Newly received an antipsychotic medication Reporting period: July 2013 to June 2014 <b>4.4% This Facility</b> 2.4% State average 2.4% National average</p>	<p> 1 out of 5 stars</p>
<p> Needed increased help with daily activities (long stay) Reporting period: October 2013 to June 2014 <b>12.8% This Facility</b> 14.4% State average 15.7% National average</p>	<p> 3 out of 5 stars</p>
<p> Self-report moderate to severe pain (long stay) Reporting period: October 2013 to June 2014 <b>10.4% This Facility</b> 5.5% State average 7.7% National average</p>	<p> 1 out of 5 stars</p>
<p> Have pressure sores (long stay) Reporting period: October 2013 to June 2014 <b>13.0% This Facility</b> 7.7% State average 6.0% National average</p>	<p> 1 out of 5 stars</p>

## 142195 BNHLC Attachment A – Quality Measures and Inspection Report

<p> <b>Lose too much weight (long stay)</b>          Reporting period: October 2013 to June 2014  <b>10.7% This Facility</b>          6.4% State average          7.2% National average</p>	<p>          1 out of 5 stars</p>
<p> <b>Lose control of their bowels or bladder (long stay, low risk)</b>          Reporting period: October 2013 to June 2014  <b>46.7% This Facility</b>          44.5% State average          44.3% National average</p>	<p>          3 out of 5 stars</p>
<p> <b>Had a catheter inserted and left in their bladder (long stay)</b>          Reporting period: October 2013 to June 2014  <b>3.8% This Facility</b>          2.6% State average          3.1% National average</p>	<p>          2 out of 5 stars</p>
<p> <b>Had a urinary tract infection (long stay)</b>          Reporting period: October 2013 to June 2014  <b>15.3% This Facility</b>          5.6% State average          5.8% National average</p>	<p>          1 out of 5 stars</p>
<p> <b>Have depressive symptoms (long stay)</b>          Reporting period: October 2013 to June 2014  <b>34.6% This Facility</b>          11.7% State average          6.2% National average</p>	<p>          1 out of 5 stars</p>
<p> <b>Were physically restrained (long stay)</b>          Reporting period: October 2013 to June 2014  <b>0.0% This Facility</b>          1.6% State average          1.2% National average</p>	<p>          5 out of 5 stars</p>
<p> <b>Experienced one or more falls with major injury (long stay)</b>          Reporting period: October 2013 to June 2014  <b>2.3% This Facility</b>          2.7% State average          3.2% National average</p>	<p>          3 out of 5 stars</p>
<p> <b>Were given, appropriately, the seasonal influenza vaccine (long stay)</b>          Reporting period: October 2013 to June 2014  <b>96.7% This Facility</b>          96.8% State average          94.0% National average</p>	<p>          2 out of 5 stars</p>
<p> <b>Were given, appropriately, the pneumococcal vaccine (long stay)</b>          Reporting period: October 2013 to June 2014  <b>94.5% This Facility</b>          96.9% State average          94.2% National average</p>	<p>          1 out of 5 stars</p>
<p> <b>Received an antipsychotic medication (long stay)</b>          Reporting period: October 2013 to June 2014  <b>15.9% This Facility</b>          18.0% State average          19.8% National average</p>	<p>          3 out of 5 stars</p>

# Highland Rehabilitation and Nursing Center

## Inspection Report

### Report Period: December 2010 to November 2014

PFI: 0691

Regional Office: [MARO--New Rochelle Area Office](#)

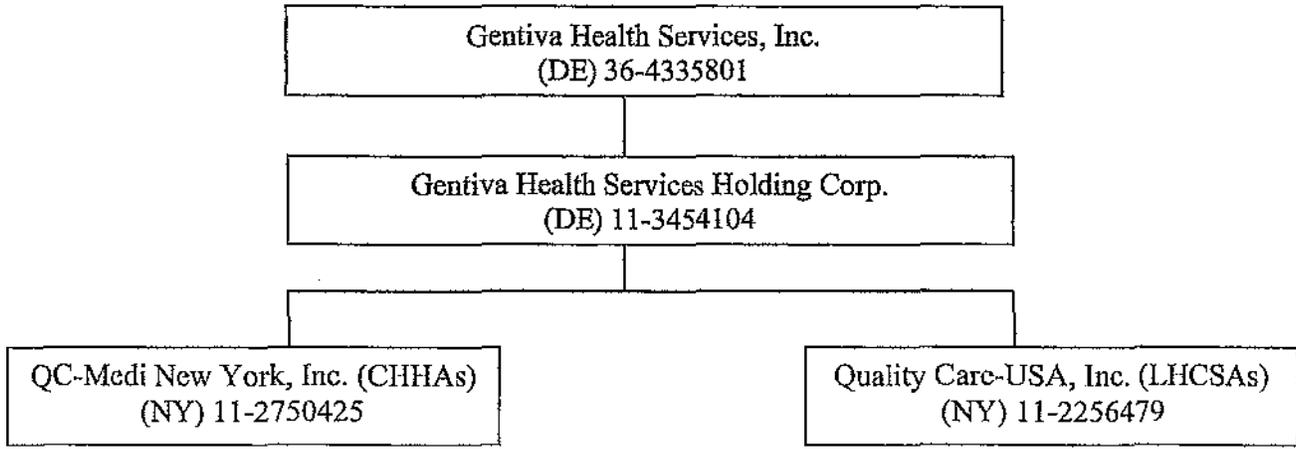
This report displays citations for Certification Surveys and Complaint Surveys during the reporting period.

## Summary

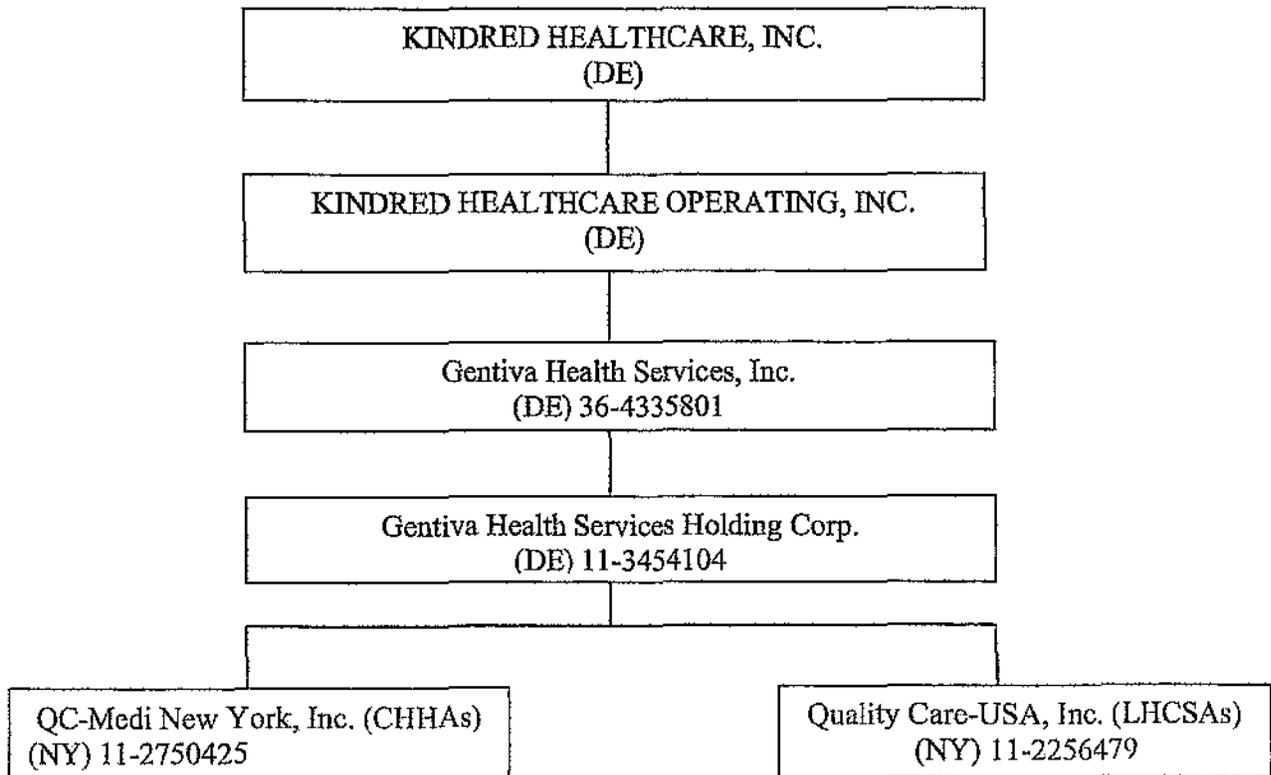
This table summarizes the citations in the details section of this report and compares them against the statewide average.

