

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

**COMMITTEE DAY**

**AGENDA**

*September 27, 2018*  
*10:00 a.m.*

*New York State Department of Public Service Offices*  
*90 Church Street*  
*4<sup>th</sup> Floor Conference Rooms, NYC*

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

Peter Robinson, Chair

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

**Acute Care Services – Construction**

**Exhibit # 1**

	<b><u>Number</u></b>	<b><u>Applicant/Facility</u></b>
1.	172101 C	Coney Island Hospital (Kings County)
2.	181304 C	Arnot Ogden Medical Center (Chemung County)
3.	181334 C	Samaritan Hospital (Rensselaer County)
4.	181404 C	Albany Medical Center Hospital (Albany County)

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

**Ambulatory Surgery Centers - Establish/Construct**

**Exhibit # 2**

	<b><u>Number</u></b>	<b><u>Applicant/Facility</u></b>
1.	181193 B	Northern New York ASC, LLC d/b/a Northern New York Center for Surgery (Jefferson County)
2.	181333 E	Lynbrook Surgery Center, LLC (Nassau County)
3.	181438 E	North County EC, LLC d/b/a The New York Eye Surgical Center (Saratoga County)
4.	181448 E	Brooklyn Surgery Center (Kings County)

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

**Exhibit # 3**

<u>Number</u>	<u>Applicant/Facility</u>
1. 172420 B	Doral Medical and Multispecialty Facility, LLC d/b/a Doral Medical and Multispecialty Center (Kings County)
2. 181307 E	Ajay 28 LLC d/b/a New York Preventive Health Center (Queens County)

**Dialysis Services - Establish/Construct**

**Exhibit # 4**

<u>Number</u>	<u>Applicant/Facility</u>
1. 172364 E	True North IV DC, LLC (Queens County)
2. 172411 E	True North V DC, LLC (Kings County)
3. 181177 B	Adira Dialysis, LLC d/b/a Adira Dialysis Center (Westchester County)
4. 182012 B	Ditmas Park Dialysis Center, LLC (Kings County)
5. 181419 B	Ulster Dialysis, LLC (Ulster County)

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

**Exhibit # 5**

<u>Number</u>	<u>Applicant/Facility</u>
1. 172385 E	Grand Great Neck, LLC d/b/a The Grand Rehabilitation and Nursing at Great Neck (Nassau County)
2. 172387 E	Grand South Point, LLC d/b/a The Grand Rehabilitation and Nursing at South Point (Nassau County)
3. 181219 E	AGA Operating LLC d/b/a The Brook at High Falls Nursing and Rehabilitation Center (Monroe County)
4. 181050 E	Nesconset Operating LLC d/b/a The Hamlet Rehabilitation and Healthcare Center at Nesconset (Suffolk County)
5. 181366 E	Port Jefferson Operating, LLC d/b/a Waters Edge Rehab & Nursing at Port Jefferson (Suffolk County)

- 6. 181367 E                    Glengriff Operating, LLC d/b/a Glengriff Rehabilitation and Healthcare Center (Nassau County)
- 7. 181387 E                    Verrazano Nursing Home (Richmond County)

**Certified Home Health Agency - Establish/Construct**

**Exhibit # 6**

	<u>Number</u>	<u>Applicant/Facility</u>
1.	181348 E	North Shore Home Care (Westchester County)

**C. Home Health Agency Licensures**

**Exhibit # 7**

**Affiliated with Assisted Living Programs (ALPs)**

	<u>Number</u>	<u>Applicant/Facility</u>
1.	181421 E	Brookhaven Home Care, LLC (Suffolk County)
2.	181266 E	The Elliot at New Rochelle LLC (Westchester County)
3.	181436 E	The Sentinel of Mohegan Lake LLC (Westchester County)

**D. Certificates**

**Exhibit # 8**

**Restated Certificate of Incorporation**

Applicant

Faxton-St. Luke's Healthcare Foundation

**Balance Sheet**  
**Coney Island Hospital**  
**December 31, 2017**

<b>Current Assets - Exh 23</b>	<b>\$841,110,806</b>
<b>Property Net - Exh 23</b>	<b>\$186,780,635</b>
<b>Total Assets</b>	<b>\$1,027,891,441</b>
<b>Current Liab &amp; Accr - Exh 23</b>	<b>\$550,113,524</b>
<b>Long Term Liabilities</b>	<b>\$0</b>
<b>Equity</b>	<b>\$477,777,917</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$1,027,891,441</b>

**Income Statement**  
**Coney Island Hospital**  
**December 31, 2017**

<b>Net Sales - Exh 26A</b>	<b>\$372,085,403</b>
<b>Operating Expense -Exh 26A</b>	<b>\$500,705,544</b>
<b>Gross Profit - Exh 26A</b>	<b>(\$128,620,141)</b>
<b>Other Income -Exh 26A</b>	<b>\$66,271,228</b>
<b>Net Income</b>	<b>(\$62,348,913)</b>

**NEW YORK CITY HEALTH AND HOSPITALS CORPORATION**  
(A Component Unit of The City of New York)

Management's Discussion and Analysis (Unaudited)

June 30, 2017 and 2016

Financial Analysis

Summary of Statements of Net Position

June 30, 2017, 2016, and 2015

(In thousands)

	2017 Business-type Activities – HHC	2016 Business-type Activities – HHC (As adjusted)	2015 Business-type Activities – HHC (As adjusted)
<b>Assets:</b>			
Current assets	\$ 2,233,423	2,506,602	2,485,085
Capital assets, net	3,395,964	3,401,861	3,432,430
Other assets	151,480	162,777	118,444
Total assets	<u>5,780,867</u>	<u>6,071,240</u>	<u>6,035,959</u>
<b>Deferred outflows of resources:</b>			
Net differences between projected and actual earnings on pension plan investments and other changes, net	13,794	480,191	—
Unamortized refunding cost	10,537	12,785	15,349
<b>Liabilities:</b>			
Current liabilities	2,444,027	2,637,985	2,945,003
Long-term debt, net of current installments	776,783	868,626	882,848
Other noncurrent liabilities	340,600	296,811	296,811
Pension, net of current portion	2,514,409	3,031,476	2,334,651
Postemployment benefits obligation, other than pension, net of current portion	4,622,435	5,037,778	4,735,487
Total liabilities	<u>10,698,254</u>	<u>11,872,676</u>	<u>11,194,800</u>
<b>Deferred inflows of resources:</b>			
Net differences between projected and actual earnings on pension plan investments	—	—	258,287
Net differences between expected and actual experience and changes in actuarial assumptions in postemployment benefits obligation, other than pension	684,300	35,951	—
<b>Net position:</b>			
Net investment in capital assets	2,553,374	2,514,112	2,521,077
Restricted	153,319	154,926	149,231
Unrestricted	<u>(8,284,049)</u>	<u>(8,013,449)</u>	<u>(8,072,087)</u>
Total net deficit position	<u>\$ (5,577,356)</u>	<u>(5,344,411)</u>	<u>(5,401,779)</u>

**NEW YORK CITY HEALTH AND HOSPITALS CORPORATION**  
(A Component Unit of The City of New York)

Management's Discussion and Analysis (Unaudited)

June 30, 2017 and 2016

Financial Analysis

Summary of Statements of Revenue, Expenses, and Changes in Net Position

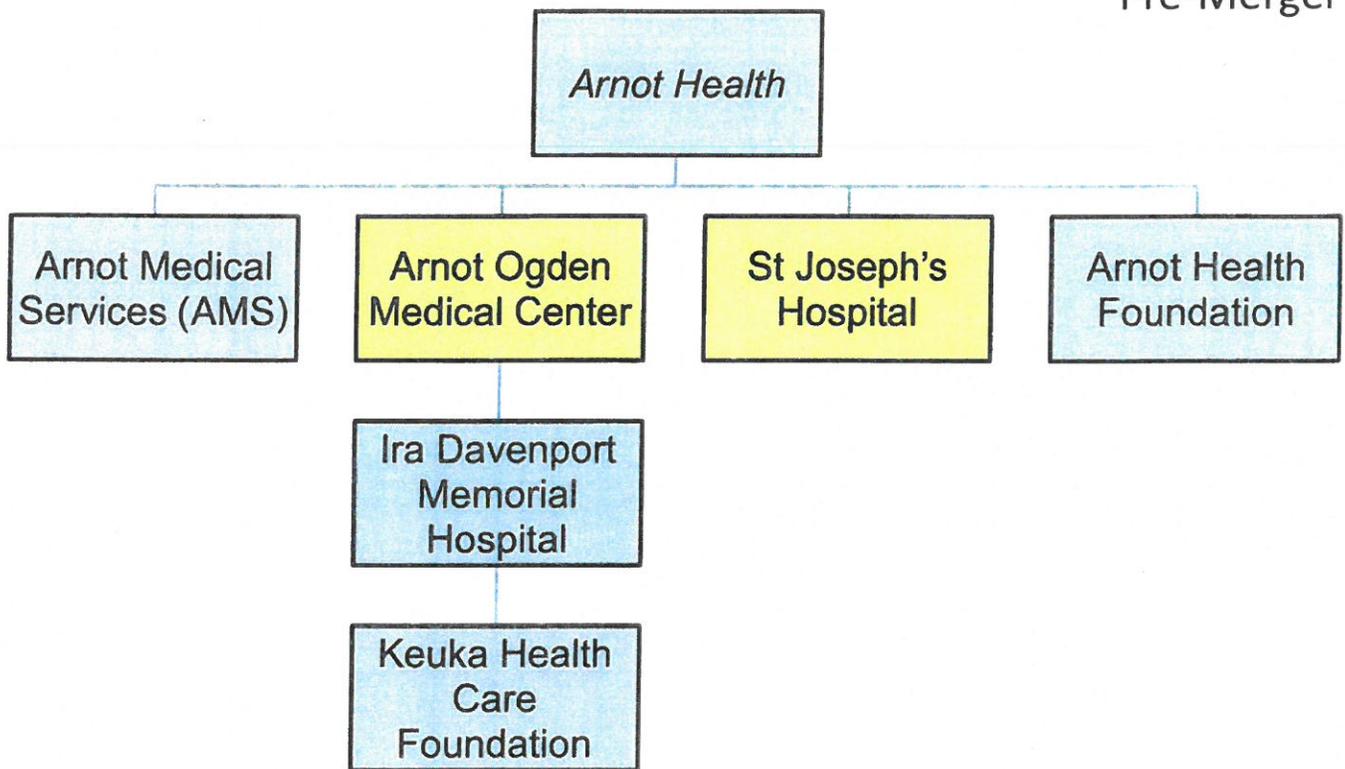
Years ended June 30, 2017, 2016, and 2015

(In thousands)

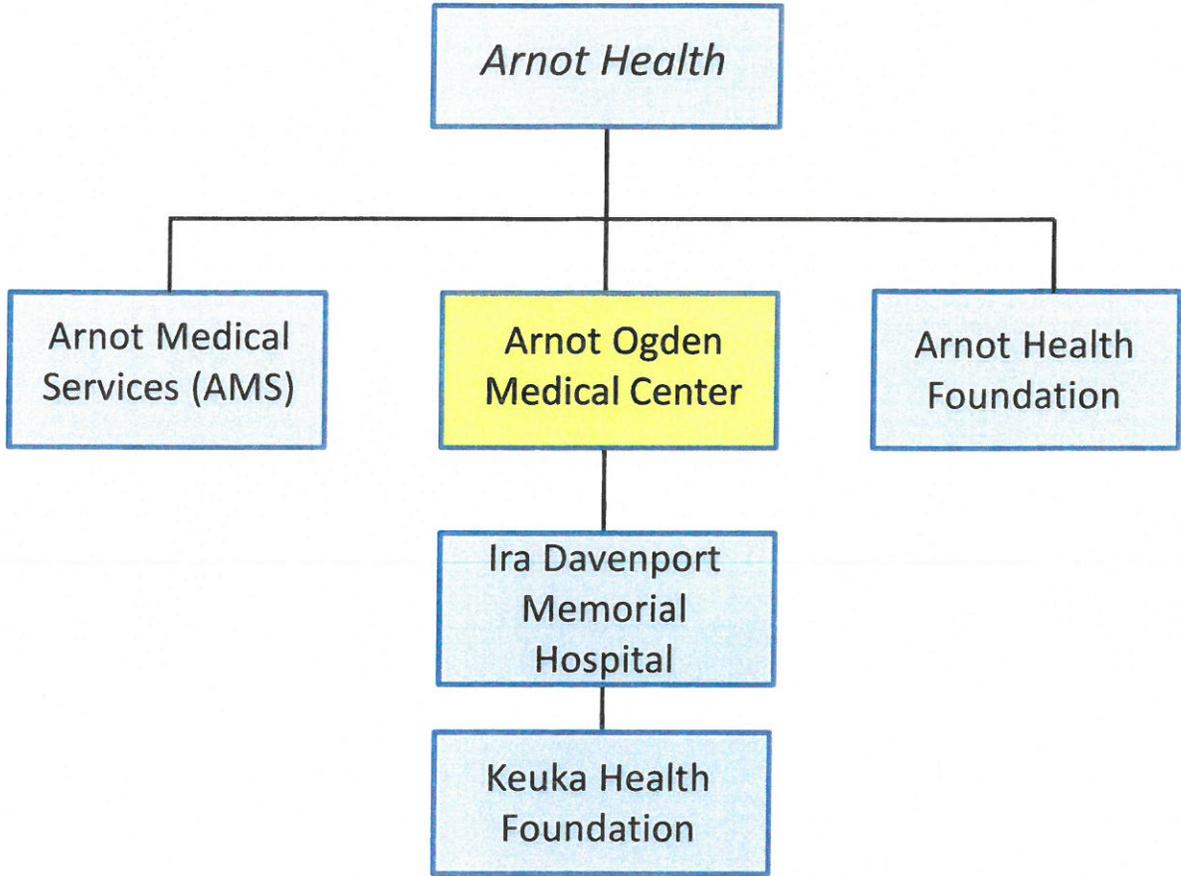
	<b>2017</b> <b>Business-type</b> <b>Activities – HHC</b>	<b>2016</b> <b>Business-type</b> <b>Activities – HHC</b> <b>(As adjusted)</b>	<b>2015</b> <b>Business-type</b> <b>Activities – HHC</b> <b>(As adjusted)</b>
<b>Operating revenue:</b>			
Net patient service revenue	\$ 5,611,114	5,812,049	5,729,197
Appropriations from City of New York, net	723,425	1,405,091	140,597
Grants revenue	863,808	362,339	526,673
Other revenue	95,287	103,080	61,264
<b>Total operating revenue</b>	<b>7,293,634</b>	<b>7,682,559</b>	<b>6,457,731</b>
<b>Operating expenses:</b>			
Personal services, fringes benefits, and employer payroll taxes	3,628,339	3,607,126	3,423,547
Other than personal services	1,842,665	1,753,336	1,561,411
Pension	426,325	502,374	285,111
Postemployment benefits, other than pension	289,166	447,783	175,288
Affiliation contracted services	1,069,545	1,050,535	994,294
Depreciation	310,325	302,530	291,729
<b>Total operating expenses</b>	<b>7,566,365</b>	<b>7,663,684</b>	<b>6,731,380</b>
<b>Operating (loss) income</b>	<b>(272,731)</b>	<b>18,875</b>	<b>(273,649)</b>
<b>Nonoperating expenses, net</b>	<b>(115,994)</b>	<b>(112,910)</b>	<b>(125,067)</b>
<b>Loss before other changes in net deficit</b>	<b>(388,725)</b>	<b>(94,035)</b>	<b>(398,716)</b>
<b>Other changes in net deficit:</b>			
Capital contributions	155,780	151,403	106,915
<b>(Decrease) increase in net deficit</b>	<b>(232,945)</b>	<b>57,368</b>	<b>(291,801)</b>
<b>Net deficit position at beginning of year</b>	<b>(5,344,411)</b>	<b>(5,401,779)</b>	<b>(5,109,978)</b>
<b>Net deficit position at end of year</b>	<b>\$ (5,577,356)</b>	<b>(5,344,411)</b>	<b>(5,401,779)</b>

Attachment 1B

Post Affiliation  
Pre-Merger



Post-Merger



ARNOT HEALTH, INC.

CONSOLIDATING BALANCE SHEETS

December 31, 2017

With Comparative Totals as of December 31, 2016

CON#181304  
BFA Attachment B

ASSETS	Arnot Ogden Medical Center and Affiliates	Ira Davenport Memorial Hospital, Inc.	St. Joseph's Hospital, Inc.	Eliminations	Totals	
					2017	2016
<b>Current assets:</b>						
Cash and cash equivalents	\$ 10,824,347	\$ 1,060,127	\$ 1,044,154	\$ -	\$ 12,928,628	\$ 8,028,801
Current portion of investments	5,000,000	-	-	-	5,000,000	6,351,357
Accounts receivable, net of allowance for doubtful accounts of approximately \$9,667,000 (\$12,366,000 - 2016)	27,961,777	2,710,281	5,849,944	-	36,522,002	41,354,182
Notes and other receivables	719,529	50,680	128,408	-	898,617	844,704
Inventories	1,636,681	131,800	344,092	-	2,112,573	2,113,951
Current portion of assets limited as to use	1,800,337	72,341	713,200	-	2,585,878	2,708,793
Current portion of estimated amounts due from third-party payors, net	-	-	-	-	-	778,210
Prepaid expenses and other current assets	1,466,082	213,007	71,682	-	1,750,771	2,066,054
Total current assets	49,408,753	4,238,236	8,151,480	-	61,798,469	64,246,052
Investments	48,849,465	-	483,937	(283,525)	49,049,877	49,719,043
Assets limited as to use	29,517,113	850,000	3,198,255	-	33,565,368	28,448,036
Property, plant and equipment, net	105,634,081	11,032,543	15,995,361	-	132,661,985	136,723,377
Other noncurrent assets	1,164,551	-	84,835	-	1,249,386	1,768,410
Interest in net assets of charitable remainder trusts	346,857	2,026,019	-	-	2,372,876	2,503,488
Due from related parties	5,386,546	-	250,748	(5,637,294)	-	-
<b>Total assets</b>	<b>\$ 240,307,366</b>	<b>\$ 18,146,798</b>	<b>\$ 28,164,616</b>	<b>\$ (5,920,819)</b>	<b>\$ 280,697,961</b>	<b>\$ 283,408,406</b>

## ARNOT HEALTH, INC.

## CONSOLIDATING BALANCE SHEETS

December 31, 2017

With Comparative Totals as of December 31, 2016

LIABILITIES AND NET ASSETS	Arnot Ogden Medical Center and Affiliates	Ira Davenport Memorial Hospital, Inc.	St. Joseph's Hospital Inc.	Eliminations	Totals	
					2017	2016
<b>Current liabilities:</b>						
Accounts payable and accrued liabilities	\$ 20,848,281	\$ 1,935,552	\$ 3,787,446	\$ -	\$ 26,571,279	\$ 27,039,886
Current portion of long-term debt	1,523,984	-	23,047	-	1,547,031	1,948,139
Current portion of capital lease obligations	526,855	-	-	-	526,855	412,295
Current portion of estimated amounts due to third-party payors, net	740,040	41,026	45,159	-	826,225	744,351
Total current liabilities	23,639,160	1,976,578	3,855,652	-	29,471,390	30,144,671
Long-term debt	28,617,422	-	-	-	28,617,422	30,148,225
Capital lease obligations	862,641	-	-	-	862,641	1,003,647
Estimated amounts due to third-party payors, net	2,699,140	572,271	1,807,625	-	5,079,036	4,439,250
Self-insurance reserves	8,654,627	859,350	4,781,618	-	14,295,595	14,651,939
Accrued pension liability	9,401,934	-	6,897,216	-	16,299,150	16,003,338
Other long-term liabilities	8,112,708	-	103,868	(283,525)	7,933,051	6,698,620
Due to related parties	345,328	4,910,764	381,202	(5,637,294)	-	-
<b>Total liabilities</b>	<b>82,332,960</b>	<b>8,318,963</b>	<b>17,827,181</b>	<b>(5,920,819)</b>	<b>102,558,285</b>	<b>103,089,690</b>
<b>Net assets:</b>						
Unrestricted	148,095,022	6,608,514	10,024,271	-	164,727,807	164,144,662
Temporarily restricted	6,898,394	3,193,709	280,264	-	10,372,367	13,138,587
Permanently restricted	2,980,990	25,612	32,900	-	3,039,502	3,035,467
<b>Total net assets</b>	<b>157,974,406</b>	<b>9,827,835</b>	<b>10,337,435</b>	<b>-</b>	<b>178,139,676</b>	<b>180,318,716</b>
<b>Total liabilities and net assets</b>	<b>\$ 240,307,366</b>	<b>\$ 18,146,798</b>	<b>\$ 28,164,616</b>	<b>\$ (5,920,819)</b>	<b>\$ 280,697,961</b>	<b>\$ 283,408,406</b>

ARNOT HEALTH, INC.

CONSOLIDATING STATEMENTS OF OPERATIONS

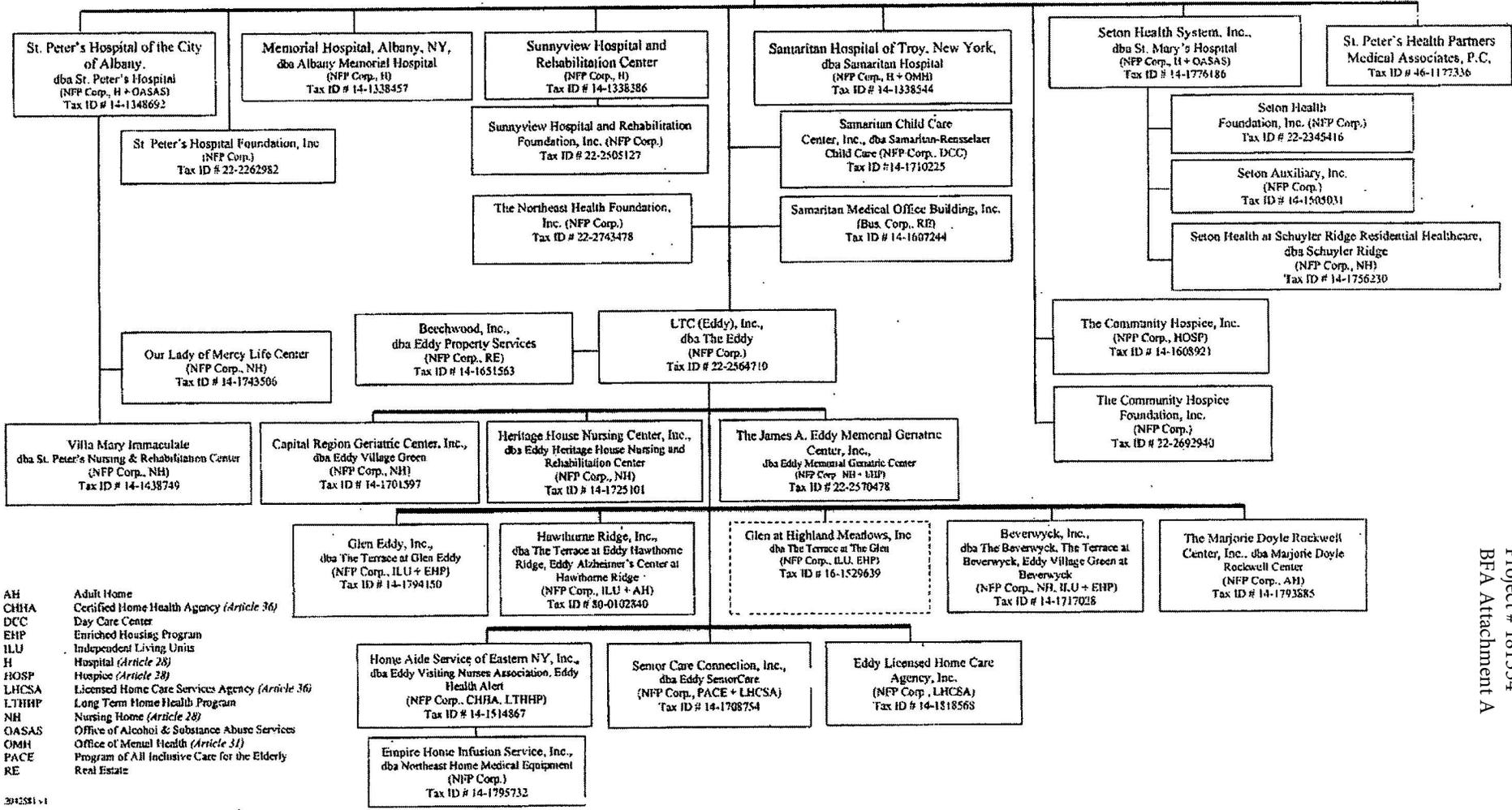
For the Year Ended December 31, 2017

With Comparative Totals For the Year Ended December 31, 2016

	Arnot Ogden Medical Center and Affiliates	Ira Davenport Memorial Hospital, Inc.	St. Joseph's Hospital, Inc.	Eliminations	Totals	
					2017	2016
<b>Unrestricted operating revenues, gains and other support:</b>						
Net patient service revenue	\$ 296,735,914	\$ 24,948,110	\$ 49,765,747	\$ -	\$ 371,449,771	\$ 362,628,171
Provision for bad debts	(14,512,327)	(1,340,817)	(3,200,825)	-	(19,053,969)	(18,775,932)
Net patient service revenue less provision for bad debts	282,223,587	23,607,293	46,564,922	-	352,395,802	343,852,239
Other operating revenue	9,419,652	643,434	2,331,691	-	12,394,777	13,993,454
Net assets released from restrictions	465,691	93,047	-	-	558,738	1,136,969
<b>Total unrestricted operating revenues, gains and other support</b>	<b>292,108,930</b>	<b>24,343,774</b>	<b>48,896,613</b>	<b>-</b>	<b>365,349,317</b>	<b>358,982,662</b>
<b>Operating expenses:</b>						
Salary and wages	159,828,058	10,239,410	17,153,361	-	187,220,829	185,273,185
Fringe benefits	49,584,564	2,979,744	3,864,455	-	56,428,763	53,406,590
Drugs and supplies	48,121,692	2,392,727	6,689,245	-	57,203,664	52,557,458
Purchased services and professional fees	18,680,758	7,099,105	21,325,301	-	47,105,164	48,016,165
Depreciation and amortization	12,264,559	1,219,306	2,586,301	-	16,070,166	15,735,898
Interest expense	1,061,885	-	7,997	-	1,069,882	1,136,629
Other expenses	11,444,852	1,357,930	1,259,264	-	14,062,046	14,453,734
<b>Total operating expenses</b>	<b>300,986,368</b>	<b>25,288,222</b>	<b>52,885,924</b>	<b>-</b>	<b>379,160,514</b>	<b>370,579,659</b>
<b>Loss from operations</b>	<b>(8,877,438)</b>	<b>(944,448)</b>	<b>(3,989,311)</b>	<b>-</b>	<b>(13,811,197)</b>	<b>(11,596,997)</b>
<b>Other income:</b>						
Investment income	3,988,917	3,508	49,028	-	4,041,453	5,071,182
Net gain on sale of business and related property	63,115	-	-	-	63,115	26,736
Grant and other revenue, net	71,020	3,400	-	-	74,420	359,197
<b>Deficiency of unrestricted revenues, gains and other support over expenses</b>	<b>\$ (4,754,386)</b>	<b>\$ (937,540)</b>	<b>\$ (3,940,283)</b>	<b>\$ -</b>	<b>\$ (9,632,209)</b>	<b>\$ (6,139,882)</b>