Measure	This Facility	Statewide Average
Standard Health Deficiencies	43	23
Life Safety Code Deficiencies	11	11
Total Deficiencies	54	34
Deficiencies Related to Actual Harm or Immediate Jeopardy	0	1
% of Deficiencies Related to Actual Harm or Immediate Jeopardy	0%	3%

**CON Project #142193-E and LHCSA Application #2556-L  
 Programmatic Attachment A – Page 1 of 1  
 Before and After Gentiva Organizational Charts**



**KINDRED HEALTHCARE, INC.  
 KINDRED HEALTHCARE OPERATING, INC.  
 ORGANIZATIONAL SCHEMATIC  
 AFTER STOCK TRANSFER**



=Provider Entity

Kindred Providers/Facilities

Kindred Healthcare: Long-Term Care Hospitals

State	Facility Name
AZ	Kindred Hospital Arizona - Northwest Phoenix
AZ	Kindred Hospital - Arizona - Phoenix
AZ	Kindred Hospital - Tucson
CA	Kindred Hospital Baldwin Park
CA	Kindred Hospital Riverside
CA	Kindred Hospital South Bay
CA	Kindred Hospital South Bay - Tri-City Campus
CA	Kindred Hospital Rancho
CA	Kindred Hospital - Brea
CA	Kindred Hospital - Ontario
CA	Kindred Hospital - San Francisco Bay Area
CA	Kindred Hospital - La Mirada
CA	Kindred Hospital - San Gabriel Valley
CA	Kindred Hospital - Santa Ana
CA	Kindred Hospital - Westminster
CA	Kindred Hospital - San Diego
CA	Kindred Hospital - Los Angeles
CO	Kindred Hospital - Denver
CO	Kindred Hospital Aurora
FL	Kindred Hospital Ocala
FL	Kindred Hospital The Palm Beaches
FL	Kindred Hospital - South Florida - Coral Gables
FL	Kindred Hospital - Bay Area St. Petersburg
FL	Kindred Hospital - Bay Area - Tampa
FL	Kindred Hospital - South Florida Ft. Lauderdale
FL	Kindred Hospital - North Florida
FL	Kindred Hospital - Central Tampa
FL	Kindred Hospital Melbourne
FL	Kindred Hospital - South Florida - Hollywood
GA	Kindred Hospital - Atlanta
GA	Kindred Hospital Rome

State	Facility Name
IL	Kindred Hospital - Chicago (Northlake Campus)
IL	Kindred Hospital - Chicago (North Campus)
IL	Kindred Hospital - Sycamore
IL	Kindred - Chicago - Central Hospital
IL	Kindred Hospital Peoria
IL	Kindred - Chicago - Lakeshore
IN	Kindred Hospital - Indianapolis
IN	Kindred Hospital - Indianapolis South
IN	Kindred Hospital Northwest Indiana
IN	Kindred Hospital Northern Indiana
KY	Kindred Hospital - Louisville
KY	Kindred Hospital - Louisville at Jewish Hospital
LA	Kindred Hospital - New Orleans
MA	Kindred Hospital - Boston
MA	Kindred Hospital - Boston North Shore
MA	Kindred Hospital Northeast - Natick
MA	Kindred Hospital Northeast - Stoughton
MI	Kindred Hospital Detroit
MO	Kindred Hospital - Kansas City
MO	Kindred Hospital - St. Louis
MO	Kindred Hospital - St. Louis - St. Anthony's
MO	Kindred Hospital Northland
MO	Kindred Hospital - St. Louis at Mercy
NJ	Kindred Hospital New Jersey - Morris County
NJ	Kindred Hospital New Jersey - Rahway
NJ	Kindred Hospital New Jersey - Wayne
NM	Kindred Hospital - Albuquerque
NV	Kindred Hospital - Las Vegas (Sahara Campus)
NV	Kindred Hospital Las Vegas - Flamingo Campus
NV	Kindred Hospital - Las Vegas at St. Rose Dominican Hospitals - Rose de Lima Campus
NC	Kindred Hospital - Greensboro

Kindred Providers/Facilities

Kindred Healthcare: Long-Term Care Hospitals

State	Facility Name
OH	Kindred Hospital - Dayton
OH	Kindred Hospital - Cleveland
OH	Kindred Hospital - Cleveland - Gateway
OH	Kindred Hospital Central Ohio
OH	Kindred Hospital Lima
OK	Kindred Hospital - Oklahoma City - South
OK	Kindred Hospital - Oklahoma City
PA	Kindred Hospital Philadelphia - Havertown
PA	Kindred Hospital - Philadelphia
PA	Kindred Hospital - Pittsburgh
PA	Kindred Hospital at Heritage Valley
PA	Kindred Hospital South Philadelphia
TN	Kindred Hospital - Chattanooga
TN	Kindred Hospital - Nashville
TX	Kindred Hospital - Dallas
TX	Kindred Hospital - San Antonio
TX	Kindred Hospital - Tarrant County (Arlington Campus)
TX	Kindred Hospital - Tarrant County (Fort Worth Southwest Campus)

State	Facility Name
TX	Kindred Hospital (Houston NW)
TX	Kindred Hospital (Bay Area)
TX	Kindred Hospital - Mansfield
TX	Kindred Hospital - Fort Worth
TX	Kindred Hospital Houston Medical Center
TX	Kindred Hospital - White Rock
TX	Kindred Hospital Town & Country
TX	Kindred Hospital Sugar Land
TX	Kindred Hospital Dallas Central
TX	Kindred Hospital El Paso
TX	Kindred Hospital Spring
TX	Kindred Hospital Tomball
TX	Kindred Hospital The Heights
TX	Kindred Hospital Baytown
TX	Kindred Hospital Clear Lake
WA	Kindred Hospital Seattle - Northgate
WA	Kindred Hospital Seattle - First Hill

Kindred Healthcare: Rehabilitation Hospitals	
State	Facility Name
MO	St. Luke's Rehabilitation Hospital
TX	Kindred Rehabilitation Hospital Northeast Houston
TX	Kindred Rehabilitation Hospital Arlington
TX	Kindred Rehabilitation Hospital Clear Lake
TX	Central Texas Rehabilitation Hospital

Hospital Based Subacute Units	
State	Facility Name
CA	Kindred Hospital - Brea
KY	Kindred Hospital - Louisville
NC	Kindred Hospital - Greensboro
NV	Kindred Hospital Las Vegas - Flamingo Campus
OH	Kindred Hospital - Cleveland
TX	Kindred Hospital - Dallas
WA	Kindred Seattle - Northgate
WA	Kindred Seattle - First Hill

Kindred Providers/Facilities

Kindred Healthcare: Nursing Centers

State	Facility Name
AZ	Kindred Nursing and Rehabilitation-Hacienda
CA	Kindred Transitional Care and Rehabilitation-Village Square
CA	Kindred Transitional Care and Rehabilitation-Tunnell Center
CA	Kindred Nursing and Rehabilitation-Nineteenth Avenue
CA	Kindred Transitional Care and Rehabilitation-Canyonwood
CA	Kindred Nursing and Healthcare - Livermore
CA	Kindred Transitional Care and Rehabilitation-Lawton
CA	Kindred Transitional Care and Rehabilitation - Valley Gardens
CA	Kindred Nursing and Transitional Care - Santa Cruz
CA	Kindred Transitional Care and Rehabilitation - Walnut Creek
CA	Kindred Nursing and Healthcare-Bayberry
CA	Kindred Nursing and Transitional Care-South Marin
CA	Kindred Nursing and Rehabilitation - Medical Hill
CA	Kindred Nursing and Transitional Care - Pacific Coast
CA	Kindred Transitional Care and Rehabilitation-Smith Ranch
CA	Kindred Nursing and Rehabilitation - Ygnacio Valley
CA	Kindred Transitional Care and Rehabilitation-Siena
CA	Kindred Nursing and Rehabilitation-Golden Gate
CA	Kindred Nursing and Healthcare - Victorian
CA	Kindred Transitional Care and Rehabilitation-Foothill
CO	Kindred Nursing and Rehabilitation - Aurora
CT	Kindred Nursing and Rehabilitation-Crossings West
CT	Kindred Transitional Care and Rehabilitation-Windsor
CT	Kindred Nursing and Rehabilitation-Crossings East
CT	Kindred Transitional Care and Rehabilitation-Parkway Pavilion
GA	Kindred Transitional Care and Rehabilitation-Lafayette
ID	Kindred Nursing and Rehabilitation - Caldwell
ID	Kindred Nursing and Rehabilitation - Canyon West

State	Facility Name
ID	Kindred Transitional Care and Rehabilitation-Lewiston
ID	Kindred Nursing and Rehabilitation - Nampa
ID	Kindred Nursing and Rehabilitation - Weiser
ID	Kindred Nursing and Rehabilitation - Aspen Park
ID	Kindred Nursing and Rehabilitation - Mountain Valley
IN	Kindred Transitional Care and Rehabilitation-Bridgewater
IN	Kindred Transitional Care and Rehabilitation-SouthPointe
IN	Kindred Transitional Care and Rehabilitation-Eagle Creek
IN	Kindred Transitional Care and Rehabilitation-Allison Pointe
IN	Kindred Transitional Care and Rehabilitation-Dyer
IN	Kindred Transitional Care and Rehabilitation-Greenwood
IN	Kindred Transitional Care and Rehabilitation-Greenfield
IN	Kindred Transitional Care and Rehabilitation-Sellersburg
IN	Kindred Transitional Care and Rehabilitation-Indian Creek
IN	Kindred Nursing and Rehabilitation-Valley View
IN	Kindred Transitional Care and Rehabilitation-Dyer
IN	Kindred Transitional Care and Rehabilitation-Greenwood
IN	Kindred Transitional Care and Rehabilitation-Greenfield
IN	Kindred Transitional Care and Rehabilitation-Sellersburg
IN	Kindred Transitional Care and Rehabilitation-Indian Creek
IN	Kindred Nursing and Rehabilitation-Valley View
IN	Kindred Transitional Care and Rehabilitation-Kokomo
IN	Kindred Transitional Care and Rehabilitation-Wildwood
IN	Kindred Transitional Care and Rehabilitation-Southwood
IN	Kindred Transitional Care and Rehabilitation-Columbus
IN	Kindred Transitional Care and Rehabilitation-Wedgewood
IN	Kindred Transitional Care and Rehabilitation-Harrison
IN	Kindred Transitional Care and Rehabilitation-Rolling Hills

Kindred Providers/Facilities

Kindred Healthcare: Nursing Centers

State	Facility Name
KY	Heritage Manor Healthcare Center
KY	Kindred Nursing and Rehabilitation-Maple
KY	Kindred Nursing and Rehabilitation-Bashford
MA	Kindred Transitional Care and Rehabilitation-Harrington
MA	Kindred Nursing and Rehabilitation-Hallmark
MA	Kindred Nursing and Rehabilitation-Timberlyn Heights
MA	Kindred Transitional Care and Rehabilitation-Westborough
MA	Kindred Transitional Care and Rehabilitation-Eagle Pond
MA	Kindred Nursing and Rehabilitation-Great Barrington
MA	Kindred Transitional Care and Rehabilitation-Country Estates
MA	Kindred Transitional Care and Rehabilitation-Highgate
MA	Kindred Transitional Care and Rehabilitation-Avery
MA	Kindred Nursing and Rehabilitation-Tower Hill
MA	Kindred Nursing and Rehabilitation-Harborlights
MA	Kindred Nursing and Rehabilitation-Braintree
MA	Kindred Transitional Care and Rehabilitation-Forestview
MA	Kindred Transitional Care and Rehabilitation-Highlander
MA	Kindred Nursing and Rehabilitation-Laurel Lake
MA	Ledgewood Rehabilitation and Skilled Nursing Center
MA	Seacoast Nursing and Rehabilitation Center
MA	Clark House Nursing Center at Fox Hill Village
MT	Kindred Transitional Care and Rehabilitation-Park Place
MT	Kindred Nursing and Rehabilitation - Parkview
NH	Kindred Transitional Care and Rehabilitation-Greenbriar
NC	Kindred Transitional Care and Rehabilitation-Rose Manor
NC	Kindred Nursing and Rehabilitation-Henderson
NC	Kindred Transitional Care and Rehabilitation-Elizabeth City
OH	Kindred Transitional Care and Rehabilitation-Newark

State	Facility Name
OH	Kindred Transitional Care and Rehabilitation-The Greens
OH	Kindred Nursing and Rehabilitation-Community
OH	Kindred Transitional Care and Rehabilitation-Stratford
OH	Kindred Transitional Care and Rehabilitation-LakeMed
TN	Kindred Nursing and Rehabilitation - Loudon
TN	Kindred Transitional Care and Rehabilitation-Maryville
TN	Kindred Nursing and Rehabilitation - Fairpark
TN	Kindred Nursing and Rehabilitation - Smith County
TN	Kindred Nursing and Rehabilitation - Northhaven
TX	Kindred Transitional Care and Rehabilitation-Ridgmar
TX	Kindred Transitional Care and Rehabilitation-Mansfield Plaza
TX	Kindred Transitional Care and Rehabilitation-Grapevine
UT	Kindred Nursing and Rehabilitation - Wasatch Care
UT	Kindred Nursing and Rehabilitation - St. George
VT	Kindred Transitional Care and Rehabilitation-Birchwood Terrace
VT	Starr Farm Nursing Center
VA	Kindred Transitional Care and Rehabilitation-Nansemond Pointe
VA	Kindred Nursing and Rehabilitation-River Pointe
VA	Kindred Transitional Care and Rehabilitation-Bay Pointe
WA	Kindred Nursing and Rehabilitation-Arden
WA	Kindred Transitional Care and Rehabilitation-Lakewood
WA	Kindred Transitional Care and Rehabilitation-Vancouver
WY	Kindred Transitional Care and Rehabilitation - Cheyenne
WY	Kindred Nursing and Rehabilitation - Rawlins
WY	Kindred Nursing and Rehabilitation - Wind River

CON Project #142193-E and LHCSA Application #2556-L  
 Programmatic Attachment B - Page 5 of 8  
 Kindred Providers/Facilities