**SPHP ORGANIZATIONAL CHART**  
**Corporate Membership Chart March 20, 2018**  
*Excludes joint ventures in which SPHP or an SPHP affiliate has a minority interest*

**Trinity Health Corporation (NFP Corp.)**  
**St. Peter's Health Partners (NFP Corp.)**



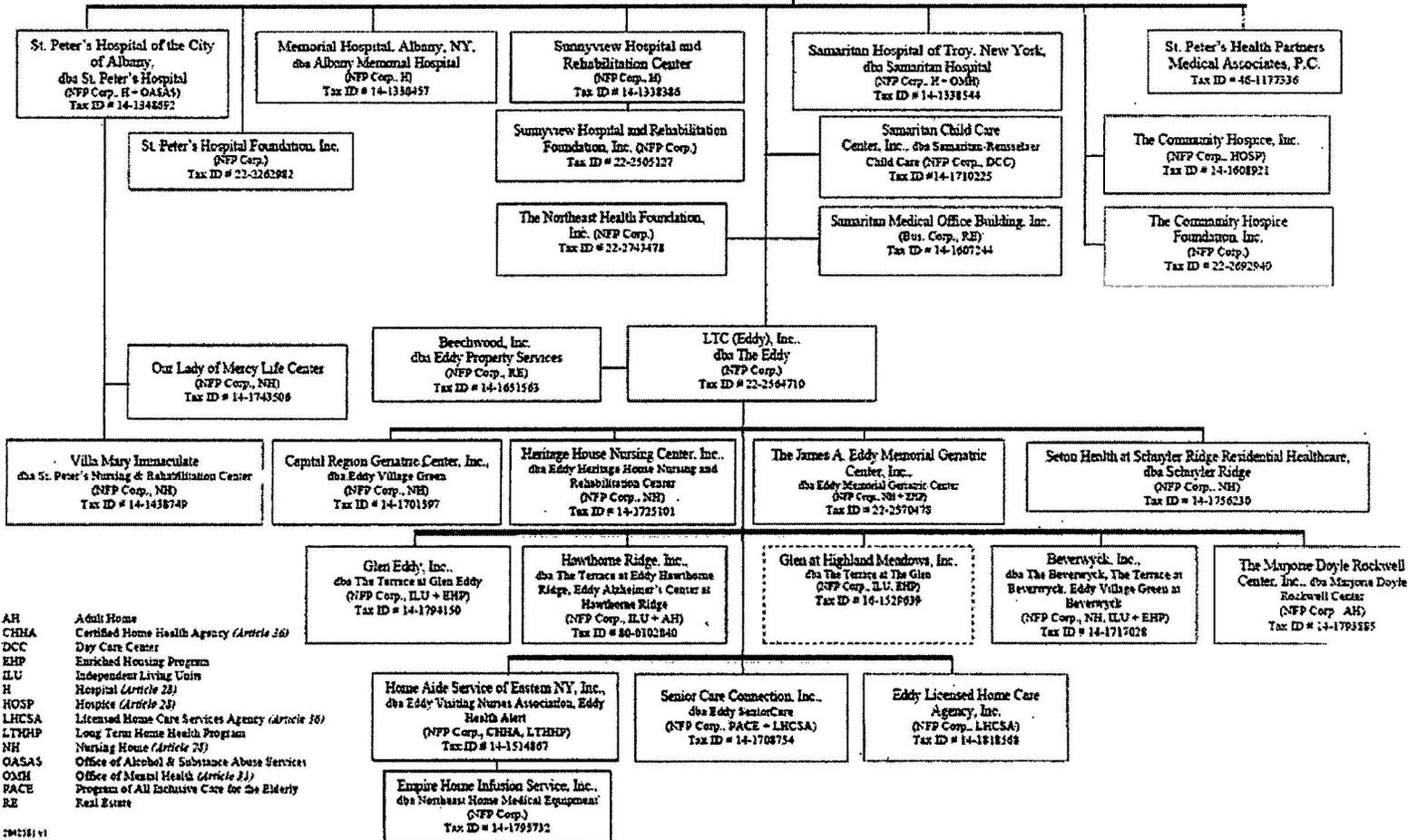
- AH Adult Home
- CHHA Certified Home Health Agency (Article 36)
- DCC Day Care Center
- EHP Enriched Housing Program
- ILU Independent Living Units
- H Hospital (Article 28)
- HOSP Hospice (Article 28)
- LHCSA Licensed Home Care Services Agency (Article 36)
- LTHHP Long Term Home Health Program
- NH Nursing Home (Article 28)
- OASAS Office of Alcohol & Substance Abuse Services
- OMH Office of Mental Health (Article 31)
- PACE Program of All Inclusive Care for the Elderly
- RE Real Estate

**SPHP ORGANIZATIONAL CHART**  
**Corporate Membership Chart March 20, 2018**  
*Excludes joint ventures in which SPHP or an SPHP affiliate has a minority interest*

**Trinity Health Corporation (NFP Corp.)**

**St. Peter's Health Partners (NFP Corp.)**

**After the 1-1-2019 Merger of  
 St. Mary's Hospital into Samaritan Hospital**



- AH Adult Home
- CHHA Certified Home Health Agency (Article 28)
- DCC Day Care Center
- EHP Enriched Housing Program
- ILU Independent Living Unit
- H Hospital (Article 28)
- HOSP Hospice (Article 28)
- LHCSA Licensed Home Care Services Agency (Article 16)
- LTHHD Long Term Home Health Program
- NH Nursing Home (Article 28)
- OASAS Office of Alcohol & Substance Abuse Services
- OASH Office of Mental Health (Article 31)
- PACE Program of All Inclusive Care for the Elderly
- RE Real Estate

10/2/2018 11

**ST. PETER'S HEALTH PARTNERS ALBANY, NY**  
**(A Member of Trinity Health)**

**CONSOLIDATED BALANCE SHEETS**  
**JUNE 30, 2017 AND 2016**  
**(In thousands)**

	<b>2017</b>	<b>2016</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 124,927	\$ 121,855
Investments	2,011	2,373
Investment in Trinity Health pooled investment program	192,048	177,866
Assets limited or restricted as to use—current portion	11,144	20,815
Patient accounts receivable—net of allowance for doubtful accounts of \$43.6 million and \$37.1 million as of June 30, 2017 and 2016, respectively	135,371	140,322
Estimated receivables from third-party payors	8,386	9,726
Other receivables	5,009	8,546
Receivables from affiliates	3,974	3,893
Inventories	13,008	13,456
Prepaid expenses and other current assets	<u>5,326</u>	<u>5,847</u>
Total current assets	<u>501,204</u>	<u>504,699</u>
<b>ASSETS LIMITED OR RESTRICTED AS TO USE—Noncurrent portion:</b>		
Held by trustees under bond indenture agreements	801	971
Self-insurance, benefit plans, and other	20,013	17,202
By Board	142,760	145,379
By donors	<u>78,628</u>	<u>71,719</u>
Total assets limited or restricted as to use—noncurrent portion	242,202	235,271
<b>PROPERTY AND EQUIPMENT—Net</b>	613,801	600,062
<b>INVESTMENTS IN UNCONSOLIDATED AFFILIATES</b>	5,621	5,086
<b>GOODWILL</b>	-	3,171
<b>OTHER ASSETS</b>	<u>47,042</u>	<u>33,245</u>
<b>TOTAL ASSETS</b>	<u>\$1,409,870</u>	<u>\$1,381,534</u>

**ST. PETER'S HEALTH PARTNERS ALBANY, NY**  
**(A Member of Trinity Health)**

**CONSOLIDATED BALANCE SHEETS**  
**JUNE 30, 2017 AND 2016**  
**(In thousands)**

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	2017	2016
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Current portion of long-term debt	\$ 744	\$ 892
Current portion of notes payable to Trinity Health	5,235	5,659
Accounts payable and accrued expenses	89,995	94,170
Salary, wages, and related liabilities	73,149	68,685
Estimated payables to third-party payors	<u>20,604</u>	<u>16,157</u>
Total current liabilities	189,727	185,563
LONG-TERM DEBT—Net of current portion	3,349	10,688
NOTES PAYABLE TO TRINITY HEALTH—Net of current portion	276,733	280,437
ACCRUED PENSION AND RETIREE HEALTH COSTS	-	18,073
DEFERRED REVENUE FROM ENTRANCE FEES	55,050	57,139
OTHER LONG-TERM LIABILITIES	<u>28,369</u>	<u>29,115</u>
Total liabilities	<u>553,228</u>	<u>581,015</u>
<b>NET ASSETS:</b>		
Unrestricted net assets	765,553	714,336
Temporarily restricted net assets	62,914	58,813
Permanently restricted net assets	<u>28,175</u>	<u>27,370</u>
Total net assets	<u>856,642</u>	<u>800,519</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 1,409,870</u>	<u>\$ 1,381,534</u>

**ST. PETER'S HEALTH PARTNERS ALBANY, NY**  
**(A Member of Trinity Health)**

**CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS**  
**YEARS ENDED JUNE 30, 2017 AND 2016**  
**(In thousands)**

	2017	2016
<b>UNRESTRICTED REVENUE:</b>		
Patient service revenue—net of contractual and other allowances	\$ 1,291,309	\$ 1,243,402
Provision for bad debts	<u>57,093</u>	<u>42,204</u>
Net patient service revenue less provision for bad debts	1,234,216	1,201,198
Capitation revenue	18,465	16,569
Net assets released from restrictions	6,970	2,195
Other revenue	<u>68,259</u>	<u>75,072</u>
Total unrestricted revenue	<u>1,327,910</u>	<u>1,295,034</u>
<b>EXPENSES:</b>		
Salaries and wages	616,995	609,878
Employee benefits	104,783	103,465
Contract labor	<u>29,800</u>	<u>25,164</u>
Total labor expenses	751,578	738,507
Supplies	232,034	217,141
Purchased services	146,939	126,422
Depreciation and amortization	67,624	71,352
Occupancy	55,019	57,041
Interest	9,714	9,693
Other	<u>58,700</u>	<u>56,379</u>
Total expenses	<u>1,321,608</u>	<u>1,276,535</u>
OPERATING INCOME BEFORE OTHER ITEMS	6,302	18,499
Asset impairment charge	(3,790)	(39,624)
Restructuring costs	<u>(451)</u>	<u>-</u>
OPERATING INCOME (LOSS)	<u>2,061</u>	<u>(21,125)</u>
<b>NONOPERATING ITEMS:</b>		
Earnings (loss) in Trinity Health pooled investment program	35,356	(5,903)
Investment earnings (loss)	955	(3,903)
Change in market value and cash payments of interest rate swaps	(368)	(1,076)
Other, including income taxes	<u>(143)</u>	<u>(123)</u>
Total nonoperating items	<u>35,800</u>	<u>(11,005)</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENSES	<u>\$ 37,861</u>	<u>\$ (32,130)</u>

**ST. PETER'S HEALTH PARTNERS ALBANY, NEW YORK**  
(A Member of Trinity Health)

**CONSOLIDATED BALANCE SHEET**  
**AS OF JUNE 30, 2017**  
(in thousands)

	HOSPITALS						PHYSICIANS
	Total Hospitals	St Peter's Hospital	Albany Memorial Hospital - AMHC	Samaritan Hospital (SAMH)	Seton Health System, Inc	Sunnyview Hosp & Rehab Ctr	St Peter's Hlth Prtn Med Assoc
<b>ASSETS</b>							
<b>Current assets:</b>							
Cash and cash equivalents	\$ 42,112	\$ 25,962	\$ 8,372	\$ 2,750	\$ 2,275	\$ 2,753	\$ 2,549
Investments in Trinity Health pooled investment program	118,649	70,037	2,649	27,904	-	18,059	-
Assets limited as to use, current portion	284	284	-	-	-	-	-
Patient AR, net	106,270	63,176	8,966	19,767	5,926	8,435	11,092
Estimated receivables from 3rd party payors	668	-	-	358	310	-	-
Other receivables	8,106	4,169	329	2,342	1,034	232	2,189
Receivables from affiliates	15,967	19,062	(9,067)	5,517	773	(318)	(8,361)
Inventories	12,608	6,482	2,119	2,628	1,338	41	25
Prepaid expense and other current assets	2,743	1,509	242	606	268	118	535
<b>Total current assets</b>	<b>307,407</b>	<b>190,681</b>	<b>13,610</b>	<b>61,872</b>	<b>11,924</b>	<b>29,320</b>	<b>8,029</b>
<b>Assets limited or restricted as to use:</b>							
Self insurance, benefit plan and other	10,853	5,267	514	794	4,278	-	4,906
By Board	77,720	20,618	14,051	3,619	35,468	3,964	-
By donors	15,742	9,478	1,080	1,502	638	3,044	1
<b>Total assets limited or restricted as to use-noncurrent portion</b>	<b>104,315</b>	<b>35,363</b>	<b>15,645</b>	<b>5,915</b>	<b>40,384</b>	<b>7,008</b>	<b>4,907</b>
<b>Other assets:</b>							
Property and equipment, net	449,051	297,362	15,660	98,337	24,987	12,705	7,983
Investments in unconsolidated affiliates	1,363	1,363	-	-	-	-	-
Other Assets	135,152	98,238	1,386	24,994	4,799	5,735	100
<b>Total assets</b>	<b>\$ 997,288</b>	<b>\$ 623,007</b>	<b>\$ 46,301</b>	<b>\$ 191,118</b>	<b>\$ 82,094</b>	<b>\$ 54,768</b>	<b>\$ 21,019</b>

**ST. PETER'S HEALTH PARTNERS ALBANY, NEW YORK**  
**(A Member of Trinity Health)**

**CONSOLIDATED BALANCE SHEET**  
**AS OF JUNE 30, 2017**  
**(in thousands)**

<b>HOSPITALS</b>	<b>PHYSICIANS</b>
------------------	-------------------

	Total Hospitals	St Peter's Hospital	Albany Memorial Hospital -AMHC	Samaritan Hospital (SAMH)	Seton Health System, Inc	Sunnyview Hosp & Rehab Ctr	St Peter's Hlth Prtn Med Assoc
<b>LIABILITIES AND NET ASSETS</b>							
<b>Current liabilities:</b>							
Current portion of long-term debt	\$ 2,356	\$ 573	\$ 53	\$ 479	\$ 871	\$ 380	\$ -
Current portion of notes payable to Trinity Health	5,095	5,095	-	-	-	-	-
Accounts payable and accrued expenses	89,534	33,928	4,988	27,931	19,924	2,763	13,206
Salaries, wages and related liabilities	43,437	22,012	4,137	8,780	5,313	3,195	10,371
Estimated payables to third-party payors	13,079	5,114	613	5,991	1,142	219	-
<b>Total current liabilities</b>	<b>153,501</b>	<b>66,722</b>	<b>9,791</b>	<b>43,181</b>	<b>27,250</b>	<b>6,557</b>	<b>23,577</b>
Long-term debt, net of current portion	61,507	3,267	41	20,189	29,569	8,441	-
Notes payable to Trinity Health, net of current portion	269,343	269,343	-	-	-	-	-
Other long term liabilities	18,521	8,402	2,746	2,898	4,279	196	4,906
<b>Total liabilities</b>	<b>502,872</b>	<b>347,734</b>	<b>12,578</b>	<b>66,268</b>	<b>61,098</b>	<b>15,194</b>	<b>28,483</b>
<b>Net assets:</b>							
Unrestricted net assets	449,594	262,273	31,905	102,405	17,757	35,254	(7,473)
Temporarily restricted net assets	30,321	4,905	445	20,402	2,736	1,833	9
Permanently restricted net assets	14,501	8,095	1,373	2,043	503	2,487	-
<b>Total net assets</b>	<b>494,416</b>	<b>275,273</b>	<b>33,723</b>	<b>124,850</b>	<b>20,996</b>	<b>39,574</b>	<b>(7,464)</b>
<b>Total liabilities &amp; net assets</b>	<b>\$ 997,288</b>	<b>\$ 623,007</b>	<b>\$ 46,301</b>	<b>\$ 191,118</b>	<b>\$ 82,094</b>	<b>\$ 54,768</b>	<b>\$ 21,019</b>

**ST. PETER'S HEALTH PARTNERS ALBANY, NEW YORK**  
**(A Member of Trinity Health)**

**CONSOLIDATED STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS**

**YEAR ENDED JUNE 30, 2017**

**(in thousands)**

	<b>HOSPITALS</b>						<b>PHYSICIANS</b>
	<b>Total Hospitals</b>	<b>St Peter's Hospital</b>	<b>Albany Memorial Hospital -AMHC</b>	<b>Samaritan Hospital (SAMH)</b>	<b>Seton Health System, Inc</b>	<b>Sunnyview Hosp &amp; Rehab Ctr</b>	<b>St Peter's Hlth Prtn</b>
<b>REVENUE</b>							
Patient service revenue-net of contractual and other allowances	\$ 1,038,511	\$ 612,111	\$ 100,368	\$ 177,049	\$ 94,866	\$ 54,117	\$ 92,513
Provision for pat bad debts	51,658	21,624	9,009	14,351	6,324	350	3,885
Total net patient service revenue less provision for bad debt	986,853	590,487	91,359	162,698	88,542	53,767	88,628
Capitation revenue	222	(269)	(8)	(116)	615	-	258
Net assets released from restrictions	1,908	496	54	973	328	57	-
Other revenue	29,777	18,790	2,076	4,236	2,349	2,326	10,246
<b>Total unrestricted revenue</b>	<b>1,018,760</b>	<b>609,504</b>	<b>93,481</b>	<b>167,791</b>	<b>91,834</b>	<b>56,150</b>	<b>99,132</b>
<b>EXPENSES</b>							
Salaries and wages	383,969	195,277	35,780	76,467	46,441	30,004	99,038
Employee benefits	72,553	35,268	7,495	14,924	9,439	5,427	13,068
Contract labor, total	24,246	19,006	2,495	2,027	558	160	-
Total labor expenses	480,768	249,551	45,770	93,418	56,438	35,591	112,106
Supplies	207,314	143,748	18,356	24,763	15,091	5,356	6,180
Purchased services	152,015	83,125	14,997	25,462	20,722	7,709	11,999
Depreciation and amortization	47,028	32,368	2,189	6,412	4,478	1,581	1,869
Occupancy	38,944	22,586	3,853	5,869	5,416	1,220	7,571
Interest	11,669	10,086	186	4	1,074	319	-
Other	42,483	28,174	2,606	5,472	3,717	2,514	4,235
<b>Total expenses</b>	<b>980,221</b>	<b>569,638</b>	<b>87,957</b>	<b>161,400</b>	<b>106,936</b>	<b>54,290</b>	<b>143,960</b>
<b>Operating income (loss) before other</b>	<b>38,539</b>	<b>39,866</b>	<b>5,524</b>	<b>6,391</b>	<b>(15,102)</b>	<b>1,860</b>	<b>(44,828)</b>
Asset impairment charge	(1,651)	-	(140)	(1,459)	(52)	-	(3,171)
Restructuring costs	(246)	-	-	-	(246)	-	-
<b>Operating income (loss)</b>	<b>36,642</b>	<b>39,866</b>	<b>5,384</b>	<b>4,932</b>	<b>(15,400)</b>	<b>1,860</b>	<b>(47,999)</b>
<b>NON-OPERATING ITEMS</b>							
Earnings in Trinity Health pooled investment	21,172	8,009	1,989	4,668	4,500	2,006	-
Investment earnings (loss)	639	376	17	23	(2)	225	-
Change in market value and cash payments of interest rate swaps	(222)	3	(1)	(77)	(113)	(34)	-
Other, including income taxes	(141)	(123)	-	-	(18)	-	-
Total nonoperating items	21,448	8,265	2,005	4,614	4,367	2,197	-
<b>Excess (Deficiency) of revenue over (under) expenses</b>	<b>\$ 58,090</b>	<b>\$ 48,131</b>	<b>\$ 7,389</b>	<b>\$ 9,546</b>	<b>\$ (11,033)</b>	<b>\$ 4,057</b>	<b>\$ (47,999)</b>

**ST. PETER'S HEALTH PARTNERS ALBANY, NEW YORK**  
(A Member of Trinity Health)

**CONSOLIDATED STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS**  
**YEAR ENDED JUNE 30, 2017**  
(in thousands)

	HOSPITALS						PHYSICIANS
	Total Hospitals	St Peter's Hospital	Albany Memorial Hospital -AMHC	Samaritan Hospital (SAMH)	Seton Health System, Inc	Sunnyview Hosp & Rehab Ctr	St Peter's Hlth Prtn Med Assoc
<b>UNRESTRICTED NET ASSETS:</b>							
Excess (deficiency) of revenue over expenses	\$ 58,090	\$ 48,131	\$ 7,389	\$ 9,546	\$ (11,033)	\$ 4,057	\$ (47,999)
Net assets released from restrictions for capital acquisitions	2,132	97	123	-	1,912	-	-
Transfers (to)/from affiliates	(54,786)	(42,466)	(2,927)	(8,953)	(5,455)	5,015	30,570
Contributions of long-lived assets	2,049	2,049	-	-	-	-	-
Change in deferred retirement cost	(12,632)	-	(744)	(6,283)	-	(5,605)	-
Other	485	486	(1)	1	1	(2)	(1)
(Decrease)/increase in unrestricted net assets	(4,662)	8,297	3,840	(5,689)	(14,575)	3,465	(17,430)
<b>TEMPORARILY RESTRICTED NET ASSETS:</b>							
Contributions	3,804	820	86	1,870	733	295	-
Net investment earnings	308	127	125	56	-	-	-
Net assets released from restrictions	(4,040)	(594)	(176)	(973)	(2,240)	(57)	-
Other	(1,063)	171	-	(1,258)	(2)	26	-
(Decrease)/increase in temporarily restricted net assets	(991)	524	35	(305)	(1,509)	264	-
<b>PERMANENTLY RESTRICTED NET ASSETS:</b>							
Net investment income	723	715	5	3	-	-	-
Increase in permanently restricted net assets	723	715	5	3	-	-	-
<b>(DECREASE)/ INCREASE IN NET ASSETS</b>	<b>(4,930)</b>	<b>9,536</b>	<b>3,880</b>	<b>(5,991)</b>	<b>(16,084)</b>	<b>3,729</b>	<b>(17,430)</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>499,346</b>	<b>265,737</b>	<b>29,843</b>	<b>130,841</b>	<b>37,080</b>	<b>35,845</b>	<b>9,966</b>
<b>NET ASSETS, END OF PERIOD</b>	<b>\$ 494,416</b>	<b>\$ 275,273</b>	<b>\$ 33,723</b>	<b>\$ 124,850</b>	<b>\$ 20,996</b>	<b>\$ 39,574</b>	<b>\$ (7,464)</b>

**ALBANY MEDICAL CENTER  
AND RELATED ENTITIES**

Combined Balance Sheets

December 31, 2017 and 2016

(Dollars in thousands)

<b>Assets</b>	<b>2017</b>	<b>2016</b>
Current assets:		
Cash and cash equivalents	\$ 229,117	137,019
Investments	165,988	90,400
Receivables, net:		
Patient service	170,893	135,478
Contributions	4,897	3,646
Other	26,383	19,509
	<u>202,173</u>	<u>158,633</u>
Inventories	27,754	22,455
Prepaid expenses and other current assets	27,441	17,657
Total current assets	<u>652,473</u>	<u>426,164</u>
Assets whose use is limited:		
Under debt financed agreements	28,103	22,606
Self-insurance funds	107,417	92,071
Other investments	11,208	5,634
	<u>146,728</u>	<u>120,311</u>
Property and equipment, net of accumulated depreciation and amortization	875,856	718,713
Investments, long term	220,336	149,023
Other assets:		
Student loan receivables	5,063	6,021
Deferred compensation agreements	35,170	24,608
Contributions receivable, noncurrent	8,782	5,695
Assets held in charitable trusts	4,037	3,450
Accrued pension asset, AMC	30,230	12,179
Other assets	31,221	31,790
	<u>114,503</u>	<u>83,743</u>
Total assets	<u>\$ 2,009,896</u>	<u>1,497,954</u>



**ALBANY MEDICAL CENTER  
AND RELATED ENTITIES**

Combined Statements of Operations and Changes in Net Assets

Years ended December 31, 2017 and 2016

(Dollars in thousands)

	<u>2017</u>	<u>2016</u>
Operating revenue:		
Patient service revenue, net	\$ 1,683,622	1,292,380
Net provision for uncollectible accounts	<u>(30,977)</u>	<u>(23,810)</u>
Patient service revenue, less provision for uncollectible accounts	1,652,645	1,268,570
Tuition and fees	40,983	40,073
Federal, state, and local grants and contracts	30,325	25,262
Private gifts, grants, and contracts	8,206	4,863
Interest and dividend income	8,328	7,125
Other revenue	44,498	36,458
Net assets released from restrictions used for operations	<u>19,206</u>	<u>18,653</u>
Total operating revenue	<u>1,804,191</u>	<u>1,401,004</u>
Operating expenses:		
Salaries	869,578	681,925
Employee benefits	151,279	116,854
Supplies	375,136	279,194
Purchased services	202,625	167,089
Depreciation and amortization	103,168	82,239
Interest	27,825	24,373
Other expenses	<u>41,474</u>	<u>33,899</u>
Total operating expenses	<u>1,771,085</u>	<u>1,385,573</u>
Operating margin	<u>33,106</u>	<u>15,431</u>
Nonoperating gains:		
Net realized gains on sales of investments	8,217	902
Other, net	<u>3,725</u>	<u>4,020</u>
Total nonoperating gains, net	<u>11,942</u>	<u>4,922</u>
Excess of revenue over expenses, before effect of affiliation and other changes, net	<u>\$ 45,048</u>	<u>20,353</u>

**NORTHERN NEW YORK ASC, LLC**  
**d/b/a Northern New York Center For Surgery**

***OPENING DAY PROFORMA BALANCE SHEET***

**ASSETS**

**CURRENT ASSETS**

Cash Balances	\$ 136,460
Accounts Receivable – Net	\$ <u>-0-</u>
<b>Total Current Assets</b>	<b>\$ 136,460</b>

**PROPERTY**

Facility Improvements	\$1,128,000
Equipment (net of depreciation)	\$ <u>265,284</u>
<b>Total Property</b>	<b>\$1,393,284</b>

**INTANGIBLE ASSETS**

Project Start-Up Costs and Application Fees	\$ 218,229
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<b>TOTAL ASSETS</b>	<b>\$1,747,973</b>
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**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>	<b>\$ -0-</b>
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**LONG-TERM LIABILITES**

Tenant Improvement Loan	\$1,185,000
Equipment Loan	\$ 265,280
Working Capital Loan	\$ 68,000

<b>Total Long-Term Liabilities</b>	<b>\$1,518,280</b>
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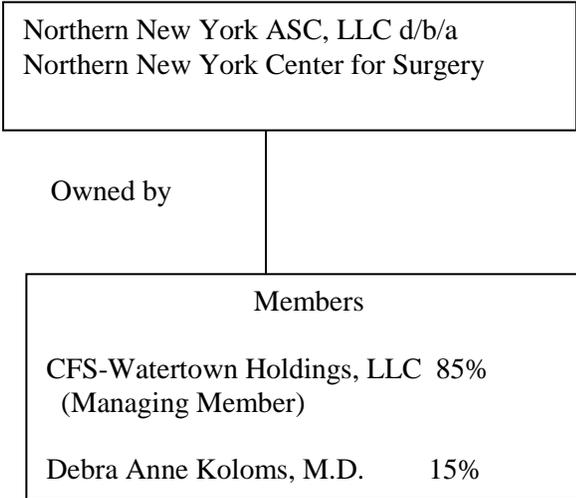
<b>TOTAL LIABILITIES</b>	<b>\$1,518,280</b>
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<b>LLC CAPITAL</b>	<b>\$ 229,693</b>
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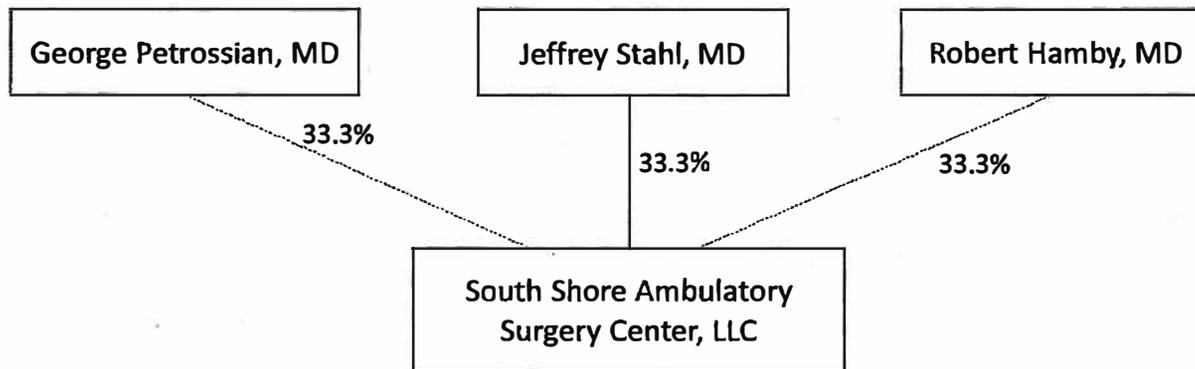
<b>TOTAL LIABILITIES AND LLC CAPITAL</b>	<b>\$1,747,973</b>
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**CERTIFICATE OF NEED APPLICATION  
OF  
NORTHERN NEW YORK ASC, LLC**

*Organizational Chart*

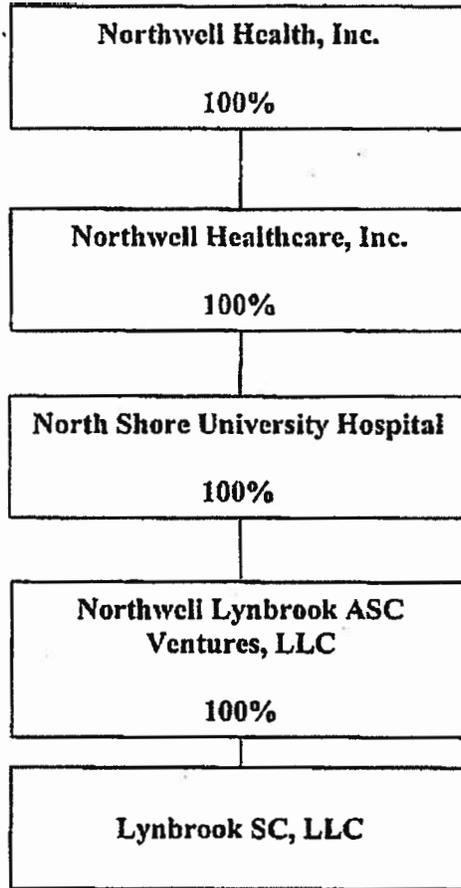


South Shore Ambulatory Surgery Center, LLC: Ownership Org Chart



**EXHIBIT A**

**Ownership Structure of the Company and Each Member**



South Shore Ambulatory Surgery Center, LLC  
Financial Summary

FISCAL PERIOD ENDED	<u>2017</u>	<u>2016</u>	<u>2015</u>
ASSETS - CURRENT	\$1,560,963	\$1,573,921	\$2,397,948
ASSETS - FIXED AND OTHER	637,376	864,253	1,457,695
LIABILITIES - CURRENT	2,457,099	3,022,556	2,543,661
LIABILITIES - LONG-TERM	<u>1,371,948</u>	<u>1,435,108</u>	<u>2,215,521</u>
EQUITY	(\$1,630,708)	(\$2,019,490)	(\$903,539)
<hr/>			
INCOME	\$12,839,292	\$12,050,707	\$8,232,040
EXPENSE	<u>11,450,510</u>	<u>11,466,658</u>	<u>8,366,218</u>
NET INCOME	\$1,388,782	\$584,049	(\$134,178)
<hr/>			
Average Working Capital	(\$830,161)		
Average Net Assets	(\$1,517,912)		
Average Net Income (Loss)	\$612,884		

**South Shore Ambulatory Surgery Center, LLC and  
South Shore Operating Company, LLC  
Combined Balance Sheet  
December 31, 2017**

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**Assets**

**Current Assets**

Cash	\$ (16,273)
Accounts receivable, net of allowance	1,287,949
Prepaid expenses	159,247
Prepaid medical supplies	<u>130,040</u>

**Total Current Assets** 1,560,963

**Property and Equipment, Net** 637,376

**Total Assets** \$ 2,198,339

**Liabilities and Members' Deficit**

**Current Liabilities**

Accounts payable and accrued expenses	\$ 1,459,477
Capital leases	6,690
Loan payable, current portion	<u>990,932</u>

**Total Current Liabilities** 2,457,099

**Long-Term Liabilities**

Capital leases, net of current portion	-
Deferred rent payable	197,842
Loan payable - ASCI	<u>1,174,106</u>

**Total Long-Term Liabilities** 1,371,948

**Total Liabilities** 3,829,047

**Commitments and Contingencies**

**Members' Deficit** (1,630,708)

**Total Liabilities and Members' Deficit** \$ 2,198,339

**South Shore Ambulatory Surgery Center, LLC and  
South Shore Operating Company, LLC  
Combined Statement of Income  
For the Year Ended December 31, 2017**

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<b>Revenues</b>	
Patient service revenue, net	\$ 12,839,292
<b>Operating Expenses</b>	<u>11,056,882</u>
<b>Income before Other Income/(Expense)</b>	<u>1,782,410</u>
<b>Other Income/(Expense)</b>	
Depreciation and amortization	(451,719)
Interest expense	(126,971)
Other income	167,809
Interest income	<u>17,253</u>
<b>Total Other Income/(Expense)</b>	<u>(393,628)</u>
<b>Net Income</b>	<u><u>\$ 1,388,782</u></u>

**South Shore Ambulatory Surgery Center, LLC and  
South Shore Operating Company, LLC  
Combined Statement of Changes in Members' Deficit  
For the Year Ended December 31, 2017**

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<b>Members' Deficit - Beginning of Year</b>	<b>\$ (2,019,490)</b>
<b>Net Income</b>	<b>1,388,782</b>
<b>Less: Distributions to Members</b>	<b><u>(1,000,000)</u></b>
<b>Members' Deficit - End of Year</b>	<b><u><u>\$ (1,630,708)</u></u></b>

**South Shore Ambulatory Surgery Center, LLC and  
South Shore Operating Company, LLC  
Combined Balance Sheet  
April 30, 2018**

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**Assets**

**Current Assets**

Cash	\$ (384,427)
Accounts receivable, net of allowance of \$458,050	1,272,949
Prepaid expenses	158,247
Prepaid medical supplies	<u>130,040</u>

**Total Current Assets** 1,176,809

**Property and Equipment, Net** 558,205

**Total Assets** \$ 1,735,014

**Liabilities and Members' Deficit**

**Current Liabilities**

Accounts payable and accrued expenses	\$ 1,166,348
Capital leases, current portion	4,527
Loan payable, current portion	<u>990,932</u>

**Total Current Liabilities** 2,161,807

**Long-Term Liabilities**

Deferred rent payable	157,974
Loan payable - ASCI	<u>914,474</u>

**Total Long-Term Liabilities** 1,072,448

**Total Liabilities** 3,234,255

**Commitments and Contingencies**

**Members' Deficit** (1,499,241)

**Total Liabilities and Members' Deficit** \$ 1,735,014

**South Shore Ambulatory Surgery Center, LLC and  
South Shore Operating Company, LLC  
Combined Statement of Income  
For the Four Month Period Ended April 30, 2018**

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<b>Revenues</b>	
Patient service revenue, net	\$ 4,047,112
<b>Operating Expenses</b>	<u>3,382,555</u>
<b>Income before Other Income/(Expense)</b>	<u>664,557</u>
<b>Other Income/(Expense)</b>	
Depreciation and amortization	(79,171)
Management fee cancelation fee	-
Legal fees relating to transfer of ownership	-
Interest expense	(112)
Other income	42,345
Interest income	<u>3,848</u>
<b>Total Other Income/(Expense)</b>	<u>(33,090)</u>
<b>Net Income</b>	<u><u>\$ 631,467</u></u>

**South Shore Ambulatory Surgery Center, LLC and  
South Shore Operating Company, LLC  
Combined Statement of Changes in Members' Deficit  
For the Four Month Period Ended April 30, 2018**

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<b>Members' Deficit - Beginning of Year</b>	<b>\$ (1,630,708)</b>
<b>Net Income</b>	<b>631,467</b>
<b>Less: Distributions to Members</b>	<b><u>(500,000)</u></b>
<b>Members' Deficit - End of Year</b>	<b><u>\$ (1,499,241)</u></b>

**South Shore Ambulatory Surgery Center, LLC and  
South Shore Operating Company, LLC  
Combined Schedule of Operating Expenses  
For the Four Month Period Ended April 30, 2018**

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**Operating Expenses**

Salaries and employee benefits	\$ 1,136,071
Medical supplies	992,689
Payroll taxes	391,104
Rent	328,744
Instrument repair and enhancement	78,878
Utilities	57,330
Sales and use taxes	53,583
Office supplies	52,646
Legal and professional fees	48,385
Other taxes	45,073
Consulting fees	27,550
Insurance	26,774
Repairs and maintenance	21,521
Computer	17,699
Outside services	15,588
Bank charges	15,462
Laundry	14,857
Telephone	13,948
Contract services	13,778
Accreditation and licenses	11,896
Waste and rubbish removal	7,112
Nourishments	3,936
Miscellaneous	3,538
Postage	2,384
Gifts and donations	1,065
Dues and subscriptions	734
Security alarm	210
Management fee	-
Travel and meetings	-
Collection expenses	-
<b>Total Operating Expenses</b>	<b><u>\$ 3,382,555</u></b>

Northwell Health, Inc.

Consolidated Statements of Financial Position  
(In Thousands)

	December 31	
	2017	2016
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 399,856	\$ 383,295
Short-term investments	2,689,489	2,464,366
Accounts receivable for services to patients, net of allowance for doubtful accounts of \$117,600 in 2017 and \$122,200 in 2016	1,094,584	975,423
Accounts receivable for physician activities, net	149,504	127,718
Pledges receivable, current portion	63,459	46,197
Insurance claims receivable, current portion	78,468	71,014
Other current assets	288,197	269,472
<b>Total current assets</b>	<b>4,763,557</b>	<b>4,337,485</b>
Long-term investments	2,279,855	1,875,198
Pledges receivable, net of current portion	126,263	96,371
Property, plant and equipment, net	4,934,215	4,610,223
Insurance claims receivable, net of current portion	181,869	245,967
Other assets	283,229	199,020
<b>Total assets</b>	<b>\$ 12,568,988</b>	<b>\$ 11,364,264</b>
<b>Liabilities and net assets</b>		
<b>Current liabilities:</b>		
Short-term borrowings	\$ 110,608	\$ 110,218
Accounts payable and accrued expenses	998,686	857,584
Accrued salaries and related benefits	732,536	671,594
Current portion of capital lease obligations	3,742	3,470
Current portion of long-term debt	48,844	59,829
Current portion of insurance claims liability	78,468	71,014
Current portion of malpractice and other insurance liabilities	134,488	123,740
Current portion of estimated payables to third-party payers	358,518	320,126
<b>Total current liabilities</b>	<b>2,465,890</b>	<b>2,217,575</b>
Accrued retirement benefits, net of current portion	948,994	927,378
Capital lease obligations, net of current portion	171,873	173,108
Long-term debt, net of current portion	3,220,283	2,680,021
Insurance claims liability, net of current portion	181,869	245,967
Malpractice and other insurance liabilities, net of current portion	1,057,325	944,225
Other long-term liabilities	576,696	573,464
<b>Total liabilities</b>	<b>8,622,930</b>	<b>7,761,738</b>
<b>Commitments and contingencies</b>		
<b>Net assets:</b>		
Unrestricted	3,315,111	3,027,943
Temporarily restricted	435,172	393,610
Permanently restricted	195,775	180,973
<b>Total net assets</b>	<b>3,946,058</b>	<b>3,602,526</b>
<b>Total liabilities and net assets</b>	<b>\$ 12,568,988</b>	<b>\$ 11,364,264</b>

See accompanying notes.

Northwell Health, Inc.

Consolidated Statements of Operations  
(In Thousands)

	Year Ended December 31	
	2017	2016
Operating revenue:		
Net patient service revenue	\$ 7,880,282	\$ 7,625,675
Physician practice revenue	1,495,740	1,282,059
Provision for bad debts	(129,033)	(120,411)
Total patient revenue, net of provision for bad debts	9,246,989	8,787,323
Other operating revenue	654,042	539,604
Net assets released from restrictions used for operations	61,375	55,469
	<u>9,962,406</u>	<u>9,382,396</u>
Operating expenses:		
Salaries	5,212,002	4,720,172
Employee benefits	1,230,621	1,163,503
Supplies and expenses	2,834,144	2,669,589
Depreciation and amortization	431,497	410,229
Interest	129,509	115,231
	<u>9,837,773</u>	<u>9,078,724</u>
Excess of operating revenue over operating expenses, excluding Health Insurance Companies	<u>124,633</u>	<u>303,672</u>
Health Insurance Companies operating revenue	828,077	555,872
Health Insurance Companies operating expenses	971,447	723,873
Health Insurance Companies excess of operating expenses over operating revenue	<u>(143,370)</u>	<u>(168,001)</u>
Total (deficiency) excess of operating revenue over operating expenses	<u>(18,737)</u>	<u>135,671</u>
Non-operating gains and losses:		
Investment income	109,051	67,680
Change in net unrealized gains and losses and change in value of equity method investments	281,520	117,864
Change in fair value of interest rate swap agreements designated as derivative instruments	-	190
Non-operating net periodic benefit cost	(27,863)	(39,804)
Loss on refunding of long-term debt	(42,619)	-
Contribution received in the acquisition of Peconic Bay Medical Center	-	36,343
Other non-operating gains and losses	(7,107)	24,690
Total non-operating gains and losses	<u>312,982</u>	<u>206,963</u>
Excess of revenue and gains and losses over expenses	294,245	342,634
Net assets released from restrictions for capital asset acquisitions	32,516	33,877
Change in fair value of interest rate swap agreements designated as cash flow hedges	2,218	2,402
Recovery of fair value of endowment corpus	-	608
Pension and other postretirement liability adjustments	(36,130)	(56,801)
Other changes in net assets	(5,681)	(5,698)
Increase in unrestricted net assets	<u>\$ 287,168</u>	<u>\$ 317,022</u>

See accompanying notes.

Northwell Health, Inc.

Consolidated Statements of Changes in Net Assets  
(In Thousands)

Years Ended December 31, 2017 and 2016

	Total	Unrestricted	Temporarily Restricted	Permanently Restricted
Net assets, January 1, 2016	\$ 3,239,040	\$ 2,710,921	\$ 363,573	\$ 164,546
Contributions and grants	137,746	-	122,106	15,640
Investment income	8,093	-	8,093	-
Change in net unrealized gains and losses and change in value of equity method investments	6,469	-	6,469	-
Contribution received in the acquisition of Peconic Bay Medical Center	3,285	-	2,498	787
Excess of revenue and gains and losses over expenses	342,634	342,634	-	-
Net assets released from restrictions for:				
Capital asset acquisitions	-	33,877	(33,877)	-
Operations	(55,469)	-	(55,469)	-
Non-operating activities	(19,175)	-	(19,175)	-
Change in fair value of interest rate swap agreements designated as cash flow hedges	2,402	2,402	-	-
Recovery of fair value of endowment corpus	-	608	(608)	-
Pension and other postretirement liability adjustments	(56,801)	(56,801)	-	-
Other changes in net assets	(5,698)	(5,698)	-	-
Increase in net assets	363,486	317,022	30,037	16,427
Net assets, December 31, 2016	\$ 3,602,526	\$ 3,027,943	\$ 393,610	\$ 180,973

	Total	Unrestricted	Temporarily Restricted	Permanently Restricted
Net assets, January 1, 2017	\$ 3,602,526	\$ 3,027,943	\$ 393,610	\$ 180,973
Contributions and grants	137,807	-	122,031	15,776
Investment income	11,645	-	11,645	-
Change in net unrealized gains and losses and change in value of equity method investments	21,295	-	21,295	-
Excess of revenue and gains and losses over expenses	294,245	294,245	-	-
Net assets released from restrictions for:				
Capital asset acquisitions	-	32,516	(32,516)	-
Operations	(61,375)	-	(61,375)	-
Non-operating activities	(19,518)	-	(19,518)	-
Change in fair value of interest rate swap agreements designated as cash flow hedges	2,218	2,218	-	-
Pension and other postretirement liability adjustments	(36,130)	(36,130)	-	-
Other changes in net assets	(6,655)	(5,681)	-	(974)
Increase in net assets	343,532	287,168	41,562	14,802
Net assets, December 31, 2017	\$ 3,946,058	\$ 3,315,111	\$ 435,172	\$ 195,775

See accompanying notes.

Northwell Health, Inc.  
Consolidated Statements of Cash Flows  
(In Thousands)

	Year Ended December 31	
	2017	2016
<b>Operating activities</b>		
Increase in net assets	\$ 343,532	\$ 363,486
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Contribution received in the acquisition of Peconic Bay Medical Center	-	(39,628)
Permanently restricted contributions	(15,776)	(15,640)
Depreciation and amortization	432,260	410,939
Amortization of bond premiums, discounts and financing costs	(1,816)	(1,603)
Net realized gains and losses, change in net unrealized gains and losses and change in value of equity method investments	(393,217)	(168,349)
Change in fair value of interest rate swap agreements	(2,218)	(2,592)
Gain on sale of Broadlawn	(32,252)	-
Loss on refunding of long-term debt	42,619	-
Changes in operating assets and liabilities:		
Accounts receivable for services to patients, net	(119,161)	(86,266)
Accounts receivable for physician activities, net	(21,786)	(15,069)
Pledges receivable	(53,141)	(10,227)
Current portion of estimated payables to third-party payers	38,392	65,430
Accrued retirement benefits, net of current portion	21,616	140,385
Malpractice and other insurance liabilities	123,848	73,354
Net change in all other operating assets and liabilities	187,965	35,927
Net cash provided by operating activities	<u>550,865</u>	<u>750,147</u>
<b>Investing activities</b>		
Capital expenditures	(777,332)	(617,948)
Proceeds from sale of Broadlawn	54,032	-
Net cash invested in short-term and long-term investments	(271,052)	(592,662)
Cash received in the acquisition of Peconic Bay Medical Center	-	19,100
Payments for acquisitions and clinical joint venture investments, net	(74,268)	(56,556)
Net cash used in investing activities	<u>(1,068,620)</u>	<u>(1,248,066)</u>
<b>Financing activities</b>		
Principal payments on long-term debt and capital lease obligations	(58,675)	(57,552)
Payments on refunded and redeemed long-term debt	(377,966)	-
Payments on short-term borrowings	(19,500)	(10,000)
Proceeds from short-term borrowings	19,500	10,000
Proceeds from long-term debt	956,919	500,000
Payments for financing costs	(7,725)	(4,549)
Proceeds from permanently restricted contributions	21,763	10,486
Net cash provided by financing activities	<u>534,316</u>	<u>448,385</u>
Net increase (decrease) in cash and cash equivalents	16,561	(49,534)
Cash and cash equivalents, beginning of year	383,295	432,829
Cash and cash equivalents, end of year	<u>\$ 399,856</u>	<u>\$ 383,295</u>
<b>Supplemental disclosure of cash flow information</b>		
Cash paid during the year for interest (exclusive of amounts capitalized)	<u>\$ 125,022</u>	<u>\$ 111,069</u>
<b>Supplemental disclosure of noncash investing and financing activities</b>		
Assets acquired under capital lease obligations and real estate financing transactions	<u>\$ -</u>	<u>\$ 8,419</u>

See accompanying notes.