Assisted Living Facilities: Independently Licensed	
State	Facility Name
ME	Kindred Assisted Living-Village Crossings
ME	Kindred Assisted Living-The Monarch Center of Saco
ME	Kindred Assisted Living-Senior Day Program (Part of The Monarch Center of Saco)
MA	Kindred Assisted Living-Avery Crossings
MA	Kindred Assisted Living - Laurel Lake
MA	Foxhill Village Rehab Center
OH	Kindred Assisted Living-Fountains
OH	Kindred Assisted Living-Stratford Commons
VA	Hillcrest Retirement Center

Hospice	
State	Facility Name
AZ	Granite Mountain Hospice
AZ	Granite Mountain Home Care & Hospice Anthem
AZ	Kindred at Home-Hospice-Glendale
CA	Professional Healthcare at Home
CA	Professional Healthcare at Home
CO	Kindred at Home-Hospice-Denver
IN	Kindred at Home-Hospice-Indianapolis
IN	Bridgepoint Supportive Care
MA	Kindred at Home-Boston
MA	Peoplefirst HomeCare & Hospice
NV	Virgin Valley Hospice
OH	Acclaim Hospice and Palliative Care
TX	IntegraCare Hospice of Abilene, LLC
TX	IntegraCare of West Texas Hospice, LLC
TX	IntegraCare of Athens Hospice, LLC
TX	IntegraCare Hospice
TX	IntegraCare Hospice of Decatur
TX	Kindred at Home-Hospice-South Houston
TX	Kindred at Home-Hospice-West Houston
TX	IntegraCare Home Health and Hospice
UT	BridgePoint Palliative Care
UT	Kindred at Home - Hospice - Murray
UT	BridgePoint Palliative Care
UT	Southern Utah Hospice

Kindred Providers/Facilities

Home Care Agencies

State	Facility Name
AZ	Granite Mountain Home Care
AZ	Kindred at Home-Home Health-Glendale
CA	Professional Healthcare at Home
CA	Kindred at Home (San Diego)
CA	Kindred at Home (Garden Grove)
CA	Professional Healthcare at Home
CA	Kindred at Home-Torrance
CA	Community Home Health
CO	Kindred at Home-Home Health-Denver
CO	PeopleFirst Homecare (Ft. Collins)
FL	Senior Home Care (Boynton Beach)
FL	Senior Home Care (Miami Lakes)
FL	Senior Home Care (Port Saint Lucie)
FL	Senior Home Care (Sunrise)
FL	Senior Home Care, Inc. (Clearwater)
FL	Senior Home Care, Inc. (Fort Myers)
FL	Senior Home Care, Inc. (Ocala)
FL	Senior Home Care, Inc. (Jacksonville)
FL	Senior Home Care, Inc. (Maitland)
FL	Bodymax Physical Therapy
FL	Senior Home Care, Inc. (Pensacola)
FL	Senior Home Care, Inc. (Spring Hill)
FL	Senior Home Care, Inc. (Tampa)
IL	Kindred at Home - Chicago Home Health
IN	Kindred at Home-Home Health-Indianapolis
LA	Synergy Home Care-Acadiana Region, Inc.
LA	Synergy Home Care-Capitol Region, Inc.
LA	Synergy Home Care-Central Region, Inc.
LA	Synergy Home Care-Northeastern Region, Inc.
LA	Synergy Home Care-Northshore Region, Inc.
LA	Synergy Home Care-Northwestern Region, Inc.

State	Facility Name
LA	Synergy Home Care-Southeastern Region, Inc.
MA	Kindred at Home-Marlborough
NV	Kindred at Home-Home Health-Las Vegas
OH	Kindred at Home-Home Health-Akron
OH	Kindred at Home-Home Health-Columbus
OH	Kindred at Home-Home Health-Findlay
OH	Western Reserve Senior Care
TX	IntegraCare of Abilene, LLC
TX	IntegraCare of Albany, LLC
TX	IntegraCare of West Texas Home Health, LLC
TX	IntegraCare of Athens Home Health, LLC
TX	IntegraCare of South Central Texas
TX	IntegraCare Home Health Services
TX	IntegraCare Home Health of Big Spring
TX	IntegraCare of Olney
TX	IntegraCare of Texas, LLC
TX	IntegraCare of Cleburne
TX	IntegraCare Home Health of Colorado City
TX	IntegraCare of El Paso
TX	IntegraCare of Granbury, LLC
TX	Kindred at Home-Home Health-South Houston
TX	Kindred at Home-Home Health-West Houston
TX	IntegraCare of Littlefield, LLC
TX	IntegraCare of North West Texas
TX	IntegraCare Home Health and Hospice
TX	IntegraCare of North East Texas
TX	IntegraCare Home Health-Permian Basin
TX	IntegraCare of the Panhandle
TX	IntegraCare of North Texas
TX	IntegraCare of South West Texas
TX	IntegraCare of Seymour

Kindred Providers/Facilities

Home Care Agencies

State	Facility Name
TX	IntegraCare of North Central Texas
TX	IntegraCare of Waco-Home Health
TX	IntegraCare of Wichita Falls, LLC

State	Facility Name
UT	Kindred at Home - Home Health - Murray
UT	Southern Utah Home Care
VA	All Heart Home Health and Hospice

## Kindred Providers/Facilities

## Rehab Care Agencies

State	Facility Name
AL	RehabCare Agency AL
AR	Arkansas Agency
CA	RehabCare Agency S CA (Laguana Hills)
CA	RehabCare Agency N CA (Pleasant Hill)
CO	Atria Inn at Lakewood
CO	Balfour Retirement
CO	RehabCare, LLC - Colorado
CO	Springbrooke
FL	RehabCare Agency FL
FL	RehabCare/Barrington Terrace
IL	RehabCare Agency IL
IL	Cedarhurst at Shiloh
IN	Atria Eastlake Terrace
IN	Atria Tangelwood Trace
IN	First Steps KINDRED (special Medicaid program in IN)
IN	Kindred Rehab Service, Inc., d/b/a Bedford Outpatient Therapy Specialists
IN	RehabCare Agency IN
KS	RehabCare Agency KS
LA	The Therapy Group, Inc.
MD	Mercy Ridge Retirement Community (formerly Villa Assumpta/Maria Hlth)
MI	Atria Shorehaven
MI	RehabCare Agency MI

State	Facility Name
MN	RehabCare Agency MN / TCK Coon Rapids (#5514) **PEDS
MO	Autumn View Gardens Ellisville
MO	Crab Apple Village Senior Estates
MO	Little Sisters of the Poor
MO	Mother of Good Counsel
MO	RehabCare Agency MO
NC	Brooks Howell Home
NC	RehabCare Agency NC
NV	Emeritus at Spring Valley (Kindred Nevada LLC dba Torrey Pines Care Center)
NV	Emeritus at Sun Mountain (Kindred Nevada LLC dba Torrey Pines Care Center)
NV	Emeritus of Las Vegas (Kindred Nevada LLC dba Torrey Pines Care Center)
OH	RehabCare Agency OH
OK	RehabCare Agency OK
PA	RehabCare Agency at Davidsville Care Center
SC	RehabCare Agency SC
TN	RehabCare Agency TN
TX	Isle at Watermere
TX	RehabCare Agency TX
VA	Peoplefirst Virginia, LLC, d/b/a Peoplefirst Rehabilitation Services (Envoy of Staunton)*
VA	Peoplefirst Virginia, LLC, d/b/a Peoplefirst Rehabilitation Services (Envoy of Winchester)*
WI	RehabCare Agency WI