**Consolidated Statements of Financial Position**  
**March 31, 2018 and December 31, 2017 (In Thousands)**

	(Unaudited) March 31, 2018	(Audited) December 31, 2017
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 429,559	\$ 399,856
Short-term investments	2,669,908	2,689,489
Accounts receivable for services to patients, net	1,155,543	1,094,584
Accounts receivable for physician activities, net	171,938	149,504
Pledges receivable, current portion	61,064	63,459
Insurance claims receivable, current portion	78,468	78,468
Other current assets	329,575	288,197
Total current assets	<u>4,896,055</u>	<u>4,763,557</u>
Long-term investments	2,131,377	2,279,855
Pledges receivable, net of current portion	111,217	126,263
Property, plant and equipment, net	5,089,901	4,934,215
Insurance claims receivable, net of current portion	203,127	181,869
Other assets	394,373	283,229
Total assets	<u>\$ 12,826,050</u>	<u>\$ 12,568,988</u>
<b>Liabilities and net assets</b>		
Current liabilities:		
Short-term borrowings	\$ 113,718	\$ 110,608
Accounts payable and accrued expenses	974,392	998,686
Accrued salaries and related benefits	784,157	732,536
Current portion of capital lease obligations	6,684	3,742
Current portion of long-term debt	50,972	48,844
Current portion of insurance claims liability	78,468	78,468
Current portion of malpractice and other insurance liabilities	137,494	134,488
Current portion of estimated payables to third-party payers	377,141	358,518
Total current liabilities	<u>2,523,026</u>	<u>2,465,890</u>
Accrued retirement benefits, net of current portion	943,487	948,994
Capital lease obligations, net of current portion	179,000	171,873
Long-term debt, net of current portion	3,246,163	3,220,283
Insurance claims liability, net of current portion	203,127	181,869
Malpractice and other insurance liabilities, net of current portion	1,114,123	1,057,325
Other long-term liabilities	593,056	576,696
Total liabilities	<u>8,801,982</u>	<u>8,622,930</u>
Commitments and contingencies		
Net assets:		
Unrestricted	3,385,074	3,315,111
Temporarily restricted	442,083	435,172
Permanently restricted	196,911	195,775
Total net assets	<u>4,024,068</u>	<u>3,946,058</u>
Total liabilities and net assets	<u>\$ 12,826,050</u>	<u>\$ 12,568,988</u>

**Consolidated Statements of Operations**  
**For the Three Months Ended March 31, 2018 and 2017 (In Thousands)**

	(Unaudited) 2018	(Unaudited) 2017
Operating revenue:		
Net patient service revenue	\$ 2,089,046	\$ 1,880,741
Physician practice revenue	433,687	332,540
Total patient revenue	<u>2,522,733</u>	<u>2,213,281</u>
Other operating revenue	180,373	146,411
Net assets released from restrictions used for operations	16,108	18,442
	<u>2,719,214</u>	<u>2,378,134</u>
Operating expenses:		
Salaries	1,420,138	1,253,065
Employee benefits	348,037	318,949
Supplies and expenses	818,038	673,640
Depreciation and amortization	123,468	111,437
Interest	35,800	30,733
	<u>2,745,481</u>	<u>2,387,824</u>
Excess of operating expenses over operating revenue, excluding Health Insurance Companies	(26,267)	(9,690)
Health Insurance Companies operating revenue	42,015	202,788
Health Insurance Companies operating expenses	42,015	229,288
Health Insurance Companies excess of operating expenses over operating revenue	-	(26,500)
Total excess of operating expenses over operating revenue	<u>(26,267)</u>	<u>(36,190)</u>
Non-operating gains and losses:		
Investment income	53,452	19,567
Change in net unrealized gains and losses and change in value of equity method investments	(41,337)	108,484
Change in fair value of interest rate swap agreements designated as derivative instruments	389	-
Non-operating net periodic benefit cost	(5,108)	(7,206)
Contribution received in the acquisition of John T. Mather Memorial Hospital	92,804	-
Other non-operating gains and losses	(3,855)	(4,343)
Total non-operating gains and losses	<u>96,345</u>	<u>116,502</u>
Excess of revenue and gains and losses over expenses	70,078	80,312
Net assets released from restrictions for capital asset acquisitions	709	28,264
Change in fair value of interest rate swap agreements designated as cash flow hedges	975	1,071
Other changes in net assets	(1,799)	(1,535)
Increase in unrestricted net assets	<u>\$ 69,963</u>	<u>\$ 108,112</u>

**Consolidated Statements of Changes in Net Assets**  
**For the Three Months Ended March 31, 2018 and 2017 (In Thousands)**

	(Unaudited)			
	Total	Unrestricted	Temporarily Restricted	Permanently Restricted
Net assets, December 31, 2016	\$ 3,602,526	\$ 3,027,943	\$ 393,610	\$ 180,973
Contributions and grants	21,857	-	21,828	29
Investment income	2,262	-	2,262	-
Change in net unrealized gains and losses and change in value of equity method investments	8,797	-	8,797	-
Excess of revenue and gains and losses over expenses	80,312	80,312	-	-
Net assets released from restrictions for:				
Capital asset acquisitions	-	28,264	(28,264)	-
Operations	(18,442)	-	(18,442)	-
Non-operating activities	(2,467)	-	(2,467)	-
Change in fair value of interest rate swap agreements designated as cash flow hedges	1,071	1,071	-	-
Other changes in net assets	(2,232)	(1,535)	-	(697)
Increase (decrease) in net assets	91,158	108,112	(16,286)	(668)
Net assets, March 31, 2017	\$ 3,693,684	\$ 3,136,055	\$ 377,324	\$ 180,305

**Consolidated Statements of Cash Flows**  
**For the Three Months Ended March 31, 2018 and 2017 (In Thousands)**

	(Unaudited) 2018	(Unaudited) 2017
<b>Cash flows from operating activities</b>		
Increase in net assets	\$ 78,010	\$ 91,158
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Contribution received in the acquisition of John T. Mather Memorial Hospital	(96,045)	-
Permanently restricted contributions	(1,532)	(29)
Depreciation and amortization	123,668	111,624
Amortization of bond premiums, discounts and financing costs	(389)	(565)
Net realized gains and losses, change in net unrealized gains and losses and change in value of equity method investments	(10,322)	(134,707)
Change in fair value of interest rate swap agreements	(1,364)	(1,071)
Changes in operating assets and liabilities:		
Accounts receivable for services to patients, net	(16,154)	(5,863)
Accounts receivable for physician activities, net	(20,851)	(1,291)
Pledges receivable	16,621	6,703
Current portion of estimated payables to third party-payers	18,623	30,191
Accrued retirement benefits, net of current portion	(55,416)	(86,202)
Malpractice and other insurance liabilities	40,377	37,781
Net change in all other operating assets and liabilities	(32,363)	86,089
Net cash provided by operating activities	<u>42,863</u>	<u>133,818</u>
<b>Cash flows from investing activities</b>		
Capital expenditures	(158,438)	(191,607)
Net cash from sale of short-term and long-term investments	232,852	126,564
Cash received in the acquisition of John T. Mather Memorial Hospital	15,222	-
Payments for acquisitions and clinical joint venture investments, net	(98,788)	(29,360)
Net cash used in investing activities	<u>(9,152)</u>	<u>(94,403)</u>
<b>Cash flows from financing activities</b>		
Principal payments on long-term debt and capital lease obligations	(5,970)	(5,885)
Payments on short-term borrowings	(390)	(5,000)
Proceeds from short-term borrowings	-	5,000
Proceeds from permanently restricted contributions	2,352	379
Net cash used in financing activities	<u>(4,008)</u>	<u>(5,506)</u>
Net increase in cash and cash equivalents	29,703	33,909
Cash and cash equivalents, beginning of period	399,856	383,295
Cash and cash equivalents, end of period	<u>\$ 429,559</u>	<u>\$ 417,204</u>
<b>Supplemental disclosure of cash flow information</b>		
Cash paid during the period for interest (exclusive of amount capitalized)	<u>\$ 5,196</u>	<u>\$ 4,503</u>

**LYNBROOK SURGERY CENTER**

**CHANGE OF OWNERSHIP APPLICATION**

**PRO FORMA BALANCE SHEET**

**ASSETS**

Cash	\$1,874,923
ASC Assets *	<u>\$16,873,719</u>
<b>TOTAL ASSETS</b>	<b>\$18,748,642</b>

**LIABILITIES AND MEMBER EQUITY**

**LIABILITIES \*\***

<b>TOTAL LIABILITIES</b>	<b>\$0</b>
<b>MEMBER EQUITY</b>	<b><u>\$18,748,642</u></b>
<b>TOTAL LIABILITIES AND MEMBER EQUITY</b>	<b>\$18,748,642</b>

\* Includes FFE, Medical and Office Supplies, Goodwill, etc.

\*\* Lynbrook SC, LLC is a recently formed LLC and has no liabilities.

Project# 181333  
BFA Attachment-F

Northwell Health, Inc.

Combining Statement of Financial Position –  
Joint Venture Ambulatory Surgery Centers  
(In Thousands)

Year Ended December 31, 2017

	Joint Venture Ambulatory Surgery Centers	Eliminations	Endoscopy Center of Long Island	Garden City SurgCenter	South Shore Surgery Center	Suffolk Surgery Center	Digestive Health Center of Huntington	Greenwich Village Surgery Center	MeiWu Surgery Center
<b>Assets</b>									
<b>Current assets:</b>									
Cash and cash equivalents	\$ 4,561	\$ -	\$ 927	\$ 2,280	\$ 328	\$ 436	\$ 151	\$ 133	\$ 306
Accounts receivable for services to patients, net of allowance for doubtful accounts	6,037	-	-	400	1,100	1,034	393	-	3,050
Other current assets	1,377	-	10	-	514	377	59	-	417
<b>Total current assets</b>	<b>11,975</b>	<b>-</b>	<b>937</b>	<b>2,680</b>	<b>2,002</b>	<b>1,847</b>	<b>603</b>	<b>133</b>	<b>3,773</b>
Due from affiliates, net	-	(30)	-	-	30	-	-	-	-
Property, plant and equipment, net	29,765	-	353	1,500	2,891	784	163	22,851	1,223
Other assets	63,206	-	29,919	6,416	4,145	5,338	4,237	-	13,611
<b>Total assets</b>	<b>\$ 105,246</b>	<b>\$ (30)</b>	<b>\$ 31,229</b>	<b>\$ 10,596</b>	<b>\$ 9,068</b>	<b>\$ 7,989</b>	<b>\$ 5,003</b>	<b>\$ 22,984</b>	<b>\$ 18,407</b>
<b>Liabilities and net assets</b>									
<b>Current liabilities:</b>									
Accounts payable and accrued expenses	\$ 8,323	\$ -	\$ 221	\$ 711	\$ 785	\$ 127	\$ 175	\$ 5,574	\$ 730
Accrued salaries and related benefits	637	-	47	78	137	52	25	41	257
Current portion of capital lease obligations	191	-	-	-	72	-	-	-	119
Current portion of long-term debt	629	-	-	114	445	70	-	-	-
Current portion of mortgage and other insurance liabilities	18	-	-	-	-	-	-	-	18
<b>Total current liabilities</b>	<b>9,798</b>	<b>-</b>	<b>268</b>	<b>903</b>	<b>1,439</b>	<b>249</b>	<b>200</b>	<b>5,615</b>	<b>1,124</b>
Due to affiliates, net	2,216	(30)	264	6	-	94	46	1,816	30
Capital lease obligations, net of current portion	146	-	-	-	102	-	-	-	44
Long-term debt, net of current portion	338	-	-	210	-	128	-	-	-
Other long-term liabilities	10,748	-	-	-	5	93	-	10,522	128
<b>Total liabilities</b>	<b>23,246</b>	<b>(30)</b>	<b>532</b>	<b>1,119</b>	<b>1,546</b>	<b>564</b>	<b>246</b>	<b>17,953</b>	<b>1,316</b>
<b>Commitments and contingencies</b>									
<b>Net assets:</b>									
Unrestricted	\$2,000	-	30,697	9,477	7,522	7,425	4,757	5,031	17,091
Temporarily restricted	-	-	-	-	-	-	-	-	-
Permanently restricted	-	-	-	-	-	-	-	-	-
<b>Total net assets</b>	<b>\$2,000</b>	<b>-</b>	<b>30,697</b>	<b>9,477</b>	<b>7,522</b>	<b>7,425</b>	<b>4,757</b>	<b>5,031</b>	<b>17,091</b>
<b>Total liabilities and net assets</b>	<b>\$ 105,246</b>	<b>\$ (30)</b>	<b>\$ 31,229</b>	<b>\$ 10,596</b>	<b>\$ 9,068</b>	<b>\$ 7,989</b>	<b>\$ 5,003</b>	<b>\$ 22,984</b>	<b>\$ 18,407</b>

Project# 181333  
BFA Attachment- F cont

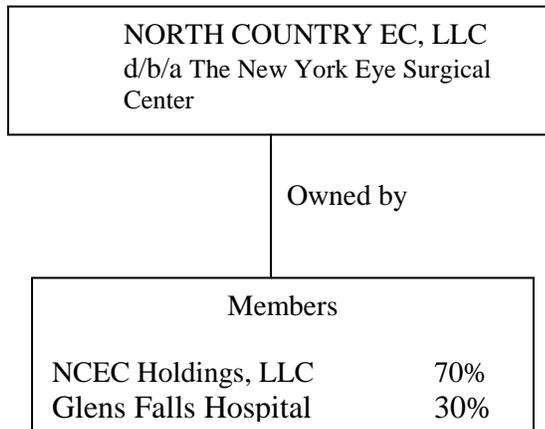
Northwell Health, Inc.

Combining Statement of Operations –  
Joint Venture Ambulatory Surgery Centers  
(In Thousands)

Year Ended December 31, 2017

	Joint Venture Ambulatory Surgery Centers	Endoscopy Center of Long Island	Garden City SurgCenter	South Shore Surgery Center	Suffolk Surgery Center	Digestive Health Center of Huntington	Greenwich Village Surgery Center	Melville Surgery Center
<b>Operating revenue:</b>								
Net patient service revenue	\$ 51,484	\$ 19,249	\$ 11,661	\$ 8,664	\$ 5,969	\$ 2,840	\$ 10	\$ 3,091
Total patient revenue, net of provision for bad debts	51,484	19,249	11,661	8,664	5,969	2,840	10	3,091
Other operating revenue	50	–	–	50	–	–	–	–
<b>Total operating revenue</b>	<b>51,534</b>	<b>19,249</b>	<b>11,661</b>	<b>8,714</b>	<b>5,969</b>	<b>2,840</b>	<b>10</b>	<b>3,091</b>
<b>Operating expenses:</b>								
Salaries	10,010	1,972	2,880	1,819	1,132	1,009	396	802
Employee benefits	1,588	338	471	296	256	138	55	34
Supplies and expenses	21,848	5,301	5,750	3,566	3,451	1,180	1,105	1,495
Depreciation and amortization	1,837	42	220	323	263	51	848	90
Interest	72	–	5	49	10	–	–	8
<b>Total operating expenses</b>	<b>35,355</b>	<b>7,653</b>	<b>9,326</b>	<b>6,053</b>	<b>5,112</b>	<b>2,378</b>	<b>2,404</b>	<b>2,429</b>
<b>Excess (deficiency) of operating revenue over operating expenses</b>	<b>16,179</b>	<b>11,596</b>	<b>2,335</b>	<b>2,661</b>	<b>857</b>	<b>462</b>	<b>(2,394)</b>	<b>662</b>
<b>Non-operating gains and losses:</b>								
Investment income	(171)	(19)	(105)	(16)	(11)	(11)	(1)	(8)
<b>Total non-operating gains and losses</b>	<b>(171)</b>	<b>(19)</b>	<b>(105)</b>	<b>(16)</b>	<b>(11)</b>	<b>(11)</b>	<b>(1)</b>	<b>(8)</b>
<b>Excess (deficiency) of revenue and gains and losses over expenses</b>	<b>16,008</b>	<b>11,577</b>	<b>2,230</b>	<b>2,645</b>	<b>846</b>	<b>451</b>	<b>(2,395)</b>	<b>654</b>
Transfers from affiliates	7,426	–	–	–	–	–	7,426	–
Other changes in net assets	(15,362)	(11,600)	(375)	(1,500)	(1,223)	(517)	–	(147)
<b>Increase (decrease) in unrestricted net assets</b>	<b>\$ 8,072</b>	<b>\$ (23)</b>	<b>\$ 1,855</b>	<b>\$ 1,145</b>	<b>\$ (377)</b>	<b>\$ (66)</b>	<b>\$ 5,031</b>	<b>\$ 507</b>

***ORGANIZATIONAL CHART***



The Members own and manage North County EC, LLC.

**NCEC Holdings, Inc. Membership**

<u>Member</u>	<u>Membership Interest in NCEC Holdings, LLC</u>	<u>Indirect Ownership in North Country EC, LLC</u>
Amjad Hammad, M.D	25%	17.5%
Mark Hite, M.D.	25%	17.5%
Steven Solomon, M.D.	25%	17.5%
David Westfall, M.D.	25%	17.5%

NORTH COUNTRY EC, LLC

Balance Sheets

December 31, 2017 and 2016

ASSETS	<u>2017</u>	<u>2016</u>
Current Assets:		
Cash and cash equivalents	\$ 504,821	\$ 192,017
Accounts receivable, net	346,267	218,091
Accounts receivable related party, net	30,447	19,385
Inventory	103,099	166,187
Prepaid expenses	<u>71,843</u>	<u>37,260</u>
 Total Current Assets	 <u>1,056,477</u>	 <u>632,940</u>
Property and Equipment:		
Leasehold improvements	1,372,030	1,372,030
Equipment	1,079,863	749,896
Capitalized lease equipment	213,295	213,295
Furniture and fixtures	<u>104,081</u>	<u>104,081</u>
 Total Property and Equipment	 2,769,269	 2,439,302
 Less: Accumulated Depreciation and Amortization	 <u>(944,435)</u>	 <u>(665,073)</u>
 Net Property and Equipment	 <u>1,824,834</u>	 <u>1,774,229</u>
 Total Assets	 <u>\$ 2,881,311</u>	 <u>\$ 2,407,169</u>

NORTH COUNTRY EC, LLC

Balance Sheets

December 31, 2017 and 2016

LIABILITIES AND MEMBERS' EQUITY	<u>2017</u>	<u>2016</u>
Current Liabilities:		
Lines of credit	\$ 342,000	\$ 400,000
Accounts payable	59,990	20,152
Current portion of long-term debt	252,391	257,464
Current portion of capital lease obligations	42,094	39,772
Current portion of member loans	24,359	81,176
Accrued expenses	<u>41,818</u>	<u>40,932</u>
Total Current Liabilities	<u>762,652</u>	<u>839,496</u>
Long-Term Liabilities:		
Long-term debt, net of current portion	1,289,045	1,234,102
Capital lease obligations, net of current portion	99,555	141,648
Member loans, net of current portion	<u>91,811</u>	<u>57,729</u>
Total Long-Term Liabilities	<u>1,480,411</u>	<u>1,433,479</u>
Total Liabilities	2,243,063	2,272,975
Members' Equity	<u>638,248</u>	<u>134,194</u>
Total Liabilities and Members' Equity	<u><u>\$ 2,881,311</u></u>	<u><u>\$ 2,407,169</u></u>

NORTH COUNTRY EC, LLC

Statements of Income and Changes in Members' Equity

Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Patient Revenue	\$ 4,135,296	\$ 3,171,378
Operating Expenses (Schedule 1)	<u>3,543,952</u>	<u>2,717,015</u>
Income From Operations	<u>591,344</u>	<u>454,363</u>
Other Income (Expenses):		
Interest expense	<u>(87,290)</u>	<u>(95,434)</u>
Total Other Income (Expenses)	<u>(87,290)</u>	<u>(95,434)</u>
Net Income	504,054	358,929
Members' Equity (Deficit) at Beginning of Year	<u>134,194</u>	<u>(224,735)</u>
Members' Equity at End of Year	<u><u>\$ 638,248</u></u>	<u><u>\$ 134,194</u></u>

# The New York Eye Surgical Center

**BFA Attachment C  
CON #181438**

## BALANCE SHEET

As of June 30, 2018

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
1000 Adirondack Trust - Checking	427,632.53
<b>Total Bank Accounts</b>	<b>\$427,632.53</b>
Accounts Receivable	
1201 Accounts Receivable/Net	247,210.68
<b>Total Accounts Receivable</b>	<b>\$247,210.68</b>
Other Current Assets	
1300 Assets	
1301 A/D amortization	-18,935.86
1302 A/D depreciation	-1,070,475.50
1303 Computer Hardware	35,223.76
1304 Computer Software	18,935.81
1305 Furniture & Fixtures	104,081.07
1306 Leasehold Improvements	1,372,030.37
1307 Medical Equipment	1,027,945.58
1308 Capital Leased Equipment	213,295.00
<b>Total 1300 Assets</b>	<b>1,682,100.23</b>
1400 Inventory Asset	0.00
1405 Medical Supplies	97,570.96
1406 Medications	4,538.21
1410 Lens Inventory	990.00
<b>Total 1400 Inventory Asset</b>	<b>103,099.17</b>
1600 Prepaid Expenses	
1601 Prepaid Insurance (Prof Liab)	20,924.35
1602 Security Deposit	335.56
1603 Prepaid Property Taxes	6,782.69
1605 Prepaid Service Contract	14,074.16
<b>Total 1600 Prepaid Expenses</b>	<b>42,116.76</b>
<b>Total Other Current Assets</b>	<b>\$1,827,316.16</b>
<b>Total Current Assets</b>	<b>\$2,502,159.37</b>
<b>TOTAL ASSETS</b>	<b>\$2,502,159.37</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable (A/P)	106,745.38
<b>Total Accounts Payable</b>	<b>\$106,745.38</b>
Other Current Liabilities	
2903 ATC Line of Credit #030 (Working Capital, 4.25%)	312,000.00
2998 Current Portion of Long-Term Debt	335,310.00

**BFA Attachment C**  
**CON #181438 (cont.)**

	TOTAL
<b>Total Other Current Liabilities</b>	<b>\$647,310.00</b>
<b>Total Current Liabilities</b>	<b>\$754,055.38</b>
Long-Term Liabilities	
2900 Notes Payable	
2800 Shareholders Loan - AMHammad	51,636.33
2902 Alcon - Constellation 60 mo 5%	21,402.60
2904 ATC Loan #110 (4% Build-out 11/23/2027)	971,941.09
2905 ATC Loan #120 (3.3% Equipment 11/22/2019)	142,059.51
2907 Wells Fargo - ORA( 5.5% equipment 12/1/2019)	13,909.11
2908 GFH Equipment	38,586.85
2909 Ellex Tango Laser	30,031.91
2910 Ziess Microscopes	91,033.05
2911 ORA System w VerifEye	263,196.38
2999 Contra Current Portion of LTD	-335,310.00
<b>Total 2900 Notes Payable</b>	<b>1,288,486.83</b>
<b>Total Long-Term Liabilities</b>	<b>\$1,288,486.83</b>
<b>Total Liabilities</b>	<b>\$2,042,542.21</b>
Equity	
3001 Capital Glens Falls Hospital Inc	-59,741.13
3002 Capital NCEC Holdings	-161,064.96
3004 Retained Earnings	504,053.97
Net Income	176,369.28
<b>Total Equity</b>	<b>\$459,617.16</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$2,502,159.37</b>

The New York Eye Surgical Center

PROFIT AND LOSS

January - June, 2018

	TOTAL
<b>Income</b>	
4003 ORA/Femto Reimbursement	77,700.00
4004 Patient Revenue	1,665,193.81
4201 Refunds-Allowances	-25,308.58
<b>Total 4004 Patient Revenue</b>	<b>1,639,885.23</b>
4005 Lens Reimbursement	65,142.05
4006 Change in A/R	
4006.2 Monthly Change in A/R	-117,424.59
<b>Total 4006 Change in A/R</b>	<b>-117,424.59</b>
4008 Uncategorized Income	35,724.28
6004 Bad Debt Expense	1,929.21
<b>Total Income</b>	<b>\$1,702,956.18</b>
<b>Cost of Goods Sold</b>	
5000 Cost of Goods Sold	0.00
5010 Ambulatory Surgery Surcharge	40.00
<b>Total Cost of Goods Sold</b>	<b>\$40.00</b>
<b>GROSS PROFIT</b>	<b>\$1,702,916.18</b>
<b>Expenses</b>	
6002 Bank Charges	10.00
6003 Merchant Services	2,285.09
<b>Total 6002 Bank Charges</b>	<b>2,295.09</b>
6010 Contracted Services	
6011 Building Maintenance	19,674.22
6013 Equipment Maintenance	34,689.83
6014 IT	7,404.22
6015 Other Contracted Svc	2,102.38
6016 PMS & EMR	21,768.00
<b>Total 6010 Contracted Services</b>	<b>85,638.65</b>
6020 Disability Insurance	-715.17
6021 Disposal Fees	7,016.72
6022 Dues & Subscriptions	345.00
6023 Fees, Licenses & Accreditation	4,585.00
6025 Insurance Expense	14.00
6026 General Liability	6,139.45
6027 Professional Liability Ins (Malpractice)	5,441.91
<b>Total 6025 Insurance Expense</b>	<b>11,595.36</b>
6030 Interest Exp	4,381.03
6031 Int Exp Constellation	654.92
6032 Int Exp ORA	1,313.40
6033 Int Exp Phacos	0.00
6034 Int Pd Loan #030	8,406.75
6035 Int Pd Loan #110	20,154.62
6036 Int Pd Loan #120	2,851.36

	TOTAL
6039 Interest - Ellex Tango LaSer	1,010.92
6040 Interest Expense - Ziess	2,923.66
<b>Total 6030 Interest Exp</b>	<b>41,696.66</b>
6050 Laundry & Linens	13,912.65
6060 Meals and Entertainment	20,903.12
6070 Medical Supplies	
6071 Drugs	36,088.72
6072 Implants - IOLs	230,993.94
6074 Implants - Other	6,331.00
6075 Medical Supplies	282,566.52
6076 Minor Instruments	7,640.37
<b>Total 6070 Medical Supplies</b>	<b>563,620.55</b>
6080 Office Exp	
6081 Office Equipment Rental	706.35
6082 Supplies	
6084 Office Supplies	7,810.77
<b>Total 6082 Supplies</b>	<b>7,810.77</b>
<b>Total 6080 Office Exp</b>	<b>8,517.12</b>
6090 Other General and Admin Expenses	816.00
6091 Employee Training / Education	2,168.38
6092 Recruitment fees	157.84
<b>Total 6090 Other General and Admin Expenses</b>	<b>3,142.22</b>
6100 Payroll	
6101 Benefits	
6104 FUTA & SUTA	2,773.61
6105 Health Insurance	33,541.80
6106 Post-Taxed Benefits	298.50
6107 Pre-Taxed Benefits	-336.12
6108 SS & Med taxes - Employer	26,238.14
6109 Vision Insurance	0.00
6110 Work Comp Insurance	2,332.97
6111 PTO expense	3,166.22
6113 Group Life Insurance	376.03
<b>Total 6101 Benefits</b>	<b>68,391.15</b>
6200 Salaries - Administration	127,575.17
6201 Salaries - Clinical	232,396.26
<b>Total 6100 Payroll</b>	<b>428,362.58</b>
6300 Professional Fees	
6301 Accounting	24,817.93
6302 Credentialing	380.10
6303 Collection Fees	668.55
6305 Legal Fees	2,150.00
6306 Other Professional Fees	18,059.87
<b>Total 6300 Professional Fees</b>	<b>46,076.45</b>
6330 Rent or Lease	
6331 Building	52,997.52
<b>Total 6330 Rent or Lease</b>	<b>52,997.52</b>
6340 Repair & Maintenance	

**BFA Attachment C**  
**CON #181438 (cont.)**

	TOTAL
6341 Building Repairs & Maintenance	763.71
6342 Equipment Service Contracts	3,133.20
6343 Medical Equipment	7,339.48
<b>Total 6340 Repair &amp; Maintenance</b>	<b>11,236.39</b>
6350 Shipping and delivery expense	695.88
6410 Utilities	
6411 Electric	21,797.03
6412 Phone/Internet	3,296.01
6413 Water & Sewer	1,363.11
<b>Total 6410 Utilities</b>	<b>26,456.15</b>
<b>Total Expenses</b>	<b>\$1,328,377.94</b>
NET OPERATING INCOME	<b>\$374,538.24</b>
Other Expenses	
6430 Depreciation Expense	144,976.50
6480 Taxes	13,673.20
<b>Total Other Expenses</b>	<b>\$158,649.70</b>
NET OTHER INCOME	<b>\$ -158,649.70</b>
NET INCOME	<b>\$215,888.54</b>

Brooklyn Surgery Center

Members	Original %	1/19/2018 %
<u>Class A Members</u>		
1 Robert E. Kodsi, M.D.	26.80%	17.14%
2 Sam Moskowitz, M.D.	10.05%	11.84%
3 Eliot H. Zimbalist, M.D.	8.33%	0.00%
4 Kadirawel Iswara, M.D.	10.05%	10.14%
5 Jian Jun Li, M.D.	8.39%	6.70%
6 Richard A. Fazio, M.D.	8.37%	6.13%
7 Elliott Fuhrer, M.D.	5.86%	5.14%
8 Richard V. Grazi, M.D.	3.55%	3.12%
9 David B. Seifer, M.D.	3.55%	
10 Seth Lapin, M.D.	3.35%	2.95%
11 Ira E. Mayer, M.D.	3.35%	2.40%
12 Jack Choueka, M.D.		6.35%
13 David Edelstein, M.D.		4.50%
14 Galogero Gambino, M.D.		3.02%
15 Jonathan Silver, M.D.		3.37%
16 Mukund Patel, M.D.		
17 Steven Scalfani, M.D.		
18 Victor Sasson, M.D.		4.50%
19 Orry Erez, M.D.		2.63%
20 Howard Goodman, M.D.		1.12%
21 Mara Karamitopoulos, M.D.		1.12%
22 Wallen Chan, M.D.		0.11%
23 Hui Hing Tin, M.D.		0.11%
<u>Class B Member</u>		
24 Friedlander & Associates, LLC	3.35%	2.61%
<u>Class C Member</u>		
25 MMC Community Horizons, Inc.	5.00%	5.00%
Total	100%	100%

**Brooklyn SC, LLC**

**Balance Sheets  
December 31, 2016 and 2015**

Assets

	<u>2016</u>	<u>2015</u>
Current assets		
Cash	\$ 451,428	\$ 549,181
Patient service receivable, net	1,131,856	1,147,404
Prepaid expenses and other current assets	<u>27,180</u>	<u>15,186</u>
Total current assets	1,610,464	1,711,771
Property and equipment, net	1,993,431	3,343,131
Prepaid rent	2,467,355	2,696,823
Security deposit	<u>70,000</u>	<u>70,000</u>
Total assets	<u>\$ 6,141,250</u>	<u>\$ 7,821,725</u>

Liabilities and Members' Deficit

Current liabilities		
Accounts payable	\$ 598,370	\$ 388,997
Accrued expenses and other liabilities	157,496	278,960
Current portion of capital leases	711,736	687,939
Current portion of long-term debt	<u>1,643,116</u>	<u>5,043,393</u>
Total current liabilities	<u>3,110,718</u>	<u>6,399,289</u>
Long-term liabilities		
Capital leases, less current portion	558,439	1,141,667
Long-term debt, less current portion	<u>6,563,231</u>	<u>4,694,823</u>
Total long-term liabilities	<u>7,121,670</u>	<u>5,836,490</u>
Total liabilities	10,232,388	12,235,779
Commitments and contingencies		
Members' deficit	<u>(4,091,138)</u>	<u>(4,414,054)</u>
Total liabilities and members' deficit	<u>\$ 6,141,250</u>	<u>\$ 7,821,725</u>

**Brooklyn SC, LLC**

**Statements of Operations and Changes in Members' Deficit  
 Years Ended December 31, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Revenues</b>		
Patient service revenue, net of contractual allowances	\$ 10,991,599	\$ 10,450,353
Provislon for bad debts	<u>(951,739)</u>	<u>(384,351)</u>
Net patient service revenue	10,039,860	10,066,002
Other revenue	<u>6,552</u>	<u>9,856</u>
<b>Total revenues</b>	<u><b>10,046,412</b></u>	<u><b>10,075,858</b></u>
<b>Expenses</b>		
Salaries, wages and other personnel costs	2,654,682	2,590,875
Medical expenses	1,674,450	1,649,244
Occupancy	1,801,996	1,732,217
Depreciation and amortization	1,373,363	1,361,602
Interest	456,056	565,082
Other expenses	554,901	353,713
Insurance	270,660	335,890
Professional fees	297,812	305,435
Repairs and maintenance	202,505	220,616
Equipment expenses	<u>55,775</u>	<u>161,690</u>
<b>Total operating expenses</b>	<u><b>9,342,200</b></u>	<u><b>9,276,364</b></u>
<b>Net income</b>	<b>704,212</b>	<b>799,494</b>
Members' deficit, beginning	(4,414,054)	(4,705,013)
Distributions	<u>(381,296)</u>	<u>(508,535)</u>
Members' deficit, end	<u><b>\$ (4,091,138)</b></u>	<u><b>\$ (4,414,054)</b></u>

**Brooklyn SC, LLC**

**Balance Sheets  
December 31, 2017 and 2016**

Assets

	<u>2017</u>	<u>2016</u>
Current assets		
Cash	\$ 830,884	\$ 451,428
Patient service receivable, net	1,177,194	1,131,856
Prepaid expenses and other current assets	<u>22,900</u>	<u>27,180</u>
Total current assets	2,030,978	1,610,464
Property and equipment, net	1,226,471	1,993,431
Prepaid rent	2,253,555	2,467,355
Security deposit	<u>70,000</u>	<u>70,000</u>
Total assets	<u>\$ 5,581,004</u>	<u>\$ 6,141,250</u>

Liabilities and Members' Deficit

Current liabilities		
Accounts payable	\$ 161,072	\$ 598,370
Accrued expenses and other liabilities	609,143	157,496
Current portion of capital leases	483,139	711,736
Current portion of long-term debt	<u>2,106,376</u>	<u>1,643,116</u>
Total current liabilities	<u>3,359,730</u>	<u>3,110,718</u>
Long-term liabilities		
Capital leases, less current portion	67,133	558,439
Long-term debt, less current portion	<u>4,468,429</u>	<u>6,563,231</u>
Total long-term liabilities	<u>4,535,562</u>	<u>7,121,670</u>
Total liabilities	7,895,292	10,232,388
Commitments and contingencies		
Members' deficit	<u>(2,314,288)</u>	<u>(4,091,138)</u>
Total liabilities and members' deficit	<u>\$ 5,581,004</u>	<u>\$ 6,141,250</u>

**Brooklyn SC, LLC**

**Statements of Operations and Changes in Members' Deficit  
 Years Ended December 31, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>Revenues</b>		
Patient service revenue, net of contractual allowances	\$ 10,782,115	\$ 10,991,599
Provision for bad debts	(622,882)	(951,739)
	<u>10,159,233</u>	<u>10,039,860</u>
Net patient service revenue		
Other revenue	12,236	6,552
	<u>10,171,469</u>	<u>10,046,412</u>
<b>Expenses</b>		
Salaries, wages and other personnel costs	2,520,846	2,654,682
Medical expenses	1,710,183	1,674,450
Occupancy	1,769,905	1,801,996
Depreciation and amortization	766,960	1,373,363
Interest	383,406	456,056
Other expenses	384,293	554,901
Insurance	273,420	270,660
Professional fees	427,751	297,812
Repairs and maintenance	157,855	202,505
Equipment expenses	-	55,775
	<u>8,394,619</u>	<u>9,342,200</u>
Total expenses		
Net income	1,776,850	704,212
Members' deficit, beginning	(4,091,138)	(4,414,054)
Distributions	-	(381,296)
Members' deficit, end	<u>\$ (2,314,288)</u>	<u>\$ (4,091,138)</u>

**Balance Sheet**

As of April 30, 2018

BSC - Balance Sheet - 4/30/2018		Apr 30, 18
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Checking/Savings</b>		
10400	Investors Operations & Payroll	-28,102.23
10500	Investors Receivable-8275	202,183.55
10600	Investors 8307	682,016.70
10700	Investors 8291	1,000.00
<b>Total Checking/Savings</b>		<b>857,098.02</b>
<b>Accounts Receivable</b>		
11000	Patient AR	5,825,043.32
11010	Allowance for Doubtful Accounts	-1,309,210.36
<b>Total Accounts Receivable</b>		<b>4,515,832.96</b>
<b>Other Current Assets</b>		
12000	Prepaid expense	27,180.00
19999	19999 - Prepaid Rent	2,467,355.00
<b>Total Other Current Assets</b>		<b>2,494,535.00</b>
<b>Total Current Assets</b>		<b>7,867,465.98</b>
<b>Fixed Assets</b>		
<b>Fixed Assets</b>		
14100	Construction Costs	
14300	Architecture fees	457,106.14
<b>Total 14100 - Construction Costs</b>		<b>457,106.14</b>
14500	Furniture and Equipment	744,333.15
14600	MD software	340,975.49
14800	Medical Equipment	4,405,284.79
14900	Medical Instrument	472,122.00
14901	Accumulated Depreciation	-5,114,930.00
<b>Total Fixed Assets</b>		<b>1,304,891.57</b>
<b>Total Fixed Assets</b>		<b>1,304,891.57</b>
<b>Other Assets</b>		
15050	Loan Closing Cost	57,321.75
16000	Security Deposit	70,000.00
16100	Accumulated Amortization	-259,002.00
<b>Total Other Assets</b>		<b>-131,680.25</b>
<b>TOTAL ASSETS</b>		<b>9,040,677.30</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
<b>Accounts Payable</b>		
20100	Accrued Expenses	156,398.00
20000	Accounts Payable	832,304.01
20002	Bill Payment - Investors Bank	90,307.25
<b>Total Accounts Payable</b>		<b>1,079,009.26</b>

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05/07/18  
Accrual Basis

Brooklyn SC, LLC  
**Balance Sheet**

Project # 181448  
BFA Attachment B cont

As of April 30, 2018

<b>BSC - Balance Sheet - 4/30/2018</b>		<b>Apr 30, 18</b>
<b>Credit Cards</b>		
20001	· First Bank Card	-13,785.29
<b>Total Credit Cards</b>		<b>-13,785.29</b>
<b>Other Current Liabilities</b>		
20520	· Capital Lease - Olympus	474,897.19
20550	· Current Portion of Loan Payable	1,588,657.00
20580	· Current portion of loan	35,263.00
<b>Total Other Current Liabilities</b>		<b>2,098,817.19</b>
<b>Total Current Liabilities</b>		<b>3,164,041.16</b>
<b>Long Term Liabilities</b>		
20560	-Current portion lease pay	671,581.80
20500	· Capital Lease GE Healthcare Fin	55,499.08
20510	· Capital Leased - Storz	-588.05
<b>40000 · Loan</b>		
40800 · Investors Loan Account		
40801	· Investors Loan Account #1	1,190,674.26
40802	· Investors Loan Account #2	3,079,875.50
<b>Total 40800 · Investors Loan Account</b>		<b>4,270,549.76</b>
<b>Total 40000 · Loan</b>		<b>4,270,549.76</b>
<b>Total Long Term Liabilities</b>		<b>4,997,042.59</b>
<b>Total Liabilities</b>		<b>8,161,083.75</b>
<b>Equity</b>		
32000	· Members' Equity	58,186.30
<b>Net Income</b>		<b>821,407.25</b>
<b>Total Equity</b>		<b>879,593.55</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>		<b>9,040,677.30</b>

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Accrual Basis

Brooklyn SC, LLC -  
Profit & Loss

Project # 181448  
BFA Attachment B cont

January through April 2018

BSC - Profit and Loss Statement - 4/30/2018		Jan - Apr 18
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
47301	Chargeback	-408.61
41000	Patient Fee Income	3,237,396.90
48301	Refund for Patient	-15,312.12
<b>Total Income</b>		<b>3,221,676.17</b>
<b>Gross Profit</b>		<b>3,221,676.17</b>
<b>Expense</b>		
<b>50000 · Accounting Services</b>		
50200	Accounting Fee	46,107.35
<b>Total 50000 · Accounting Services</b>		<b>46,107.35</b>
60200	Automobile Expense	32.33
60400	Bank Service Charges	9,283.80
61000	Business Licenses and Permits	2,000.00
61700	Computer and Internet Expenses	32,367.45
62500	Dues and Subscriptions	-595.29
62600	Equipment Rental	166,965.35
<b>63300 · Insurance Expense</b>		
63301	Employee Insurance	30,772.41
63302	General Liability Business Pol.	41,365.64
<b>Total 63300 · Insurance Expense</b>		<b>72,138.05</b>
<b>63400 · Interest Expense</b>		
63404	Investor Loan Interest	94,170.69
<b>Total 63400 · Interest Expense</b>		<b>94,170.69</b>
64300	Meals and Entertainment	760.88
<b>64500 · Medical Expense</b>		
64400	Medical Supplies	335,712.20
64401	Medical Records	5,361.36
64460	Medical Waste	1,900.96
64470	Medical Implants	86,881.87
64480	Medical Instruments	812.94
64500	Medical Expense - Other	991.83
<b>Total 64500 · Medical Expense</b>		<b>431,661.16</b>
64900	Office Supplies	14,438.97
66500	Postage and Delivery	1,100.31
<b>66700 · Professional Fees</b>		
66702	Consulting fee	1,600.00
66703	- Lawyer's Fees	119,365.28
66700	Professional Fees - Other	0.00
<b>Total 66700 · Professional Fees</b>		<b>120,965.28</b>
67000	Reference Materials	1,811.21
67100	Rent Expense	485,466.72
67200	Repairs and Maintenance	26,935.78
67300	Service Contract Maintenance	9,897.00
67400	Security Service	5,937.94
67800	Taxes	

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 05/07/18  
 Accrual Basis

**Brooklyn SC, LLC**  
**Profit & Loss**

January through April 2018

		<b>BSC - Profit and Loss Statement - 4/30/2018</b>	<b>Jan - Apr 18</b>
		<b>67830 - Surcharges</b>	26,021.00
		<b>67810 - NYS Taxes</b>	3,000.00
		<b>67820 - NYC Taxes</b>	5,800.00
		<b>Total 67800 - Taxes</b>	<b>34,821.00</b>
		<b>68100 - Telephone Expense</b>	2,718.08
		<b>68400 - Travel Expense</b>	1,586.89
		<b>68500 - Uniforms</b>	7,127.86
		<b>68600 - Utilities</b>	40,368.30
		<b>70000 - Payroll</b>	
		<b>70001 - Payroll Expense</b>	691,036.12
		<b>70006 - Payroll Taxes</b>	84,969.59
		<b>72000 - Payroll Services</b>	16,196.10
		<b>Total 70000 - Payroll</b>	<b>792,201.81</b>
		<b>Total Expense</b>	<b>2,400,268.92</b>
		<b>Net Ordinary Income</b>	<b>821,407.25</b>
		<b>Net Income</b>	<b>821,407.25</b>

**Doral Insurance Company, Inc.**  
**Combined Balance Sheet**  
**December 31, 2017**

	<u>Amount (\$)</u>	<u>Percent (%)</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 1,749,790	25.28%
Investments in marketable securities	176,082	2.54%
Premiums receivable	841,048	12.15%
Reinsurance recoverable on UL & LAE - case	50,000	0.72%
Deposit for reinsurance trust	75,000	1.08%
Prepaid reinsurance premiums	867,115	12.53%
Prepaid income taxes	7,377	0.11%
Other receivable	1,879	0.03%
Notes receivable	3,100,000	44.78%
Interest receivable	54,210	0.78%
	<hr/>	<hr/>
<b>Total Assets</b>	<b>\$ 6,922,501</b>	<b>100.00%</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Liabilities</b>		
Loss reserves - case	\$ 202,010	2.92%
Loss reserves - IBNR	11,860	0.17%
Accounts payable and accrued expenses	16,877	0.24%
Income tax payable	8,365	0.12%
Premium tax payable	6,880	0.10%
Unearned premiums - direct	1,715,403	24.78%
Unearned premiums - assumed	867,115	12.53%
Amounts due to affiliate(s)	2,180	0.03%
Deferred tax liability	2,666	0.04%
	<hr/>	<hr/>
<b>Total Liabilities</b>	<b>2,833,356</b>	<b>40.93%</b>
<b>Capital and Surplus</b>		
Paid-in capital	25,000	0.36%
Contributed surplus	2,970,654	42.91%
Surplus / accumulated earnings	1,083,462	15.65%
Accumulated other comprehensive income	10,029	0.14%
	<hr/>	<hr/>
<b>Total Capital and Surplus</b>	<b>4,089,145</b>	<b>59.07%</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Total Liabilities, Capital and Surplus</b>	<b>\$ 6,922,501</b>	<b>100.00%</b>

**Doral Insurance Company, Inc.**  
**Combined Statement of Income**  
**For the Year Ended December 31, 2017**

	<u>Amount (\$)</u>	<u>Percent (%)</u>
<b>Underwriting Income</b>		
Premiums earned	\$ 1,169,443	100.00%
<b>Underwriting Expenses</b>		
Losses incurred, net	13,870	1.19%
Accounting fees	1,190	0.10%
Actuarial fees	4,500	0.38%
Corporate fees	1,500	0.13%
Legal fees	4,817	0.41%
Management fees	37,131	3.18%
Office expenses	117	0.01%
Other taxes	25	0.00%
Premium tax expense	6,880	0.59%
Reinsurance fees	7,728	0.66%
Trustee fees	500	0.04%
Underwriting/policy issuance/claims management	19,721	1.69%
<b>Total Underwriting Expenses</b>	<u>97,979</u>	<u>8.38%</u>
<b>Underwriting Profit</b>	1,071,464	91.62%
<b>Other Income</b>		
Net investment income	<u>55,062</u>	<u>4.71%</u>
<b>Net Income Before Income Taxes</b>	1,126,526	96.33%
Provision for income taxes	<u>8,365</u>	<u>0.72%</u>
<b>Net Income</b>	<u>\$ 1,118,161</u>	<u>95.61%</u>

Doral Medical and Multispecialty Facility, LLC

Pro Forma Balance Sheet

ASSETS

Cash	\$	420,837
Leasehold Improvement	\$	2,237,682
Moveable/Fixed Equipment	\$	170,105
Total Assets	\$	2,828,624

LIABILITIES & MEMBERS EQUITY

Long Term Debt	\$	2,167,008
Short Term Debt	\$	210,419
Total Liabilities	\$	2,377,427
Members Equity	\$	451,197
Total Liabilities and Members Equity	\$	2,828,624

## E&A Medical Solutions LLC DBA Forest Hills Health Center

### BALANCE SHEET

As of December 31, 2016

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
Bill.com Clearing	-3,199.53
Business Checking 0860	14,524.15
Santander 99637	-331.51
Santander Money Market 0352	100.20
<b>Total Bank Accounts</b>	<b>\$11,093.31</b>
Other Current Assets	
Accumulated Amortization	-66,667.00
Bank Clearing Account	10,096.13
Goodwill	250,000.00
Security Deposit	89,750.00
Startup Costs	67,000.00
<b>Total Other Current Assets</b>	<b>\$350,179.13</b>
<b>Total Current Assets</b>	<b>\$361,272.44</b>
Fixed Assets	
Accumulated Depreciation Equipment	-28,382.00
Dental Equipment	14,837.49
Furniture & Equipment	6,898.16
Leasehold Improvements	36,991.77
Medical Equipment	65,845.11
Sign	4,100.00
<b>Total Fixed Assets</b>	<b>\$100,290.53</b>
<b>TOTAL ASSETS</b>	<b>\$461,562.97</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	247.69
<b>Total Accounts Payable</b>	<b>\$247.69</b>
Credit Cards	
American Express - 71009	28,503.57
Chase Card	
Chase 7908	4,875.83
<b>Total Chase Card</b>	<b>4,875.83</b>
<b>Total Credit Cards</b>	<b>\$33,379.40</b>
Other Current Liabilities	
AP Clearing	-4,752.64
Chase LOC 0002	35,391.99
Intercompany Loan	
Amiryan Group	37,918.47