Ms. Yale Affiliations

National Surgical Healthcare, Inc. - Locations	
State	Name
Arizona	Arizona Spine and Joint Hospital
Arizona	Canyon Ambulatory Surgery Center
California	Aspen Surgery Center
California	Brentwood Surgery Center
California	Sequoia Surgical Pavilion
California	Skyway Surgery Center
California	Sutter Surgical Hospital - North Valley
Connecticut	Fairfield Surgery Center
Idaho	Northwest Specialty Hospital
Illinois	NSH Corporate Offices
Louisiana	Lafayette Surgical Specialty Hospital
North Carolina	North Carolina Specialty Hospital
North Carolina	Triangle Orthopaedics Surgery Center
Michigan	Lakes Surgery Center
Michigan	Michigan Surgical Hospital
Texas	El Paso Specialty Hospital
Texas	South Texas Spine & Surgical Hospital
Texas	South Texas Surgical Hospital
Texas	The Physicians Centre Hospital
Utah	Cache Valley Specialty Hospital
Wisconsin	OakLeaf Surgical Hospital
Wyoming	Mountain View Regional Hospitals

Mr. Diaz Affiliations

DaVita Healthcare Partners, Inc. New York State Affiliates		
Operator: Liberty RC, Inc.		
Type	Name	City
Diagnostic and Treatment Center	Cleve Hill Dialysis Center	Buffalo
Diagnostic and Treatment Center Extension Clinic	Bedford Park Dialysis Center	Bronx
Diagnostic and Treatment Center Extension Clinic	Celia Dill Dialysis Center	Carmel
Diagnostic and Treatment Center Extension Clinic	Dyker Heights Dialysis Center	Brooklyn
Diagnostic and Treatment Center Extension Clinic	Eastchester Road Dialysis Center	Bronx
Diagnostic and Treatment Center Extension Clinic	Hudson Vally Dialysis Center	Tarrytown
Diagnostic and Treatment Center Extension Clinic	Lowville Dialysis Center	Lowville
Diagnostic and Treatment Center Extension Clinic	Niagara Falls Kidney Care Center	Niagara Falls
Diagnostic and Treatment Center Extension Clinic	Port Chester Dialysis & Renal Center	Port Chester
Diagnostic and Treatment Center Extension Clinic	Renal Care of Buffalo	West Seneca
Diagnostic and Treatment Center Extension Clinic	South Brooklyn Nephrology Center	Brooklyn
Diagnostic and Treatment Center Extension Clinic	Southtowns Dialysis Center	Hamburg
Diagnostic and Treatment Center Extension Clinic	White Plains Dialysis Center	White Plains
Diagnostic and Treatment Center Extension Clinic	Yonkers East Dialysis Center	Yonkers

Mr. Diaz Affiliations

DaVita Healthcare Partners, Inc. New York State Affiliates		
Operator: Knickerbocker Dialysis, Inc.		
Type	Name	City
Diagnostic and Treatment Center	Bronx Dialysis Center	Bronx
Diagnostic and Treatment Center Extension Clinic	Boston Post Road Dialysis Center	Bronx
Diagnostic and Treatment Center Extension Clinic	Catskill Dialysis Center	Monticello
Diagnostic and Treatment Center Extension Clinic	Central New York Dialysis Center	Syracuse
Diagnostic and Treatment Center Extension Clinic	Garden City Dialysis Center	Garden City
Diagnostic and Treatment Center Extension Clinic	Jamestown Dialysis Center	Jamestown
Diagnostic and Treatment Center Extension Clinic	Long Island Renal Care	Amityville
Diagnostic and Treatment Center and Extension Clinic	Lynbrook Dialysis Center	Lynbrook
Diagnostic and Treatment Center Extension Clinic	Northtowns Dialysis Center	Tonawanda
Diagnostic and Treatment Center Extension Clinic	Orange Dialysis Center	Middletown
Diagnostic and Treatment Center Extension Clinic	Orchard Park Dialysis Center	Orchard Park
Diagnostic and Treatment Center Extension Clinic	Peekskill Cortland Dialysis Center	Cortlandt Manor
Diagnostic and Treatment Center Extension Clinic	Port Washington Dialysis Center	Port Washington
Diagnostic and Treatment Center Extension Clinic	Queens Dialysis Center	Jamaica
Diagnostic and Treatment Center Extension Clinic	Queens Village Dialysis Center	Queens Village
Diagnostic and Treatment Center Extension Clinic	Richmond Kidney Center	Staten Island
Diagnostic and Treatment Center Extension Clinic	Riverdale Dialysis Center	Bronx
Diagnostic and Treatment Center Extension Clinic	Sheepshead Bay Renal Care Center	Brooklyn
Diagnostic and Treatment Center Extension Clinic	Soundview Dialysis Center	Bronx
Diagnostic and Treatment Center Extension Clinic	South Bronx Dialysis Center	Bronx
Diagnostic and Treatment Center Extension Clinic	Staten Island Dialysis Center	Staten Island
Diagnostic and Treatment Center Extension Clinic	Suburban Dialysis Center	Williamsville
Diagnostic and Treatment Center Extension Clinic	Waters Place Dialysis Center	Bronx
Diagnostic and Treatment Center Extension Clinic	Yonkers Dialysis Center	Yonkers

Mr. Short Affiliations

<b>Seton Family Facilities - Texas</b>
Seton Edgar B Davis Hospital
Seton Highland Lakes Home Health - Texas Department of Aging and Disability Services
Seton Highland Lakes Hospice - Texas Department of Aging and Disability Services
Seton Highland Lakes Hospital
Seton Lampasas Healthcare Center
Seton Lockhart Family Health Center
Seton Marble Falls Healthcare Center
Seton Medical Center Hays
Seton Medical Center Williamson
Seton Northwest Hospital
Seton Riverbend Home Health - Texas Department of Aging and Disability Services
Seton Shoal Creek Hospital
Seton Smithville Regional Hospital
Seton Southwest Hospital
SHL Care-A-Van
SHL Professional Support Services
Towers Nursing Home - Texas Department of Aging and Disability Services
Dell Children's Medical Center
Emergency Medical Center
SEBD Care-A-Van
SEBD Professional Support Services
Seton Bertram Healthcare Center
Seton Burnet Healthcare Center
Seton Community Health Centers
University Medical Center at Brackenridge

Schedule 2A Responses

ITEM 6.11(a)

Vencor, Inc. filed voluntary petitions for protection under the Bankruptcy Code on September 13, 1999, primarily as a result of decreased Medicare and Medicaid reimbursement rates introduced by the Balanced Budget Act of 1997, which led to the company being unable to meet its then existing financial obligations, including rent payable to its principal landlord, Ventas, Inc. (“Ventas”), and debt service obligations under existing indebtedness. On March 1, 2001, the Bankruptcy Court approved the Vencor, Inc. Plan of Reorganization. From September 13, 1999 until the company emerged from bankruptcy on April 20, 2001, the company operated as a debtor-in-possession subject to the jurisdiction of the Bankruptcy Court.

Pursuant to the Plan of Reorganization, the company issued creditors (in exchange for their claims) secured notes, common stock and two series of warrants, entered into a new credit agreement as well as new master lease agreements with Ventas, and cancelled all existing senior debt and equity. The company also appointed a new board of directors including representatives of principal security holders, adopted fresh-start accounting pursuant to applicable accounting rules and changed its name to Kindred Healthcare, Inc.

ITEM 6.11(c)

1. *OIG Investigation into SNF RUGs Coding.* In October and November of 2009 the Department of Health and Human Services Office of the Inspector General (“OIG”) served various administrative subpoenas for documents on nine Kindred skilled nursing facilities located in seven different states, the corporate office and Kindred Rehab Services, Inc. The subpoenas sought numerous documents related to the billing of rehab therapy services to Medicare Part A and Part B from January 1, 2004 to the present. The OIG confirmed to us that this is an active industry-wide investigation involving skilled nursing providers in addition to Kindred, and that there is no whistleblower or “qui tam” lawsuit pending against Kindred. The federal government has not made any demand for money on the Company.