	TOTAL
Araxi Management	248,820.69
Total Intercompany Loan	286,738.16
Lending Club	25,095.42
Line of Credit 0003	47,819.97
Payroll liability	0.00
Santander LOC 0055-3	99,199.34
Total Other Current Liabilities	\$489,493.24
Total Current Liabilities	\$523,120.33
Long-Term Liabilities	
Equipment Loan	14,000.00
Personal Loan - Araxi	18,000.00
Tandentnik Igor Note Payable	66,014.76
Total Long-Term Liabilities	\$98,014.76
Total Liabilities	\$621,135.09
Equity	
Owner Draw	-35,415.97
Owner's Equity	-129,522.39
Retained Earnings	-55,854.53
Net Income	61,220.77
Total Equity	\$ -159,572.12
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$461,562.97</b>

## E&A Medical Solutions LLC DBA Forest Hills Health Center

### PROFIT AND LOSS January - December 2016

	TOTAL
<b>INCOME</b>	
AmerigroupHealth plusBCBS NY	53,664.96
Fidells Care NYS Catholic	288,023.04
Groupon/Living Social	62.69
Income - Aetna Life Ins	4,042.20
Income - Co Payments	8,156.62
Income - HCClaimpayments	29,404.06
Income - Square Inc	835.35
Insurance miscellaneous income	111,187.56
Medicaid NYS DOH	243,351.78
Medicare - NGS	176,311.04
Patient pay - cash Square ATM	39,711.97
Refunds	-32.75
<b>Total Income</b>	<b>\$954,718.52</b>
<b>EXPENSES</b>	
Advertising and Promotion	2,700.00
Bank Service Charges	12,915.35
Billing Expense	2,466.34
Business License and Permits	160.00
Citicards - Araxl	1,235.83
Computer and Internet Expense	329.47
Contract Labor	202,373.16
Depreciation Amoritization	0.00
Dues & Subscriptions	375.00
Elec Healthcare Rec Maint	5,748.38
Equipment Lease	4,083.16
Equipment Repairs Expense	876.01
Insurance Expense	569.95
Disability Insurance	-184.79
General Liability	1,155.74
Ma/practice Insurance	25,706.71
Workers Comp	4,524.00
<b>Total Insurance Expense</b>	<b>31,771.61</b>
Interest Expense	22,860.32
Meals and Entertainment	3,038.40
Medical Records	721.69
Medical Supplies	13,014.34
Medical Testing	1,006.82
Miscellaneous	524.42
MR Rent Expense	65,000.00
Office Expense	2,327.22
Office Supplies	3,809.43
Payroll Expense	
Salary Expense	

	TOTAL
Offices Salary	25,000.18
Salary - Employees	228,790.53
<b>Total Salary Expense</b>	<b>253,790.71</b>
<b>Total Payroll Expense</b>	<b>253,790.71</b>
<b>Payroll Taxes</b>	
FICA	15,735.05
FUI	506.89
Medicare	3,680.21
NYS Inc Tax	73.82
SUI	3,281.71
<b>Total Payroll Taxes</b>	<b>23,277.68</b>
Penalties	353.37
Postage & Delivery	704.98
Professional Fees	653.50
Accounting Fees	9,941.82
Consulting	16,533.31
Legal Fees	15,000.00
Nutone Inc	0.00
<b>Total Professional Fees</b>	<b>42,128.63</b>
Public Good Fees	1,346.00
Reconciliation Discrepancy	383.06
Rent Expense	157,400.00
Repairs & Maintenance	1,162.99
Storage Expense	998.30
Taxes	983.63
Travel Expense	7,076.82
Uniforms	41.94
Utilities	
Answering Service	1,308.00
Gas & Electric	15,774.43
Telephone & Internet	7,591.59
<b>Total Utilities</b>	<b>24,674.02</b>
Vaccines & Medication	0.00
<b>Total Expenses</b>	<b>\$891,659.08</b>
<b>NET OPERATING INCOME</b>	<b>\$63,059.44</b>
<b>OTHER INCOME</b>	
Interest Income	26.33
<b>Total Other Income</b>	<b>\$26.33</b>
<b>OTHER EXPENSES</b>	
Charitable Donations	1,865.00
<b>Total Other Expenses</b>	<b>\$1,865.00</b>
<b>NET OTHER INCOME</b>	<b>\$ -1,838.67</b>
<b>NET INCOME</b>	<b>\$61,220.77</b>

## E&A Medical Solutions LLC DBA Forest Hills Health Center

**BALANCE SHEET**  
 As of December 31, 2017

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
B ll.com Clearing	0.00
Business Checking 0860	127,334.78
Santander 99637	1,899.21
Santander Money Market 0352	100.37
<b>Total Bank Accounts</b>	<b>\$129,334.34</b>
Other Current Assets	
Accumulated Amortization	-66,667.00
Bank Clearing Account	0.00
Goodwill	250,000.00
Security Deposit	89,750.00
Startup Costs	67,000.00
Working Capital	-732,228.75
<b>Total Other Current Assets</b>	<b>\$ -392,145.75</b>
<b>Total Current Assets</b>	<b>\$ -262,811.41</b>
Fixed Assets	
Accumulated Depreciation Equipment	-28,382.00
Dental Equipment	18,940.79
Furniture & Equipment	6,898.16
Leasehold Improvements	65,226.77
Construction - Morris Court	516,000.00
<b>Total Leasehold Improvements</b>	<b>581,226.77</b>
Medical Equipment	74,116.31
Sign	4,100.00
<b>Total Fixed Assets</b>	<b>\$656,900.03</b>
<b>TOTAL ASSETS</b>	<b>\$394,088.62</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	24,639.58
<b>Total Accounts Payable</b>	<b>\$24,639.58</b>
Credit Cards	
American Express - 71009	5,669.76
Chase Card	862.92
Chase 7908	-845.18
<b>Total Chase Card</b>	<b>17.74</b>
<b>Total Credit Cards</b>	<b>\$5,687.50</b>
Other Current Liabilities	
AP Clearing	0.00

	TOTAL
Chase LOC 0002	24,706.58
Construction Loan - Fedcap (Morris Court)	262,500.00
Intercompany Loan	-116,759.25
Amiryam Group	37,918.47
Araxi Management	244,488.23
Total Intercompany Loan	165,647.45
Lending Club	11,840.46
Line of Credit 0003	38,980.36
Loan Payable - Employee	-4,500.00
Loan Payable - Fundation	60,733.68
Loan Payable - IRM	-40,000.00
Payroll liability	0.00
Santander LOC 0055-3	82,773.32
Total Other Current Liabilities	\$602,681.85
Total Current Liabilities	\$633,008.93
Long-Term Liabilities	
Equipment Lease - Ascentium	-3,107.55
Equipment Loan	14,000.00
Personal Loan - Araxi	18,000.00
Tandentnik Igor Note Payable	42,330.24
Total Long-Term Liabilities	\$71,222.69
Total Liabilities	\$704,231.62
Equity	
Opening Balance Equity	5,120.07
Owner Draw	-55,247.10
Owner's Equity	-129,522.39
Retained Earnings	-20,975.61
Net Income	-109,517.97
Total Equity	\$ -310,143.00
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$394,088.62</b>

## E&A Medical Solutions LLC DBA Forest Hills Health Center

### PROFIT AND LOSS

January - December 2017

	TOTAL
<b>Income</b>	
Amerigroup\Health plus\BCBS NY	124,610.82
Fidelis Care NYS Catholic	439,820.72
HealthFirst	17,813.38
<b>Total Fidelis Care NYS Catholic</b>	<b>457,634.10</b>
Income - HC\claimpayments	2,991.52
Insurance miscellaneous income	131,039.05
Medicaid NYS DOH	158,441.50
Medicare - NGS	157,508.01
Patient pay - cash Square Moneris ATM	47,618.81
Refunds	4,049.86
Services	4,500.00
<b>Total Income</b>	<b>\$1,088,393.67</b>
<b>GROSS PROFIT</b>	<b>\$1,088,393.67</b>
<b>Expenses</b>	
Advertising and Promotion	4,731.65
Bank Service Charges	4,523.02
Billing Expense	3,472.42
Business License and Permits	1,808.40
Citycards - Araxi	31,951.03
Computer and Internet Expense	576.49
Contract Labor	192,351.00
Dues & Subscriptions	222.88
Elec Healthcare Rec Ma'int	7,187.23
Equipment Lease	3,819.48
Insurance Expense	339.00
Disability Insurance	118.80
General Liability	4,427.56
Malpractice Insurance	47,495.93
Workers Comp	4,116.00
<b>Total Insurance Expense</b>	<b>56,497.29</b>
Interest Expense	12,385.73
Meals and Entertainment	9,433.57
Medical Records	824.93
Medical Supplies	34,843.28
Office Expense	2,734.34
Office Supplies	3,378.72
Payroll Expense	
Payroll Fees	1,295.19
Salary Expense	500.00
Offices Salary	8,063.63
Salary - Employees	179,029.91
<b>Total Salary Expense</b>	<b>187,593.54</b>

	TOTAL
<b>Total Payroll Expense</b>	<b>188,888.73</b>
Payroll Taxes	89,786.72
Penalties	792.91
Postage & Delivery	509.03
<b>Professional Fees</b>	
Accounting Fees	14,694.77
Consulting	22,666.61
Credit Reporting	24.99
Legal Fees	5,450.00
Translation	100.00
<b>Total Professional Fees</b>	<b>42,938.37</b>
Public Good Fees	2,618.00
Rent Expense	284,129.00
Repairs & Maintenance	2,186.01
Taxes	3,290.00
Travel Expense	14,022.91
Uniforms	-359.29
<b>Utilities</b>	
Answering Service	1,210.00
Gas & Electric	16,630.36
Security System	11,437.15
Telephone & Internet	7,309.86
<b>Total Utilities</b>	<b>36,587.37</b>
<b>Total Expenses</b>	<b>\$1,036,129.22</b>
<b>NET OPERATING INCOME</b>	<b>\$52,264.45</b>
<b>Other Income</b>	
Interest Income	0.17
<b>Total Other Income</b>	<b>\$0.17</b>
<b>Other Expenses</b>	
Charitable Donations	204.00
<b>Total Other Expenses</b>	<b>\$204.00</b>
<b>NET OTHER INCOME</b>	<b>\$ -203.83</b>
<b>NET INCOME</b>	<b>\$52,060.62</b>

## E&A Medical Solutions LLC DBA Forest Hills Health Center

### BALANCE SHEET As of March 31, 2018

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
Bill.com Clearing	0.00
Business Checking 0860	110,549.67
Santander 99637	22.60
Santander Money Market 0352	100.39
<b>Total Bank Accounts</b>	<b>\$110,672.66</b>
Other Current Assets	
Accumulated Amortization	-66,667.00
Bank Clearing Account	0.00
Goodwill	250,000.00
Security Deposit	89,750.00
Startup Costs	67,000.00
Working Capital	-1,464,457.50
<b>Total Other Current Assets</b>	<b>\$ -1,124,374.50</b>
<b>Total Current Assets</b>	<b>\$ -1,013,701.84</b>
Fixed Assets	
Accumulated Depreciation Equipment	-28,382.00
Dental Equipment	20,940.79
Furniture & Equipment	6,898.16
Leasehold Improvements	611,726.77
Medical Equipment	74,187.08
Sign	4,100.00
<b>Total Fixed Assets</b>	<b>\$688,470.80</b>
<b>TOTAL ASSETS</b>	<b>\$ -324,231.04</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	11,773.77
<b>Total Accounts Payable</b>	<b>\$11,773.77</b>
Credit Cards	
American Express - 71009	9,655.75
Chase Card	862.92
Chase 7908	-862.92
<b>Total Chase Card</b>	<b>0.00</b>
<b>Total Credit Cards</b>	<b>\$9,655.75</b>
Other Current Liabilities	
AP Clearing	0.00
Chase LOC 0002	21,955.05
Fedcap Loan - Morris Court Construction	131,250.00

	TOTAL
Intercompany Loan	-259,580.36
Amiryan Group	37,918.47
Araxi Management	244,488.23
<b>Total Intercompany Loan</b>	<b>22,826.34</b>
Lending Club	8,526.72
Line of Credit 0003	36,621.34
Loan Payable - Employee	-4,500.00
Loan Payable - Foundation	40,891.82
Loan Payable - IRM	-40,000.00
Payroll liability	0.00
Santander LOC 0055-3	76,929.57
<b>Total Other Current Liabilities</b>	<b>\$294,500.84</b>
<b>Total Current Liabilities</b>	<b>\$315,930.18</b>
<b>Long-Term Liabilities</b>	
Equipment Lease - Ascentium	-7,071.87
Equipment Loan	14,000.00
Personal Loan - Araxi	18,000.00
Tandentrik Igor Note Payable	36,409.11
<b>Total Long-Term Liabilities</b>	<b>\$61,337.24</b>
<b>Total Liabilities</b>	<b>\$377,267.40</b>
<b>Equity</b>	
Opening Balance Equity	5,120.07
Owner Draw	-57,965.32
Owner's Equity	-129,522.39
Retained Earnings	-130,493.58
Net Income	-388,637.22
<b>Total Equity</b>	<b>\$ -701,498.44</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ -324,231.04</b>

**E&A Medical Solutions LLC DBA Forest Hills Health Center**  
**Profit and Loss**  
January - March, 2018

	<u>Total</u>
<b>Income:</b>	
Misc Insurance	21,830.12
MNGED Care	52,554.29
HMO	11,304.18
Income - HCCLAIMpayments	1,277.78
Insurance miscellaneous Income	78,678.51
Medicaid NYS DOH	30,877.89
Medicare - NGS	17,718.98
Patient pay - cash Square Moneris ATM	12,812.87
<b>Total Income</b>	<b>\$ 226,852.40</b>
<b>Gross Profit</b>	<b>\$ 226,852.40</b>
<b>Expenses:</b>	
Bank Service Charges	843.35
Billing Expense	1,510.73
Citicards - Araxi	2,207.89
Computer and Internet Expense	157.99
Contract Labor	68,180.22
Dues & Subscriptions	-61.09
Elec Healthcare Rec Maint	1,297.73
Equipment Lease	1,082.04
Insurance Expense:	
Malpractice Insurance	3,625.00
Workers Comp	1,891.30
Interest Expense	3,177.80
Meals and Entertainment	3,490.21
Medical Records	201.09
Medical Supplies	3,853.33
Office Expense	1,659.11
Office Supplies	1,299.01
Payroll Expense:	
Payroll Fees	319.14
Salary - Employees	17,598.57
Payroll Taxes	13,618.00
Postage & Delivery	589.39
Professional Fees:	
Accounting Fees	3,272.50
Consulting	2,460.00
Translation	260.40
Public Good Fees	321.00
Rent Expense	45,000.00
Repairs & Maintenance	791.45

CON Project #181307  
BFA Attachment C Continued

Travel Expense		4,203.10
Utilities:		
Answering Service		357.00
Gas & Electric		2,703.00
Security System		734.91
Telephone & Internet		1,280.21
Total Expenses	\$	188,904.38
Net Operating Income	\$	40,948.02
Interest Income		0.03
Total Other Income	\$	0.03
Charitable Donations		9.00
Total Other Expenses	\$	9.00
Net Other Income	-\$	8.97
Net Income	\$	40,939.05

Ajay 28, LLC

BALANCE SHEET

DAY 1

ASSETS

**CURRENT ASSETS**

Cash	\$ 169,115
Accounts Receivable	211,630
Prepaid Expenses	<u>9,500</u>

**TOTAL CURRENT ASSETS** 390,245

**OTHER ASSETS**

Security Deposits	5,000
Fixed Assets	200,000

**TOTAL ASSETS** \$ 595,245

LIABILITIES AND MEMBER'S EQUITY

**CURRENT LIABILITIES**

Accounts Payable	\$ 208,444
Accrued Expenses	<u>24,000</u>

**TOTAL CURRENT LIABILITIES** 232,444

**MEMBER'S EQUITY**

Balance (Deficit)	<u>362,801</u>
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**TOTAL MEMBER'S EQUITY** 362,801

**TOTAL LIABILITIES AND MEMBER'S EQUITY** \$ 595,245

**DAVITA INC.**  
**CONSOLIDATED BALANCE SHEETS**  
**(unaudited)**  
**(dollars in thousands, except per share data)**

	September 30, 2017	December 31, 2016
<b>ASSETS</b>		
Cash and cash equivalents	\$ 846,110	\$ 913,187
Short-term investments	137,358	310,198
Accounts receivable, less allowance of \$221,329 and \$252,056	2,091,074	1,917,302
Inventories	154,422	164,858
Other receivables	599,374	453,483
Prepaid and other current assets	205,211	210,604
Income taxes receivable	—	10,596
<b>Total current assets</b>	<b>4,033,549</b>	<b>3,980,228</b>
Property and equipment, net of accumulated depreciation of \$3,151,402 and \$2,832,160	3,386,056	3,175,367
Intangible assets, net of accumulated amortization of \$1,084,682 and \$940,731	1,451,033	1,527,767
Equity method and other investments	545,053	502,389
Long-term investments	120,129	103,679
Other long-term assets	61,642	44,510
Goodwill	9,415,877	9,407,317
	<b>\$ 19,013,339</b>	<b>\$ 18,741,257</b>
<b>LIABILITIES AND EQUITY</b>		
Accounts payable	\$ 566,918	\$ 522,415
Other liabilities	928,123	856,847
Accrued compensation and benefits	775,280	815,761
Medical payables	400,259	336,381
Current portion of long-term debt	189,822	165,041
Income tax payable	14,391	—
<b>Total current liabilities</b>	<b>2,874,793</b>	<b>2,696,445</b>
Long-term debt	8,908,703	8,947,327
Other long-term liabilities	548,226	465,358
Deferred income taxes	685,598	809,128
<b>Total liabilities</b>	<b>13,017,320</b>	<b>12,918,258</b>
Commitments and contingencies		
Noncontrolling interests subject to put provisions	1,026,890	973,258
Equity:		
Preferred stock (\$0.001 par value, 5,000,000 shares authorized; none issued)		
Common stock (\$0.001 par value, 450,000,000 shares authorized; 194,788,516 and 194,554,491 shares issued and 189,231,693 and 194,554,491 shares outstanding, respectively)	195	195
Additional paid-in capital	1,059,176	1,027,182
Retained earnings	4,070,535	3,710,313
Treasury stock (5,556,823 shares at September 30, 2017)	(348,801)	—
Accumulated other comprehensive income (loss)	3,476	(89,643)
Total DaVita Inc. shareholders' equity	<b>4,784,581</b>	<b>4,648,047</b>
Noncontrolling interests not subject to put provisions	184,548	201,694
<b>Total equity</b>	<b>4,969,129</b>	<b>4,849,741</b>
	<b>\$ 19,013,339</b>	<b>\$ 18,741,257</b>

**DAVITA INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(unaudited)**  
**(dollars in thousands, except per share data)**

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
Patient service revenues	\$ 2,746,257	\$ 2,643,194	\$ 8,030,102	\$ 7,708,641
Less: Provision for uncollectible accounts	(123,760)	(115,555)	(352,228)	(336,188)
<b>Net patient service revenues</b>	<b>2,622,497</b>	<b>2,527,639</b>	<b>7,677,874</b>	<b>7,372,453</b>
Capitated revenues	1,016,365	872,538	2,956,479	2,660,532
Other revenues	283,969	330,399	863,238	996,378
<b>Total net revenues</b>	<b>3,922,831</b>	<b>3,730,576</b>	<b>11,497,591</b>	<b>11,029,363</b>
<b>Operating expenses and charges:</b>				
Patient care costs and other costs	2,925,975	2,697,629	8,508,706	7,950,987
General and administrative	400,018	406,890	1,174,113	1,180,214
Depreciation and amortization	203,283	181,739	593,527	531,475
Provision for uncollectible accounts	(2,685)	3,773	(1,381)	9,856
Equity investment loss (income)	4,852	(4,237)	(2,697)	(5,119)
Goodwill and asset impairment charges	601,040	—	701,523	253,000
Gain on changes in ownership interests, net	(17,129)	(374,374)	(23,402)	(404,165)
Gain on settlement, net	—	—	(526,827)	—
<b>Total operating expenses and charges</b>	<b>4,115,354</b>	<b>2,911,420</b>	<b>10,423,562</b>	<b>9,516,248</b>
<b>Operating (loss) income</b>	<b>(192,523)</b>	<b>819,156</b>	<b>1,074,029</b>	<b>1,513,115</b>
Debt expense	(109,623)	(104,581)	(322,014)	(310,359)
Other income, net	4,370	1,876	13,866	8,067
(Loss) income before income taxes	(297,776)	716,451	765,881	1,210,823
Income tax (benefit) expense	(125,742)	104,301	276,005	366,011
Net (loss) income	(172,034)	612,150	489,876	844,812
Less: Net income attributable to noncontrolling interests	(42,442)	(40,818)	(129,654)	(122,664)
Net (loss) income attributable to DaVita Inc.	<u>\$ (214,476)</u>	<u>\$ 571,332</u>	<u>\$ 360,222</u>	<u>\$ 722,148</u>
<b>Earnings per share:</b>				
Basic net (loss) income per share attributable to DaVita Inc.	<u>\$ (1.14)</u>	<u>\$ 2.80</u>	<u>\$ 1.89</u>	<u>\$ 3.54</u>
Diluted net (loss) income per share attributable to DaVita Inc.	<u>\$ (1.14)</u>	<u>\$ 2.76</u>	<u>\$ 1.86</u>	<u>\$ 3.48</u>
<b>Weighted average shares for earnings per share:</b>				
Basic	<u>188,883,922</u>	<u>203,761,433</u>	<u>190,770,165</u>	<u>204,206,979</u>
Diluted	<u>188,883,922</u>	<u>206,961,450</u>	<u>193,546,245</u>	<u>207,643,794</u>

Northwell Health, Inc.

Consolidated Statements of Financial Position  
September 30, 2017 and December 31, 2016 (In Thousands)

	(Unaudited) September 30, 2017	(Audited) December 31, 2016
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 447,663	\$ 383,295
Short-term investments	2,480,401	2,464,366
Accounts receivable for services to patients, net of allowance for doubtful accounts	1,027,167	975,423
Accounts receivable for physician activities, net	143,913	127,718
Pledges receivable, current portion	70,293	46,197
Insurance claims receivable, current portion	71,010	71,014
Other current assets	302,127	269,472
Total current assets	<u>4,542,574</u>	<u>4,337,485</u>
Long-term investments	2,437,787	1,875,198
Pledges receivable, net of current portion	128,496	96,371
Property, plant and equipment, net	4,803,596	4,610,223
Insurance claims receivable, net of current portion	217,934	245,967
Other assets	249,189	199,020
Total assets	<u>\$ 12,379,576</u>	<u>\$ 11,364,264</u>
<b>Liabilities and net assets</b>		
Current liabilities:		
Short-term borrowings	\$ 110,218	\$ 110,218
Accounts payable and accrued expenses	935,582	857,584
Accrued salaries and related benefits	690,216	671,594
Current portion of capital lease obligations	3,369	3,470
Current portion of long-term debt	49,642	59,829
Current portion of insurance claims liability	71,010	71,014
Current portion of malpractice and other insurance liabilities	123,762	123,740
Current portion of estimated payables to third-party payers	313,575	320,126
Total current liabilities	<u>2,297,374</u>	<u>2,217,575</u>
Accrued retirement benefits, net of current portion	878,298	927,378
Capital lease obligations, net of current portion	171,099	173,108
Long-term debt, net of current portion	3,250,929	2,680,021
Insurance claims liability, net of current portion	217,934	245,967
Malpractice and other insurance liabilities, net of current portion	1,046,783	944,225
Other long-term liabilities	578,440	573,464
Total liabilities	<u>8,440,857</u>	<u>7,761,738</u>
Commitments and contingencies		
Net assets:		
Unrestricted	3,326,311	3,027,943
Temporarily restricted	421,929	393,610
Permanently restricted	190,479	180,973
Total net assets	<u>3,938,719</u>	<u>3,602,526</u>
Total liabilities and net assets	<u>\$ 12,379,576</u>	<u>\$ 11,364,264</u>

Northwell Health, Inc.