2. *Boston DOJ Investigation into RehabCare.* In September 2012 the Company received a subpoena from the United States Attorney’s Office in Boston, Massachusetts (“USAO”) which sought extensive information about RehabCare’s business customers and employees and various records concerning RehabCare’s provision of rehab therapy services to long term care facilities including skilled nursing facilities in Massachusetts from January 1, 2007 to December 31, 2011. The Company has continued to receive document requests including subpoenas seeking various records of RehabCare concerning its rehab therapy services and billings to skilled nursing facilities nationwide, and we have produced these records to the USAO. The Company’s attorneys met with USAO and other Government employees in Boston on July 22, 2014, and August 26, 2014, to discuss the Government’s federal False Claims Act (“FCA”) allegations against RehabCare and our defense response. The USAO has not made any demand for money upon the Company.

3. *Whistleblower Lawsuit regarding a RehabCare Missouri Transaction in 2005-2006 Settled.* Investigation began with a subpoena dated August 29, 2008, from the St. Paul Field Office, U.S. Department of Health and Human Services, Office of Inspector General (the "Subpoena"), being served upon RehabCare Group, Inc. A whistleblower lawsuit pending "under seal" in federal court in Minnesota apparently initiated the investigation. [Kindred Healthcare, Inc. purchased RehabCare Group Inc. and its subsidiaries on June 1, 2011.] The Government intervened in the lawsuit styled United States ex rel. Health Dimensions Rehabilitation, Inc. v. RehabCare Group Inc., et al., Case No. 4:12-CV-00848AGF, by filing a new complaint and demand for jury trial in the U.S. District Court for the District of Minnesota against the defendants including RehabCare Group on December 5, 2011. The Government alleged violations of the federal Anti-Kickback Statute, the federal False Claims Act and other common law causes of action. This action was transferred to the U.S. District Court for the Eastern District of Missouri in St. Louis in May 2012. A final Settlement Agreement was executed by all parties effective January 17, 2014. RehabCare Group paid \$25 million to the United States and \$150,000 to the whistleblower's attorneys as fees and the unrelated co-defendants paid an additional \$5 million to the United States to settle the lawsuit. The court dismissed the lawsuit with prejudice on January 31, 2014.

4. *Bettencourt/Harrison (formerly Walsh) v. Kindred Healthcare, Inc., et al.* On November 30, 2010, in state court in San Francisco County, California, a discharged resident of our Golden Gate nursing facility filed a purported class action lawsuit against the Company's nursing centers in California for alleged failures to meet the statutory 3.2 hour nursing home per patient day ("NHPPD") minimum during the alleged class period, which runs from November 23, 2006 through April 15, 2013. In June 2013 the parties agreed to a settlement in principle in which the Company agreed to fund up to \$8.25 million to pay eligible class members who file timely claims pursuant to a formula. Defendants also agreed to pay up to \$200,000 for settlement administration costs, using a third-party administrator; to pay a total of \$35,000 as service payments to the seven named plaintiffs representing the class; to pay the costs of a third-party monitor to monitor the Company's compliance with a two-year forward injunction up to \$100,000; and to pay the plaintiffs class counsels' attorneys fees and expenses in the amount of \$2.6 million as approved by the court. The court has approved the settlement. This matter is insured by the Company's wholly-owned subsidiary, Cornerstone Insurance Company.

5. *Bethany Lutheran Home, Inc. v. RehabCare Group East, et al.* On September 10, 2012, the plaintiff nursing home ("Bethany"), which formerly contracted for rehab therapy services with RehabCare, filed an indemnification action against RehabCare in the U.S. District Court for the Southern District of Iowa. The complaint seeks to recover \$675,000 paid by Bethany to the U.S. Government in settlement of alleged False Claims Act violations based on RehabCare's having provided excessive therapy services to Bethany's residents for the 2005 through 2008 time period. The claims include breach of contract, negligence and fraudulent misrepresentation; and plaintiff seeks money damages and injunctive relief. Plaintiff further seeks future indemnification for false claims allegedly submitted to Medicare from 2009 to 2011. The court has denied RehabCare's motion to dismiss the complaint for failure to state a claim. Discovery is ongoing.

6. *United States of America, et al., v. Amgen, Omnicare, PharMerica and Kindred Healthcare.* On February 4, 2014, the Company was served with a Summons and Complaint in the above-styled action which has been pending under seal as Case #311CV1464JFA in the U.S. District Court for the District of South Carolina since June 2011. The lawsuit is brought by a whistleblower under the federal False Claims Act alleging violations of the federal and state Anti-Kickback Statutes. The defendants allegedly received illegal rebates and other kickbacks from Amgen for switching patients who were prescribed certain drugs from other manufacturers to Amgen's products instead. The complaint seeks damages, statutory fines and penalties, the whistleblower's attorneys' fees and an injunction prohibiting such conduct in the future. Apparently the United States and twenty-five state Attorneys General and the District of Columbia and the City of Chicago have informed the court that they are intervening in the lawsuit as against Omnicare. It also appears from the recently unsealed court docket sheet that the United States is entering into a settlement with Omnicare and is declining to intervene into the action against PharMerica and Kindred Healthcare. These actions by the Government leave the whistleblower to pursue his claims against PharMerica and Kindred Healthcare on his own. The Company has made a claim for indemnification against PharMerica as provided for in the Master Transaction Agreement related to Kindred's spinoff of its former subsidiary, Kindred Pharmacy Services, Inc., to PharMerica on July 1, 2007, which PharMerica has accepted.

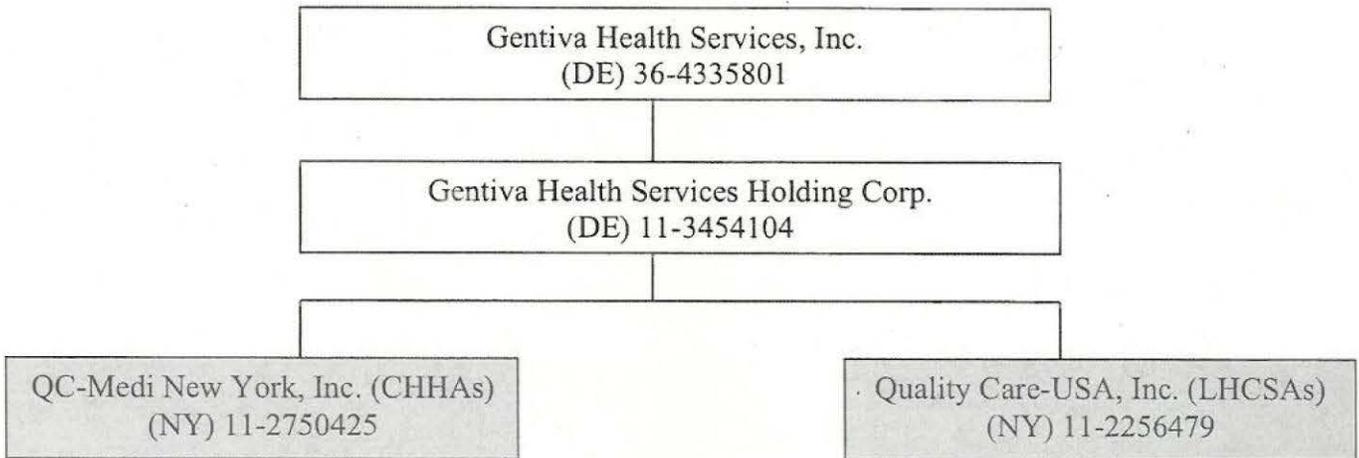
ITEM 6.11(d)

Effective April 20, 2001, Kindred Healthcare, Inc. entered into a Corporate Integrity Agreement with the Office of Inspector General of the U.S. Department of Health and Human Services (the "OIG") to promote compliance with the requirements of Medicare, Medicaid and all other federal healthcare programs. Under the Corporate Integrity Agreement, the company implemented a comprehensive internal quality improvement program and a system of internal financial controls in its hospitals, nursing centers, pharmacies, rehabilitation operations, and regional and corporate offices. The Corporate Integrity Agreement expired in April 2006.