**Consolidated Statements of Operations**  
**For the Nine Months Ended September 30, 2017 and 2016 (In Thousands)**

	(Unaudited) 2017	(Unaudited) 2016
Operating revenue:		
Net patient service revenue	\$ 5,992,757	\$ 5,711,957
Physician practice revenue	1,123,306	957,564
Provision for bad debts	(94,586)	(92,784)
Total patient revenue, net of provision for bad debts	<u>7,021,477</u>	<u>6,576,737</u>
Other operating revenue	451,845	381,549
Net assets released from restrictions used for operations	48,593	42,297
Total operating revenue	<u>7,521,915</u>	<u>7,000,583</u>
Operating expenses:		
Salaries	3,832,855	3,462,223
Employee benefits	915,986	867,689
Supplies and expenses	2,228,355	2,071,738
Depreciation and amortization	334,783	307,449
Interest	92,530	82,216
Total operating expenses	<u>7,404,509</u>	<u>6,791,315</u>
Excess of operating revenue over operating expenses, excluding Health Insurance Companies	117,406	209,268
Health Insurance Companies excess of operating expenses over operating revenue	(83,016)	(96,706)
Total excess of operating revenue over operating expenses	<u>34,390</u>	<u>112,562</u>
Non-operating gains and losses:		
Investment income	77,287	41,536
Change in net unrealized gains and losses and change in value of equity method investments	220,972	134,041
Change in fair value of interest rate swap agreements designated as derivative instruments	-	190
Non-operating net periodic benefit cost	(21,094)	(28,478)
Loss on refunding of long-term debt	(42,619)	-
Contribution received in the acquisition of Peconic Bay Medical Center	-	36,343
Other non-operating gains and losses	(2,769)	(9,198)
Total non-operating gains and losses	<u>231,777</u>	<u>174,434</u>
Excess of revenue and gains and losses over expenses	266,167	286,996
Net assets released from restrictions for capital asset acquisitions	34,814	28,221
Change in fair value of interest rate swap agreements designated as cash flow hedges	1,658	13
Recovery of fair value of endowment corpus	-	609
Other changes in net assets	(4,271)	(4,803)
Increase in unrestricted net assets	<u>\$ 298,368</u>	<u>\$ 311,036</u>

**BALANCE SHEET**

**ASSETS**

**True North IV DC,  
LLC (Atlas Park)**

Capital Improvements	3,623,670
Working Capital Cash	1,036,151
Equipment and Telecommunications	1,089,487
Inventory	9,081
Prepaid Expenses	22,610
<b>TOTAL ASSETS</b>	<b><u><u>\$5,781,000</u></u></b>

**LIABILITIES AND MEMBER'S EQUITY**

<b>LIABILITIES</b>	4,232,800
<b>CAPITAL CONTRIBUTIONS</b>	1,548,200
<b>TOTAL LIABILITIES AND MEMBER'S EQUITY</b>	<b><u><u>5,781,000</u></u></b>

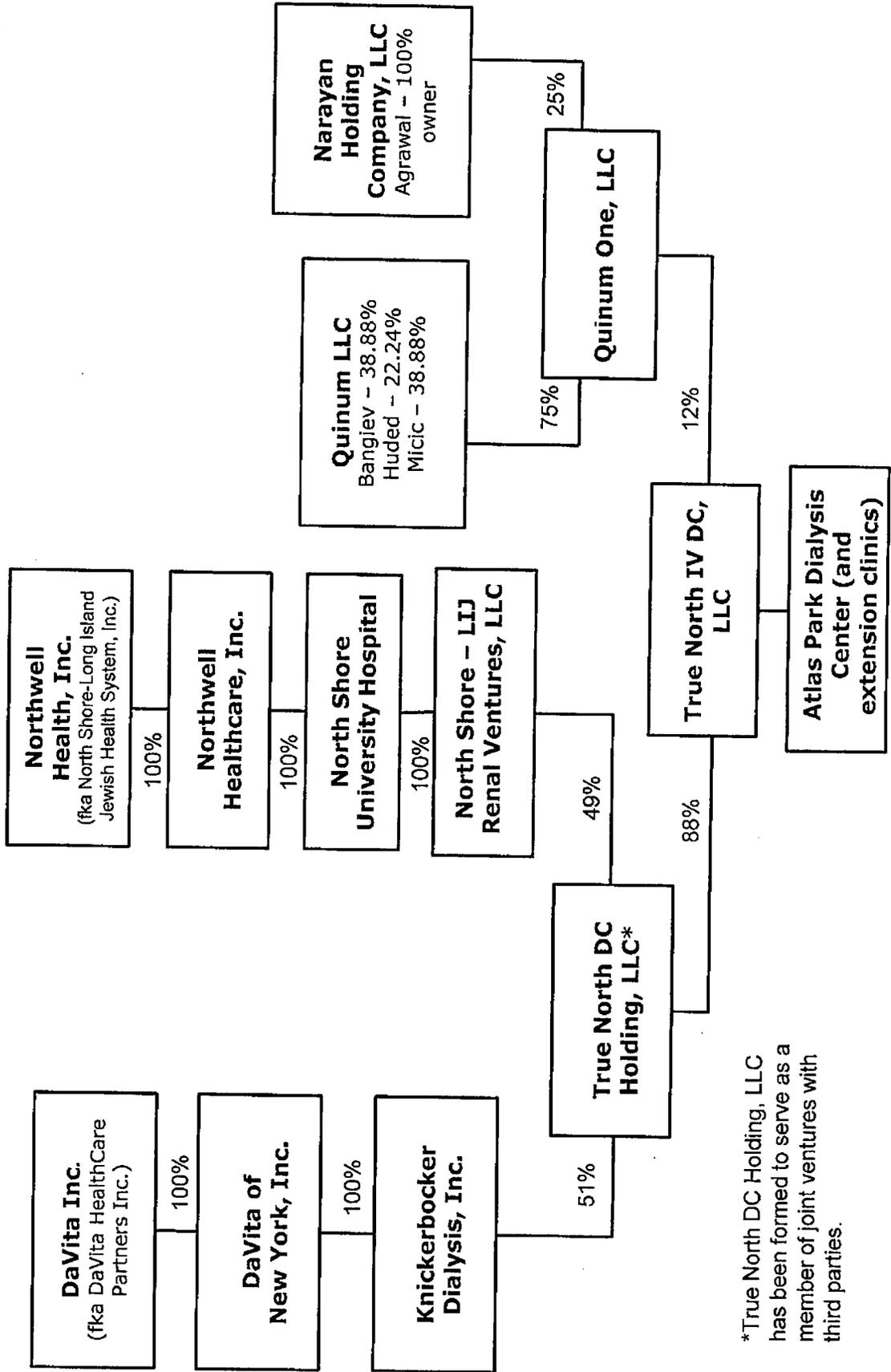
**BALANCE SHEET**

<b><u>ASSETS</u></b>	<b>True North IV DC, LLC (Jamaica Hillside)</b>
Capital Improvements	2,272,103
Working Capital Cash	1,663,463
Equipment and Telecommunications	960,550
Inventory	15,328
Prepaid Expenses	37,557
<b><u>TOTAL ASSETS</u></b>	<b><u>\$4,949,000</u></b>

**LIABILITIES AND MEMBER'S EQUITY**

<b>LIABILITIES</b>	3,623,372
<b><u>CAPITAL CONTRIBUTIONS</u></b>	<b><u>1,325,628</u></b>
<b>TOTAL LIABILITIES AND MEMBER'S EQUITY</b>	<b><u>\$4,949,000</u></b>

# True North IV DC, LLC



\* True North DC Holding, LLC has been formed to serve as a member of joint ventures with third parties.

**172364 HSP Attachment A**  
**Knickerbocker-Affiliated Dialysis Centers in New York State**

<b>Facility Name</b>	<b>Address</b>	<b>Star Rating</b>
South Bronx Dialysis Center	1940 Webster Avenue Bronx, New York 10457	☆☆☆●●
Richmond Kidney Center	1366 Victory Boulevard Staten Island, New York 10301	☆☆☆☆☆
Catskill Dialysis Center	139 Forestburgh Road Monticello, New York 12701	☆☆☆●●
Sheepshead Bay Renal Care Center	26 Brighton 11th Street Brooklyn, New York 11235	☆☆☆☆☆
Garden City Dialysis Center	1100 Stewart Ave Garden City, New York 11530	☆☆☆●●
Orchard Park Dialysis Center	3801 Taylor Rd Orchard Park, New York 14127	☆☆●●●
Central New York Dialysis Center	910 Erie Blvd East Syracuse, New York 13210	☆☆☆●●
Millennium Dialysis	1408 Ocean Avenue Brooklyn, New York 11230	☆☆●●●
Bronx Dialysis Center	1615-1617 Eastchester Road Bronx, New York 10461	☆☆☆☆●
Riverdale Dialysis Center	170 West 233rd Street Bronx, New York 10463	☆☆☆☆●
Peekskill Cortland Dialysis Center	Pike Plaza, Suite 15 Cortlandt Manor, New York 10566	☆☆☆☆☆
Queens Dialysis Center	118-01,05,07A Guy Brewer Boulevard Jamaica, New York 11434	☆☆☆●●
Boston Post Road Dialysis Center	4000-4026 Boston Post Road Bronx, New York 10475	☆☆☆●●
Soundview Dialysis Center	1622-24 Bruckner Blvd Bronx, New York 10473	☆☆☆●●
Lynbrook Dialysis Center	147 Scranton Road Lynbrook, New York 11563	☆☆☆●●
Northtowns Dialysis Center	4041 Delaware Avenue Tonawanda, New York 14150	☆☆☆●●
Midwood Dialysis	1915 Ocean Avenue Brooklyn, New York 11230	☆☆☆●●
Yonkers Dialysis Center	575 Yonkers Avenue Yonkers, New York 10704	☆☆☆☆☆
Suburban Dialysis Center	1542 Maple Rd Williamsville, New York 14221	☆☆☆●●
Queens Village Dialysis Center	222-02 Hempstead Avenue Queens Village, New York 11429	☆☆☆●●
Long Island Renal Care	3460 Great Neck Road Amityville, New York 11701	☆☆☆●●

**172364 HSP Attachment A**  
**Knickerbocker-Affiliated Dialysis Centers in New York State**

<b>Facility Name</b>	<b>Address</b>	<b>Star Rating</b>
Borough Park Dialysis	4102 13th Avenue Brooklyn, New York 11219	★ ★ ● ● ●
Jamestown Dialysis Center	207 Foote Avenue Jamestown, New York 14701	★ ★ ★ ★ ★
Orange Dialysis Center	100 Crystal Run Road Middletown, New York 10941	★ ★ ★ ● ●
Waters Place Dialysis Center	1733 Eastchester Road Bronx, New York 10461	★ ★ ★ ★ ●
Staten Island Dialysis Center	1139 Hylan Boulevard Staten Island, New York 10305	★ ★ ★ ● ●
Ivy Dialysis	602 Ivy Street Elmira, New York 14905	Not enough quality measure data to calculate a star rating
Corning Dialysis	8 W. Pulteney St. Suite 101 Corning, New York 14830	★ ★ ★ ★ ●
Schuyler Dialysis	220 Steuben Street Montour Falls, New York 14865	Not enough quality measure data to calculate a star rating
Williamsbridge Dialysis Center	3525 White Plains Road, Suite B Bronx, New York 10467	Not enough quality measure data to calculate a star rating
East Rochester Dialysis	445 West Commercial Street East Rochester, New York 14445	Not enough quality measure data to calculate a star rating
Williamsbridge Home Dialysis Center	3525 White Plains Road, Suite A Bronx, New York 10467	N/A
Clinton Hill Dialysis	1275 Bedford Avenue Brooklyn, New York 11216	Not enough quality measure data to calculate a star rating
Jamaica Hillside Dialysis (Open Date 2/10/17)	171-19 Hillside Avenue Jamaica, New York 11432	Not yet on CMS site/Not open long enough to supply sufficient data
Atlas Park Dialysis (Open Date 2/4/17)	80-00 Cooper Avenue Glendale, New York 11385	Not yet on CMS site/Not open long enough to supply sufficient data
Melrose Dialysis	459 East 149th Street Bronx, New York 10455	Not open long enough to supply sufficient data
Seaway Dialysis	999 East Ridge Road Irondequoit, New York 14621	Not open long enough to supply sufficient data
Buffalo Dialysis	520 Ellicott Street Buffalo, New York 14203	Not yet on CMS site/Not open long enough to supply sufficient data
Brooklyn Chinatown Dialysis	730 64th Street Brooklyn, New York 11220	Not yet on CMS site/Not open long enough to supply sufficient data
Woodbury Dialysis	113 Crossways Park Drive, Suite 100 Woodbury, New York 11797	Not yet on CMS site/Not open long enough to supply sufficient data

**Data obtained from Dialysis Facility  
Compare on March 2, 2018**

<https://www.medicare.gov/dialysisfacilitycompare/#>

**172364 HSP Attachment A**  
**Knickerbocker-Affiliated Dialysis Centers in New York State**

## The star rating

To calculate the star rating for a facility, each domain is given a domain score between 0 and 100 by averaging the normalized scores for measures within that domain. A final score between 0 and 100 is obtained by averaging the three domain scores (or two domain scores for peritoneal dialysis-only facilities). Finally, to recognize high and low performances, facilities receive stars in the following way:

- Facilities with the top 10% final scores were given a star rating of 5. 
- Facilities with the next 20% highest final scores were given a star rating of 4. 
- Facilities within the middle 40% of final scores were given a star rating of 3. 
- Facilities with the next 20% lowest final scores were given a star rating of 2. 
- Facilities with the bottom 10% final scores were given a star rating of 1. 

### Quality of patient care star rating

[Data source: Medicare claims and the CMS/ESRD Networks integrated information system](#)

^

**Date updated on this website:** Annually (October)

**Data collection period:** From: 1/1/2012 - Through: 12/31/2015

**DAVITA INC.**  
**CONSOLIDATED BALANCE SHEETS**  
**(unaudited)**  
**(dollars in thousands, except per share data)**

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Inventories	154,422	164,858
Other receivables	599,374	453,483
Prepaid and other current assets	205,211	210,604
Income taxes receivable	—	10,596
<b>Total current assets</b>	<b>4,033,549</b>	<b>3,980,228</b>
Property and equipment, net of accumulated depreciation of \$3,151,402 and \$2,832,160	3,386,056	3,175,367
Intangible assets, net of accumulated amortization of \$1,084,682 and \$940,731	1,451,033	1,527,767
Equity method and other investments	545,053	502,389
Long-term investments	120,129	103,679
Other long-term assets	61,642	44,510
Goodwill	9,415,877	9,407,317
	<b>\$ 19,013,339</b>	<b>\$ 18,741,257</b>
<b>LIABILITIES AND EQUITY</b>		
Accounts payable	\$ 566,918	\$ 522,415
Other liabilities	928,123	856,847
Accrued compensation and benefits	775,280	815,761
Medical payables	400,259	336,381
Current portion of long-term debt	189,822	165,041
Income tax payable	14,391	—
<b>Total current liabilities</b>	<b>2,874,793</b>	<b>2,696,445</b>
Long-term debt	8,908,703	8,947,327
Other long-term liabilities	548,226	465,358
Deferred income taxes	685,598	809,128
<b>Total liabilities</b>	<b>13,017,320</b>	<b>12,918,258</b>
Commitments and contingencies		
Noncontrolling interests subject to put provisions	1,026,890	973,258
Equity:		
Preferred stock (\$0.001 par value, 5,000,000 shares authorized; none issued)		
Common stock (\$0.001 par value, 450,000,000 shares authorized; 194,788,516 and 194,554,491 shares issued and 189,231,693 and 194,554,491 shares outstanding, respectively)	195	195
Additional paid-in capital	1,059,176	1,027,182
Retained earnings	4,070,535	3,710,313
Treasury stock (5,556,823 shares at September 30, 2017)	(348,801)	—
Accumulated other comprehensive income (loss)	3,476	(89,643)
Total DaVita Inc. shareholders' equity	<b>4,784,581</b>	<b>4,648,047</b>
Noncontrolling interests not subject to put provisions	184,548	201,694
<b>Total equity</b>	<b>4,969,129</b>	<b>4,849,741</b>
	<b>\$ 19,013,339</b>	<b>\$ 18,741,257</b>

**DAVITA INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(unaudited)**  
**(dollars in thousands, except per share data)**

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
Patient service revenues	\$ 2,746,257	\$ 2,643,194	\$ 8,030,102	\$ 7,708,641
Less: Provision for uncollectible accounts	(123,760)	(115,555)	(352,228)	(336,188)
<b>Net patient service revenues</b>	<b>2,622,497</b>	<b>2,527,639</b>	<b>7,677,874</b>	<b>7,372,453</b>
Capitated revenues	1,016,365	872,538	2,956,479	2,660,532
Other revenues	283,969	330,399	863,238	996,378
<b>Total net revenues</b>	<b>3,922,831</b>	<b>3,730,576</b>	<b>11,497,591</b>	<b>11,029,363</b>
Operating expenses and charges:				
Patient care costs and other costs	2,925,975	2,697,629	8,508,706	7,950,987
General and administrative	400,018	406,890	1,174,113	1,180,214
Depreciation and amortization	203,283	181,739	593,527	531,475
Provision for uncollectible accounts	(2,685)	3,773	(1,381)	9,856
Equity investment loss (income)	4,852	(4,237)	(2,697)	(5,119)
Goodwill and asset impairment charges	601,040	—	701,523	253,000
Gain on changes in ownership interests, net	(17,129)	(374,374)	(23,402)	(404,165)
Gain on settlement, net	—	—	(526,827)	—
<b>Total operating expenses and charges</b>	<b>4,115,354</b>	<b>2,911,420</b>	<b>10,423,562</b>	<b>9,516,248</b>
Operating (loss) income	(192,523)	819,156	1,074,029	1,513,115
Debt expense	(109,623)	(104,581)	(322,014)	(310,359)
Other income, net	4,370	1,876	13,866	8,067
(Loss) income before income taxes	(297,776)	716,451	765,881	1,210,823
Income tax (benefit) expense	(125,742)	104,301	276,005	366,011
Net (loss) income	(172,034)	612,150	489,876	844,812
Less: Net income attributable to noncontrolling interests	(42,442)	(40,818)	(129,654)	(122,664)
Net (loss) income attributable to DaVita Inc.	<u>\$ (214,476)</u>	<u>\$ 571,332</u>	<u>\$ 360,222</u>	<u>\$ 722,148</u>
<b>Earnings per share:</b>				
Basic net (loss) income per share attributable to DaVita Inc.	<u>\$ (1.14)</u>	<u>\$ 2.80</u>	<u>\$ 1.89</u>	<u>\$ 3.54</u>
Diluted net (loss) income per share attributable to DaVita Inc.	<u>\$ (1.14)</u>	<u>\$ 2.76</u>	<u>\$ 1.86</u>	<u>\$ 3.48</u>
<b>Weighted average shares for earnings per share:</b>				
Basic	<u>188,883,922</u>	<u>203,761,433</u>	<u>190,770,165</u>	<u>204,206,979</u>
Diluted	<u>188,883,922</u>	<u>206,961,450</u>	<u>193,546,245</u>	<u>207,643,794</u>

Northwell Health, Inc.

Consolidated Statements of Financial Position  
September 30, 2017 and December 31, 2016 (In Thousands)

	(Unaudited) September 30, 2017	(Audited) December 31, 2016
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 447,663	\$ 383,295
Short-term investments	2,480,401	2,464,366
Accounts receivable for services to patients, net of allowance for doubtful accounts	1,027,167	975,423
Accounts receivable for physician activities, net	143,913	127,718
Pledges receivable, current portion	70,293	46,197
Insurance claims receivable, current portion	71,010	71,014
Other current assets	302,127	269,472
Total current assets	<u>4,542,574</u>	<u>4,337,485</u>
Long-term investments	2,437,787	1,875,198
Pledges receivable, net of current portion	128,496	96,371
Property, plant and equipment, net	4,803,596	4,610,223
Insurance claims receivable, net of current portion	217,934	245,967
Other assets	249,189	199,020
Total assets	<u>\$ 12,379,576</u>	<u>\$ 11,364,264</u>
<b>Liabilities and net assets</b>		
Current liabilities:		
Short-term borrowings	\$ 110,218	\$ 110,218
Accounts payable and accrued expenses	935,582	857,584
Accrued salaries and related benefits	690,216	671,594
Current portion of capital lease obligations	3,369	3,470
Current portion of long-term debt	49,642	59,829
Current portion of insurance claims liability	71,010	71,014
Current portion of malpractice and other insurance liabilities	123,762	123,740
Current portion of estimated payables to third-party payers	313,575	320,126
Total current liabilities	<u>2,297,374</u>	<u>2,217,575</u>
Accrued retirement benefits, net of current portion	878,298	927,378
Capital lease obligations, net of current portion	171,099	173,108
Long-term debt, net of current portion	3,250,929	2,680,021
Insurance claims liability, net of current portion	217,934	245,967
Malpractice and other insurance liabilities, net of current portion	1,046,783	944,225
Other long-term liabilities	578,440	573,464
Total liabilities	<u>8,440,857</u>	<u>7,761,738</u>
Commitments and contingencies		
Net assets:		
Unrestricted	3,326,311	3,027,943
Temporarily restricted	421,929	393,610
Permanently restricted	190,479	180,973
Total net assets	<u>3,938,719</u>	<u>3,602,526</u>
Total liabilities and net assets	<u>\$ 12,379,576</u>	<u>\$ 11,364,264</u>

Northwell Health, Inc.

**Consolidated Statements of Operations**  
**For the Nine Months Ended September 30, 2017 and 2016 (In Thousands)**

	(Unaudited) 2017	(Unaudited) 2016
Operating revenue:		
Net patient service revenue	\$ 5,992,757	\$ 5,711,957
Physician practice revenue	1,123,306	957,564
Provision for bad debts	(94,586)	(92,784)
Total patient revenue, net of provision for bad debts	<u>7,021,477</u>	<u>6,576,737</u>
Other operating revenue	451,845	381,549
Net assets released from restrictions used for operations	48,593	42,297
Total operating revenue	<u>7,521,915</u>	<u>7,000,583</u>
Operating expenses:		
Salaries	3,832,855	3,462,223
Employee benefits	915,986	867,689
Supplies and expenses	2,228,355	2,071,738
Depreciation and amortization	334,783	307,449
Interest	92,530	82,216
Total operating expenses	<u>7,404,509</u>	<u>6,791,315</u>
Excess of operating revenue over operating expenses, excluding Health Insurance Companies	117,406	209,268
Health Insurance Companies excess of operating expenses over operating revenue	(83,016)	(96,706)
Total excess of operating revenue over operating expenses	<u>34,390</u>	<u>112,562</u>
Non-operating gains and losses:		
Investment income	77,287	41,536
Change in net unrealized gains and losses and change in value of equity method investments	220,972	134,041
Change in fair value of interest rate swap agreements designated as derivative instruments	-	190
Non-operating net periodic benefit cost	(21,094)	(28,478)
Loss on refunding of long-term debt	(42,619)	-
Contribution received in the acquisition of Peconic Bay Medical Center	-	36,343
Other non-operating gains and losses	(2,769)	(9,198)
Total non-operating gains and losses	<u>231,777</u>	<u>174,434</u>
Excess of revenue and gains and losses over expenses	266,167	286,996
Net assets released from restrictions for capital asset acquisitions	34,814	28,221
Change in fair value of interest rate swap agreements designated as cash flow hedges	1,658	13
Recovery of fair value of endowment corpus	-	609
Other changes in net assets	(4,271)	(4,803)
Increase in unrestricted net assets	<u>\$ 298,368</u>	<u>\$ 311,036</u>

**Privileged and Confidential: Exempt from disclosure under N.Y. Pub. Off. Law § 87(2)(d)**

**BALANCE SHEET**

**ASSETS**

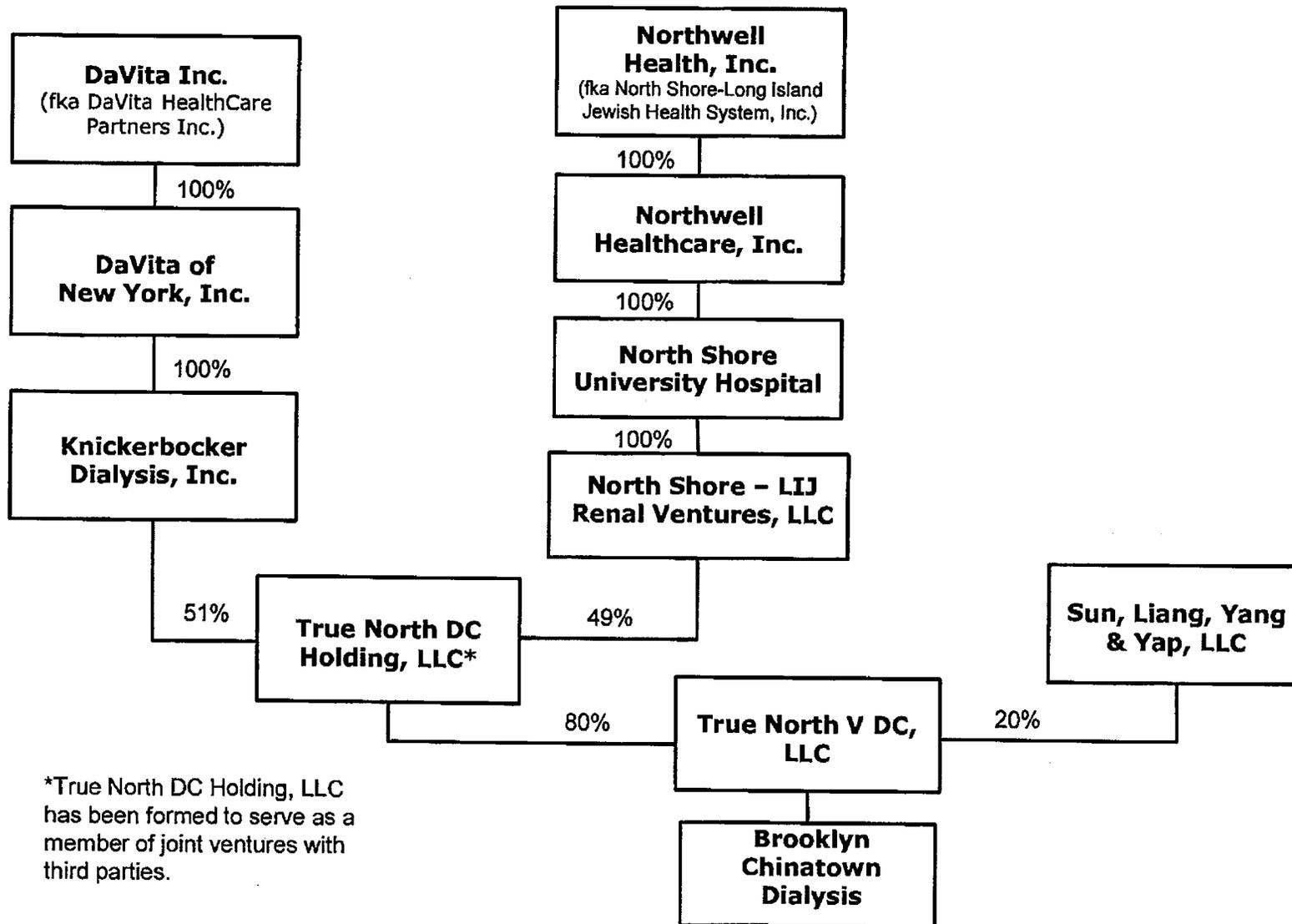
	<b>Brooklyn Chinatown</b>
Capital Improvements	\$ 1,951,923
Goodwill	\$ 1,306,489
Working Capital Cash	\$ 1,776,205
Equipment and Telecommunications	\$ 734,692
Inventory	\$ 10,927
Prepaid Expenses	\$ 32,764
<b>TOTAL ASSETS</b>	<b>\$ 5,813,000</b>

**LIABILITIES AND MEMBERS' EQUITY**

<b>LIABILITIES</b>	4,070,000
<b>CAPITAL CONTRIBUTIONS</b>	1,743,000
<b>EXPENSES INCURRED</b>	-
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b>5,813,000</b>



# True North V DC, LLC



\*True North DC Holding, LLC has been formed to serve as a member of joint ventures with third parties.