The Corporate Integrity Agreement required the Company to, among other things:

- engage the Long Term Care Institute to monitor and evaluate the company's quality improvement program and report its findings to the OIG;
- adopt and implement written standards on federal healthcare program requirements with respect to financial and quality of care issues;
- conduct training each year for all employees to promote compliance with federal healthcare requirements;
- put in place a comprehensive internal quality improvement program;
- enhance its system of internal financial controls to promote compliance with federal healthcare program requirements on billing and related financial issues, including a variety of internal audit and compliance reviews;
- notify the OIG of allegations that the company committed a crime, engaged in fraudulent activity, or discovered a potential violation of the federal fraud and abuse laws or other criminal or civil laws related to any federal healthcare program; and
- submit an implementation report to the OIG in August 2001 and an annual report each year thereafter.

**10QC-MEDI NEW YORK, INC.  
QUALITY CARE – USA, INC.  
ORGANIZATIONAL SCHEMATIC  
BEFORE STOCK TRANSFER**



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**KINDRED HEALTHCARE, INC.  
KINDRED HEALTHCARE OPERATING, INC.  
ORGANIZATIONAL SCHEMATIC  
AFTER STOCK TRANSFER**



KINDRED HEALTHCARE, INC.  
CONSOLIDATED BALANCE SHEET  
(In thousands, except per share amounts)

Project #142193  
BFA Attachment B

	December 31, 2013	December 31, 2012
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 35,972	\$ 50,0
Cash--restricted	3,713	5,1
Insurance subsidiary investments	96,295	86,1
Accounts receivable less allowance for loss of \$41,025 – 2013 and \$23,959 – 2012	916,529	1,038,6
Inventories	25,780	32,6
Deferred tax assets	37,920	12,6
Income taxes	36,846	13,5
Other	43,673	35,5
	1,196,728	1,273,7
Property and equipment, at cost:		
Land	82,444	93,1
Buildings	984,134	1,209,9
Equipment	815,670	900,1
Construction in progress	24,118	23,6
	1,906,366	2,226,5
Accumulated depreciation	(979,791 )	(1,083,7
	926,575	1,143,1
Goodwill	992,102	1,041,2
Intangible assets less accumulated amortization of \$52,211 – 2013 and \$34,854 – 2012	423,303	439,7
Assets held for sale	20,978	4,1
Insurance subsidiary investments	149,094	116,4
Deferred tax assets	17,043	
Other	220,046	219,4
	\$ 3,945,869	\$ 4,237,5
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 181,772	\$ 210,6
Salaries, wages and other compensation	361,192	389,0
Due to third party payors	33,747	35,4
Professional liability risks	60,993	54,0
Other accrued liabilities	146,495	137,2
Long-term debt due within one year	8,222	8,9
	792,421	835,3
Long-term debt	1,579,391	1,648,7
Professional liability risks	246,230	236,6
Deferred tax liabilities	–	9,7
Deferred credits and other liabilities	206,611	214,6
Commitments and contingencies (Note 13)		
Equity:		
Stockholders' equity:		
Preferred stock, \$0.25 par value; authorized 1,000 shares; none issued and outstanding	–	
Common stock, \$0.25 par value; authorized 175,000 shares; issued 54,165 shares – 2013 and 53,280 shares – 2012	13,541	13,3
Capital in excess of par value	1,146,193	1,145,9
Accumulated other comprehensive loss	(252 )	(1,8
Retained earnings (deficit)	(76,825 )	98,7
	1,082,657	1,256,1
Noncontrolling interests	38,559	36,6
	1,121,216	1,292,8
	\$ 3,945,869	\$ 4,237,9

KINDRED HEALTHCARE, INC.  
CONSOLIDATED STATEMENT OF OPERATIONS  
(In thousands, except per share amounts)

	Year ended December 31,		
	2013	2012	2011
Revenues	\$ 4,900,510	\$ 4,928,509	\$ 4,212,2
Salaries, wages and benefits	2,988,487	3,012,321	2,576,6
Supplies	328,999	343,102	314,1
Rent	318,077	310,178	281,2
Other operating expenses	985,883	914,272	852,5
Other income	(1,440 )	(12,660 )	(13,1
Impairment charges	77,193	108,953	73,5
Depreciation and amortization	157,329	162,685	128,8
Interest expense	108,049	107,875	80,5
Investment income	(4,051 )	(997 )	(5
	<u>4,958,526</u>	<u>4,945,729</u>	<u>4,293,8</u>
Loss from continuing operations before income taxes	(58,016 )	(17,220 )	(81,2
Provision (benefit) for income taxes	(13,204 )	29,707	(14,6
Loss from continuing operations	(44,812 )	(46,927 )	(67,2
Discontinued operations, net of income taxes:			
Income (loss) from operations	(36,136 )	12,348	13,5
Loss on divestiture of operations	(83,887 )	(4,745 )	
Income (loss) from discontinued operations	(120,023 )	7,603	13,5
Net loss	(164,835 )	(39,324 )	(53,7
(Earnings) loss attributable to noncontrolling interests	(3,657 )	(1,043 )	2
Loss attributable to Kindred	<u>\$ (168,492 )</u>	<u>\$ (40,367 )</u>	<u>\$ (53,4</u>
Amounts attributable to Kindred stockholders:			
Loss from continuing operations	\$ (48,469 )	\$ (47,970 )	\$ (66,5
Income (loss) from discontinued operations	(120,023 )	7,603	13,5
Net loss	<u>\$ (168,492 )</u>	<u>\$ (40,367 )</u>	<u>\$ (53,4</u>
Loss per common share:			
Basic:			
Loss from continuing operations	\$ (0.93 )	\$ (0.93 )	\$ (1.
Discontinued operations:			
Income (loss) from operations	(0.69 )	0.24	0.
Loss on divestiture of operations	(1.61 )	(0.09 )	
Income (loss) from discontinued operations	(2.30 )	0.15	0.
Net loss	<u>\$ (3.23 )</u>	<u>\$ (0.78 )</u>	<u>\$ (1.</u>
Diluted:			
Loss from continuing operations	\$ (0.93 )	\$ (0.93 )	\$ (1.
Discontinued operations:			
Income (loss) from operations	(0.69 )	0.24	0.
Loss on divestiture of operations	(1.61 )	(0.09 )	
Income (loss) from discontinued operations	(2.30 )	0.15	0.
Net loss	<u>\$ (3.23 )</u>	<u>\$ (0.78 )</u>	<u>\$ (1.</u>
Shares used in computing loss per common share:			
Basic	52,249	51,659	46,2
Diluted	52,249	51,659	46,2
Cash dividends declared and paid per common share	\$ 0.24	\$ -	\$

GENTIVA HEALTH SERVICES, INC. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
(In thousands, except share and per share amounts)

	December 31, 2013	December 31, 2012
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 86,957	\$ 207,052
Accounts receivable, less allowance for doubtful accounts of \$10,680 and \$8,777 at December 31, 2013 and December 31, 2012, respectively	289,905	251,080
Deferred tax assets, net	28,153	12,263
Prepaid expenses and other current assets	64,746	45,632
Total current assets	469,761	516,027
Notes receivable from CareCentrix	28,471	28,471
Fixed assets, net	49,375	41,414
Intangible assets, net	256,282	193,613
Goodwill	390,081	656,364
Other assets	68,647	75,045
Total assets	<u>\$ 1,262,617</u>	<u>\$ 1,510,934</u>
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Current portion of long-term debt	\$ 45,325	\$ 25,000
Accounts payable	15,659	13,445
Payroll and related taxes	64,857	45,357
Deferred revenue	43,864	37,444
Medicare liabilities	23,894	27,122
Obligations under insurance programs	82,634	56,536
Accrued nursing home costs	22,219	18,428
Other accrued expenses	77,018	66,567
Total current liabilities	375,470	289,899
Long-term debt	1,124,432	910,182
Deferred tax liabilities, net	9,825	42,165
Other liabilities	53,084	33,988
Commitments and contingencies (Note 17)		
Equity:		
Gentiva shareholders' equity:		
Common stock, \$0.10 par value; authorized 100,000,000 shares; issued 37,713,302 and 32,009,286 shares at December 31, 2013 and December 31, 2012, respectively	3,771	3,201
Additional paid-in capital	462,262	399,148
Treasury stock, at cost, 1,337,882 and 1,260,879 shares at December 31, 2013 and December 31, 2012, respectively	(18,773)	(17,852)
Accumulated deficit	(750,329)	(151,335)
Total Gentiva shareholders' equity	(303,069)	233,162
Noncontrolling interests	2,875	1,538
Total equity	(300,194)	234,700
Total liabilities and equity	<u>\$ 1,262,617</u>	<u>\$ 1,510,934</u>

**GENTIVA HEALTH SERVICES, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
**(In thousands, except per share amounts)**

	For the Year Ended		
	December 31, 2013	December 31, 2012	December 31, 2011
Net revenues	\$ 1,726,644	\$ 1,712,804	\$ 1,798,778
Cost of services sold	942,180	908,741	948,455
Gross profit	784,464	804,063	850,323
Selling, general and administrative expenses	(701,716)	(655,766)	(730,407)
Goodwill, intangibles and other long-lived asset impairment	(610,436)	(19,132)	(643,305)
Gain on sale of assets and businesses, net	—	8,014	1,061
Dividend income	—	—	8,590
Interest income	2,704	2,661	2,686
Interest expense and other	(113,088)	(92,608)	(91,296)
(Loss) income from continuing operations before income taxes and equity in net (loss) earnings of CareCentrix	(638,072)	47,232	(602,348)
Income tax benefit (expense)	39,565	(17,251)	75,768
Equity in net (loss) earnings of CareCentrix	—	(2,301)	68,381
(Loss) income from continuing operations	(598,507)	27,680	(458,199)
Discontinued operations, net of tax	—	—	8,315
Net (loss) income	(598,507)	27,680	(449,884)
Less: Net income attributable to noncontrolling interests	(487)	(884)	(641)
Net (loss) income attributable to Gentiva shareholders	\$ (598,994)	\$ 26,796	\$ (450,525)
Total comprehensive (loss) income	\$ (598,507)	\$ 27,680	\$ (450,362)
<b>Basic earnings per common share:</b>			
(Loss) income from continuing operations attributable to Gentiva shareholders	\$ (18.75)	\$ 0.88	\$ (15.13)
Discontinued operations, net of tax	—	—	0.28
Net (loss) income attributable to Gentiva shareholders	\$ (18.75)	\$ 0.88	\$ (14.85)
Weighted average shares outstanding	31,954	30,509	30,336
<b>Diluted earnings per common share:</b>			
(Loss) income from continuing operations attributable to Gentiva shareholders	\$ (18.75)	\$ 0.87	\$ (15.13)
Discontinued operations, net of tax	—	—	0.28
Net (loss) income attributable to Gentiva shareholders	\$ (18.75)	\$ 0.87	\$ (14.85)
Weighted average shares outstanding	31,954	30,687	30,336
<b>Amounts attributable to Gentiva shareholders:</b>			
(Loss) income from continuing operations	\$ (598,994)	\$ 26,796	\$ (458,840)
Discontinued operations, net of tax	—	—	8,315
Net (loss) income	\$ (598,994)	\$ 26,796	\$ (450,525)

PART I - FINANCIAL INFORMATION

Financial Statements

Gentiva Health Services, Inc. and Subsidiaries  
Consolidated Balance Sheets

(In thousands, except share and per share amounts)  
(Unaudited)

	June 30, 2014	December 31, 2013
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 106,155	\$ 86,957
Accounts receivable, less allowance for doubtful accounts of \$11,990 and \$10,680 at June 30, 2014 and December 31, 2013, respectively	280,731	289,905
Deferred tax assets, net	24,287	28,153
Prepaid expenses and other current assets	54,773	64,746
Total current assets	465,946	469,761
Notes receivable from CareCentrix	28,471	28,471
Fixed assets, net	44,948	49,375
Intangible assets, net	253,178	256,282
Goodwill	390,081	390,081
Other assets	67,927	68,647
Total assets	\$ 1,250,551	\$ 1,262,617
<b>LIABILITIES AND SHAREHOLDERS' DEFICIT</b>		
Current liabilities:		
Current portion of long-term debt	\$ 49,200	\$ 45,325
Accounts payable	14,585	15,659
Payroll and related taxes	55,239	64,857
Deferred revenue	48,936	43,864
Medicare liabilities	17,360	23,894
Obligations under insurance programs	76,605	82,634
Accrued nursing home costs	20,554	22,219
Accrued interest expense	17,010	17,239
Other accrued expenses	54,295	59,779
Total current liabilities	353,784	375,470
Long-term debt	1,111,972	1,124,432
Deferred tax liabilities, net	15,701	9,825
Other liabilities	54,822	53,084
Equity:		
Gentiva shareholders' deficit:		
Common stock, \$0.10 par value; authorized 100,000,000 shares; issued 38,216,282 and 37,713,302 shares at June 30, 2014 and December 31, 2013, respectively	3,822	3,771
Additional paid-in capital	465,643	462,262
Treasury stock, 1,370,544 and 1,337,882 shares at June 30, 2014 and December 31, 2013, respectively	(19,165)	(18,773)
Accumulated deficit	(740,004)	(750,329)
Total Gentiva shareholders' deficit	(289,704)	(303,069)
Noncontrolling interests	3,976	2,875
Total deficit	(285,728)	(300,194)
Total liabilities and shareholders' deficit	\$ 1,250,551	\$ 1,262,617

**Gentiva Health Services, Inc. and Subsidiaries**  
**Consolidated Statements of Comprehensive Income (Loss)**  
(In thousands, except per share amounts)  
(Unaudited)

	For the Three Months Ended		For the Six Months Ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Net revenues	\$ 498,040	\$ 414,424	\$ 985,545	\$ 830,015
Cost of services sold	267,350	218,947	540,418	440,520
Gross profit	230,690	195,477	445,127	389,495
Selling, general and administrative expenses	(189,103)	(161,937)	(378,123)	(321,814)
Goodwill and other long-lived asset impairment	—	—	—	(224,320)
Interest income	633	642	1,266	1,427
Interest expense and other	(25,322)	(22,790)	(50,453)	(45,868)
Income (loss) before income taxes	16,898	11,392	17,817	(201,080)
Income tax (expense) benefit	(6,899)	(4,829)	(7,320)	587
Net income (loss)	9,999	6,563	10,497	(200,493)
Net loss (income) attributable to noncontrolling interests	12	(216)	(172)	(337)
Net income (loss) attributable to Gentiva shareholders	\$ 10,011	\$ 6,347	\$ 10,325	\$ (200,830)
Total comprehensive income (loss)	\$ 9,999	\$ 6,563	\$ 10,497	\$ (200,493)
<b>Earnings per share</b>				
Net income (loss) attributable to Gentiva shareholders:				
Basic	\$ 0.28	\$ 0.21	\$ 0.28	\$ (6.51)
Diluted	\$ 0.27	\$ 0.20	\$ 0.28	\$ (6.51)
Weighted average shares outstanding:				
Basic	36,298	30,941	36,243	30,863
Diluted	36,927	31,239	36,790	30,863