**172411 HSP Attachment A**  
**Knickerbocker-Affiliated Dialysis Centers in New York State**

<b>Facility Name</b>	<b>Address</b>	<b>Star Rating</b>
South Bronx Dialysis Center	1940 Webster Avenue Bronx, New York 10457	★ ★ ★ ● ●
Richmond Kidney Center	1366 Victory Boulevard Staten Island, New York 10301	★ ★ ★ ★ ★
Catskill Dialysis Center	139 Forestburgh Road Monticello, New York 12701	★ ★ ★ ● ●
Sheepshead Bay Renal Care Center	26 Brighton 11th Street Brooklyn, New York 11235	★ ★ ★ ★ ★
Garden City Dialysis Center	1100 Stewart Ave Garden City, New York 11530	★ ★ ★ ● ●
Orchard Park Dialysis Center	3801 Taylor Rd Orchard Park, New York 14127	★ ★ ● ● ●
Central New York Dialysis Center	910 Erie Blvd East Syracuse, New York 13210	★ ★ ★ ● ●
Millennium Dialysis	1408 Ocean Avenue Brooklyn, New York 11230	★ ★ ● ● ●
Bronx Dialysis Center	1615-1617 Eastchester Road Bronx, New York 10461	★ ★ ★ ★ ●
Riverdale Dialysis Center	170 West 233rd Street Bronx, New York 10463	★ ★ ★ ★ ●
Peekskill Cortland Dialysis Center	Pike Plaza, Suite 15 Cortlandt Manor, New York 10566	★ ★ ★ ★ ★
Queens Dialysis Center	118-01,05,07A Guy Brewer Boulevard Jamaica, New York 11434	★ ★ ★ ● ●
Boston Post Road Dialysis Center	4000-4026 Boston Post Road Bronx, New York 10475	★ ★ ★ ● ●
Soundview Dialysis Center	1622-24 Bruckner Blvd Bronx, New York 10473	★ ★ ★ ● ●
Lynbrook Dialysis Center	147 Scranton Road Lynbrook, New York 11563	★ ★ ★ ● ●
Northtowns Dialysis Center	4041 Delaware Avenue Tonawanda, New York 14150	★ ★ ★ ● ●
Midwood Dialysis	1915 Ocean Avenue Brooklyn, New York 11230	★ ★ ★ ● ●
Yonkers Dialysis Center	575 Yonkers Avenue Yonkers, New York 10704	★ ★ ★ ★ ★
Suburban Dialysis Center	1542 Maple Rd Williamsville, New York 14221	★ ★ ★ ● ●
Queens Village Dialysis Center	222-02 Hempstead Avenue Queens Village, New York 11429	★ ★ ★ ● ●
Long Island Renal Care	3460 Great Neck Road Amityville, New York 11701	★ ★ ★ ● ●

**172411 HSP Attachment A**  
**Knickerbocker-Affiliated Dialysis Centers in New York State**

Facility Name	Address	Star Rating
Borough Park Dialysis	4102 13th Avenue Brooklyn, New York 11219	★ ★ ● ● ●
Jamestown Dialysis Center	207 Foote Avenue Jamestown, New York 14701	★ ★ ★ ★ ★
Orange Dialysis Center	100 Crystal Run Road Middletown, New York 10941	★ ★ ★ ● ●
Waters Place Dialysis Center	1733 Eastchester Road Bronx, New York 10461	★ ★ ★ ★ ●
Staten Island Dialysis Center	1139 Hylan Boulevard Staten Island, New York 10305	★ ★ ★ ● ●
Ivy Dialysis	602 Ivy Street Elmira, New York 14905	Not enough quality measure data to calculate a star rating
Corning Dialysis	8 W. Pulteney St. Suite 101 Corning, New York 14830	★ ★ ★ ★ ●
Schuyler Dialysis	220 Steuben Street Montour Falls, New York 14865	Not enough quality measure data to calculate a star rating
Williamsbridge Dialysis Center	3525 White Plains Road, Suite B Bronx, New York 10467	Not enough quality measure data to calculate a star rating
East Rochester Dialysis	445 West Commercial Street East Rochester, New York 14445	Not enough quality measure data to calculate a star rating
Williamsbridge Home Dialysis Center	3525 White Plains Road, Suite A Bronx, New York 10467	N/A
Clinton Hill Dialysis	1275 Bedford Avenue Brooklyn, New York 11216	Not enough quality measure data to calculate a star rating
Jamaica Hillside Dialysis (Open Date 2/10/17)	171-19 Hillside Avenue Jamaica, New York 11432	Not yet on CMS site/Not open long enough to supply sufficient data
Atlas Park Dialysis (Open Date 2/4/17)	80-00 Cooper Avenue Glendale, New York 11385	Not yet on CMS site/Not open long enough to supply sufficient data
Melrose Dialysis	459 East 149th Street Bronx, New York 10455	Not open long enough to supply sufficient data
Seaway Dialysis	999 East Ridge Road Irondequoit, New York 14621	Not open long enough to supply sufficient data
Buffalo Dialysis	520 Ellicott Street Buffalo, New York 14203	Not yet on CMS site/Not open long enough to supply sufficient data
Brooklyn Chinatown Dialysis	730 64th Street Brooklyn, New York 11220	Not yet on CMS site/Not open long enough to supply sufficient data
Woodbury Dialysis	113 Crossways Park Drive, Suite 100 Woodbury, New York 11797	Not yet on CMS site/Not open long enough to supply sufficient data

**Data obtained from Dialysis Facility  
Compare on March 2, 2018**

<https://www.medicare.gov/dialysisfacilitycompare/#>

**172411 HSP Attachment A**  
**Knickerbocker-Affiliated Dialysis Centers in New York State**

## The star rating

To calculate the star rating for a facility, each domain is given a domain score between 0 and 100 by averaging the normalized scores for measures within that domain. A final score between 0 and 100 is obtained by averaging the three domain scores (or two domain scores for peritoneal dialysis-only facilities). Finally, to recognize high and low performances, facilities receive stars in the following way:

- Facilities with the top 10% final scores were given a star rating of 5. 
- Facilities with the next 20% highest final scores were given a star rating of 4. 
- Facilities within the middle 40% of final scores were given a star rating of 3. 
- Facilities with the next 20% lowest final scores were given a star rating of 2. 
- Facilities with the bottom 10% final scores were given a star rating of 1. 

### Quality of patient care star rating

[Data source: Medicare claims and the CMS/ESRD Networks integrated information system](#)

^

**Date updated on this website:** Annually (October)

**Data collection period:** From: 1/1/2012 - Through: 12/31/2015

ADIRA DIALYSIS CENTER

PRO FORMA BALANCE SHEET

ASSETS

Cash	\$860,919
Equipment	\$696,558
Leasehold Improvements	\$2,978,327

TOTAL ASSETS \$4,535,804

LIABILITIES AND MEMBERS EQUITY

Working Capital Loan	\$0
Equipment Lease	\$696,558

Total Liabilities \$696,558

Operators Equity \$3,839,246

TOTAL LIABILITIES AND MEMBERS EQUITY \$4,535,804

DITMAS PARK REHABILITATION & CARE CENTER, LLC  
BALANCE SHEET  
December 31, 2017

ASSETS

CURRENT ASSETS:

Cash	\$ 4,411,159
Accounts Receivable (Net)	3,449,379
Inventory	16,592
Prepaid Expenses	800,318
Prepaid Rent	<u>3,112,125</u>

TOTAL CURRENT ASSETS \$ 11,789,573

FIXED ASSETS:

Construction in Progress	3,622,429
Leasehold Improvements	4,567,192
Furniture & Equipment	<u>1,252,029</u>
	9,441,650
Less: Accum. Depreciation & Amortization	<u>4,626,782</u>

TOTAL FIXED ASSETS 4,814,868

OTHER ASSETS:

Loans Receivable-Related Party	10,616,905
Security Deposits	25,270
Intangible Assets (Net)	2,506,569
Other Assets	49,250
Patients' Trust Fund	<u>132,146</u>

TOTAL OTHER ASSETS 13,330,140

TOTAL ASSETS \$ 29,934,581

**DITMAS PARK REHABILITATION & CARE CENTER, LLC**  
**BALANCE SHEET**  
**December 31, 2017**

LIABILITIES & EQUITY

CURRENT LIABILITIES:

Accounts Payable	\$ 5,954,226
Accrued Expenses & Taxes	70,714
Note Payable	570,000
Exchanges	552,807
Due To Third Party Payors	538,817
Note Payable - Related Party	28,729
Patients' Security Deposits	<u>9,940</u>

TOTAL CURRENT LIABILITIES \$ 7,725,233

LONG TERM LIABILITIES:

Mortgage Payable	8,900,329
Loans Payable - Related Parties	9,523,850
Note Payable - Related Party	1,411,770
Patients' Trust Fund Payable	<u>132,146</u>

TOTAL LONG TERM LIABILITIES 19,968,095

MEMBERS' EQUITY 2,241,253

TOTAL LIABILITIES & MEMBERS' EQUITY \$ 29,934,581

**DITMAS PARK REHABILITATION & CARE CENTER, LLC**  
**STATEMENT OF OPERATIONS**  
**For the year ended December 31, 2017**

TOTAL REVENUE FROM PATIENTS:		\$ 29,188,494
OPERATING EXPENSES:		
Payroll Costs	\$ 7,536,217	
Employee Benefits	12,061	
Professional Care	9,495,547	
Dietary & Housekeeping	2,805,801	
Plant & Maintenance	4,624,229	
General & Administrative	<u>2,867,360</u>	
TOTAL OPERATING EXPENSES		<u>27,341,215</u>
INCOME FROM OPERATIONS		1,847,279
OTHER INCOME		<u>704,702</u>
INCOME BEFORE TAXES		2,551,981
Less: NYC Unincorporated Business Taxes		<u>77,741</u>
NET INCOME		<u>\$ 2,474,240</u>

**DITMAS PARK REHABILITATION & CARE CENTER, LLC**  
**STATEMENT OF MEMBERS' EQUITY**  
**For the year ended December 31, 2017**

**MEMBERS' EQUITY:**

Balance as of Beginning of Period	\$ 1,349,299
Net Income for the Period	2,474,240
Members' Distributions	<u>(1,582,286)</u>
<b>TOTAL MEMBERS' EQUITY - END OF PERIOD</b>	<b>\$ <u>2,241,253</u></b>

**DITMAS PARK REHABILITATION & CARE CENTER, LLC**  
**STATEMENT OF CASH FLOWS**  
 For the year ended December 31, 2017

**CASH FLOWS FROM OPERATING ACTIVITIES:**

NET INCOME: \$ 2,474,240  
 Adjustments to reconcile Net Income to  
 Net Cash Provided by Operating Activities:

Depreciation & Amortization 289,461  
 Bad Debt Provision 150,000

(INCREASE) DECREASE IN:  
 Accounts Receivable \$ 426,102  
 Prepaid Expenses (505,794)

INCREASE (DECREASE) IN:  
 Accounts Payable 286,341  
 Accrued Payroll & Withholding Taxes (12,809)  
 Accrued Expenses & Taxes (48,341)  
 Other Payables (359,000)  
 Due to Third Party Payors (289,398)  
 Patients' Security Deposits (48,360)  
 Exchanges 202,320

TOTAL ADJUSTMENTS (348,939)

NET CASH PROVIDED BY OPERATING ACTIVITIES 2,564,762

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Loans Receivable - Related Parties (2,677,710)  
 Capital Expenditures (3,275,961)  
 Other Assets 42,263

NET CASH USED IN INVESTING ACTIVITIES (5,911,408)

**CASH FLOWS FROM FINANCING ACTIVITIES**

Increase In Long Term Debt 6,842,476  
 Other Liabilities (42,263)  
 Loans Payable - Related Parties (4,744,622)  
 Distributions (1,582,286)

NET CASH PROVIDED BY FINANCING ACTIVITIES 473,305

NET CHANGE IN CASH (2,873,341)

CASH - BEGINNING OF PERIOD 7,284,500

CASH - END OF PERIOD \$ 4,411,159

**SUPPLEMENTAL DISCLOSURES:**

Interest Paid \$ 136,845  
 Income Taxes Paid 131,878

**DITMAS PARK DIALYSIS CENTER, LLC**

**PRO FORMA BALANCE SHEET FOR OPERATIONS**

**ASSETS**

Leasehold Improvements	\$2,152,062
Equipment	\$506,765
Working Capital	\$520,211
<b>Total Assets</b>	<b>\$3,179,038</b>

**LIABILITIES & MEMBER EQUITY**

Working Capital Loan	\$250,000
Capital Loan	\$552,000
<b>Total Liabilities</b>	<b>\$802,000</b>

**Member Equity** **\$2,377,038**

**Total Liabilities and Member Equity** **\$3,179,038**

Pro Forma Balance Sheet

ASSETS

-----

Cash	\$495,192
Moveable Equipment	340,615
Fixed Equipment	163,200
Leasehold Improvements	<u>1,631,763</u>
TOTAL ASSETS	\$2,630,770

LIABILITIES

-----

Bank Loan	<u>\$1,742,020</u>
TOTAL LIABILITIES	\$1,742,000

NET ASSETS \$888,770

Project # 172385  
BFA Attachment B

Grand Great Neck, LLC d/b/a The Grand Rehabilitation and Nursing at Great Neck  
Assumed Liabilities

Description	Amount
Accrued Payroll	\$370,005
Total Assumed Liabilities	\$370,005

**Pro Forma Balance Sheet**  
**(Great Neck)**

**Assets**

**Current Assets**

Working Capital - Cash	\$4,506,301
Inventory	\$47,224
Prepaid Expenses	\$172,405
Patient Advances	\$45,949
<b>Total Current Assets</b>	<b>\$4,771,879</b>

**Fixed and Other Assets**

Capital/Leasehold Improvements	\$788,189
Construction in Progress	\$1,640,656
Furniture/Fixtures	\$1,425,739
Security Deposits	\$33,819
Patients' Trust Fund	\$112,943
<b>Total Fixed Assets</b>	<b>\$4,001,346</b>

**TOTAL ASSETS: \$8,773,225**

**Liabilities**

**Current Liabilities**

Accrued Payroll	\$370,005
Due to LOC	\$1,496,650
Working Capital Loan	\$2,253,150
<b>Total Current Liabilities</b>	<b>\$4,119,805</b>

**TOTAL LIABILITIES: \$4,119,805**

**Equity**

Jeremy Strauss	\$4,420,749 *
Meryl Strauss	\$232,671 *
<b>TOTAL EQUITY:</b>	<b>\$4,653,420</b>

**TOTAL LIABILITIES AND MEMBERS' EQUITY \$8,773,225**

\* The member equity indicated here reflects the projected member equity upon closing. The basis for the values projected is the amount of assumed assets and assumed liabilities as detailed in the current operators' March 2018 internal financial statement. Actual member equity contribution, for the purposes of this Certificate of Need Application, is reflected in Attachment 12 - Member Equity Analysis.

**Project # 172385**  
**BFA Attachment D**

**Financial Summary**

**Pinegove Manor II, LLC**  
**d/b/a The Plaza Nursing and Rehabilitation Center**

FISCAL PERIOD ENDED	<u>*12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
ASSETS - CURRENT	\$5,426,149	\$5,185,000	\$5,156,000
ASSETS - FIXED AND OTHER	\$2,942,910	\$1,285,000	\$1,363,000
LIABILITIES - CURRENT	\$3,981,968	\$ 2,719,000	\$ 3,856,000
LIABILITIES - LONG-TERM	<u>\$1,305,051</u>	<u>\$ 179,000</u>	<u>\$ 216,000</u>
EQUITY	\$3,082,040	\$3,572,000	\$2,446,000
<hr/>			
INCOME	\$25,978,895	\$ 26,487,000	\$ 23,874,000
EXPENSE	<u>\$26,469,351</u>	<u>\$25,160,000</u>	<u>\$23,515,000</u>
NET INCOME	<b>(\$490,456)</b>	\$1,326,000	\$359,000
<hr/>			
NUMBER OF BEDS	214	214	214
PERCENT OF OCCUPANCY (DAYS)	94%	93.3%	92.3%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	<b>69.94%</b>	74.0%	71.6%
MEDICARE	<b>19.72%</b>	17.3%	16.4%
PRIVATE/OTHER	<b>10.34%</b>	8.7%	12.0%

\*The financial for 2017 come from year certified financial statement.

**PINEGROVE MANOR II LLC,(GRACE PLAZA)**

D-Cont. 172385

**BALANCE SHEET**

**December 31, 2017**

ASSETS

CURRENT ASSETS:

Cash	\$	655,056
Accounts Receivable (Net)		4,628,981
Inventory		47,224
Prepaid Expenses		48,943
Patient Advances		<u>45,945</u>

TOTAL CURRENT ASSETS \$ 5,426,149

FIXED ASSETS:

Construction in Progress		1,650,656
Leasehold Improvements		751,653
Furniture & Equipment		<u>1,413,649</u>
		3,815,958
Less: Accum. Depreciation & Amortization		<u>1,062,873</u>

TOTAL FIXED ASSETS 2,753,085

OTHER ASSETS:

Security Deposits		33,819
Intangible Assets (Net)		43,063
Patients' Trust Fund		<u>112,943</u>

TOTAL OTHER ASSETS 189,825

TOTAL ASSETS \$ 8,369,059

## BALANCE SHEET

December 31, 2017

LIABILITIES & EQUITY

## CURRENT LIABILITIES:

Notes & Loans Payable	\$	283,760
Equipment Obligations		2,926
Accounts Payable		2,247,156
Accrued Payroll		737,151
Accrued Expenses & Taxes		60,797
Exchanges		295,966
Due To Third Party Payors		117,303
Loans Payable - Related Parties		190,964
Patients' Security Deposits		<u>45,945</u>

TOTAL CURRENT LIABILITIES \$ 3,981,968

## LONG TERM LIABILITIES:

Notes & Loans Payable (Net)		1,103,896
Equipment Obligations		6,358
Other Payables		3,746
Loans Related Party		77,577
Patients' Trust Fund Payable		<u>113,474</u>

TOTAL LONG TERM LIABILITIES 1,305,051

MEMBERS' EQUITY 3,082,040

TOTAL LIABILITIES & MEMBERS' EQUITY \$ 8,369,059

**PINEGROVE MANOR II LLC,(GRACE PLAZA)**  
**STATEMENT OF MEMBERS' EQUITY**  
**For the year ended December 31, 2017**

D-Cont 172385

MEMBERS' EQUITY:

Balance as of Beginning of Period	\$ 3,572,496
Net Loss for the Period	<u>(490,456)</u>
<b>TOTAL MEMBERS' EQUITY - END OF PERIOD</b>	<b><u><u>\$ 3,082,040</u></u></b>

**PINEGROVE MANOR II LLC,(GRACE PLAZA)**  
**STATEMENT OF OPERATIONS**  
**For the year ended December 31, 2017**

BFA Attachment D-  
Cont. 172385

TOTAL REVENUE FROM PATIENTS:		\$ 25,407,991
OPERATING EXPENSES:		
Payroll	\$ 12,038,087	
Employee Benefits	4,902,971	
Professional Care	1,869,380	
Dietary & Housekeeping	1,264,717	
Plant & Maintenance	2,706,269	
General & Administrative	<u>3,687,927</u>	
TOTAL OPERATING EXPENSES		<u>26,469,351</u>
LOSS FROM OPERATIONS		(1,061,360)
OTHER INCOME		<u>570,904</u>
NET LOSS		<u>\$ (490,456)</u>

## Balance Sheet

Period Ended March 31, 2018

<b>Assets</b>	
<b>Current Assets</b>	
Cash & Equivalents	596,752
Accounts Receivable	4,220,453
Inventory	47,224
Prepaid Expenses	172,405
Patient Advances	45,949
<i>Total Current Assets</i>	5,082,783
<b>Equipment &amp; Other Assets</b>	
Construction In Progress	1,640,656
Capital & Leasehold Improvements	788,189
Furniture & Equipment	1,425,739
Mortgage Costs	71,772
<b>Total Fixed Assets</b>	3,926,356
Accumulated Depreciation	1,140,482
<b>Net Undepreciated Value</b>	2,785,874
Patients' Trust Fund	112,943
Security Deposits	33,819
<i>Total Equipment &amp; Other Assets</i>	2,932,636
<b>Total Assets</b>	<b>8,015,419</b>
<b>Liabilities and Equity</b>	
<b>Current Liabilities</b>	
Accounts Payable	2,702,631
Notes & Loans Payable	283,760
Equipment Obligations	2,926
Withholding Taxes Payable	(66)
Accrued Payroll	740,010
Accrued Expenses & Taxes	66,267
Due To Third Party Payors	117,303
Exchanges	(47,210)
Loans Payable - Rel Parties	194,164
Patient Security Deposits	45,949
<i>Total Current Liabilities</i>	4,105,734
<b>Long-Term Liabilities</b>	
Notes & Loans Payable	1,032,956
Equipment Obligations Payable	5,388
Loans Related Parties	26,737
Other Payables	3,404
Patients' Trust Fund Payable	113,474
<i>Total Long-term Liabilities</i>	1,181,959
<b>Equity</b>	
Equity	2,727,726
<i>Total Equity</i>	2,727,726
<b>Total Liabilities and Equity</b>	<b>8,015,419</b>

**PINEGROVE MANOR II LLC,(GRACE PLAZA)****Profit & Loss Statement**

Period Ended March 31, 2018

March 2018	DESCRIPTION	Jan - Mar 2018	Jan - Mar 2017	PPD March 2018	PPD Jan - Mar 2018	PPD Jan - Mar 2017	YTD vs. LYYTD
<b>Statement of Operations</b>							
<b>Revenue Summary</b>							
2,184,627	Total Revenue	6,338,970	6,179,966	343.55	346.16	352.40	2.57%
<b>Expense Summary</b>							
931,987	Nursing & Medical	2,716,584	2,555,912	146.56	148.35	145.74	6.29%
206,164	Therapy & Ancillaries	613,966	608,806	32.42	33.53	34.72	0.85%
70,761	Social Service	196,662	169,304	11.13	10.74	9.65	16.16%
41,578	Leisure Time Activities	123,090	115,706	6.54	6.72	6.60	6.38%
189,492	Cleanliness & Safety	572,164	551,970	29.80	31.25	31.47	3.66%
188,187	Food & Nutrition	550,209	494,454	29.59	30.05	28.19	11.28%
433,328	General & Administration	1,196,218	1,168,670	68.14	65.32	66.64	2.36%
176,016	Property	528,930	740,557	27.68	28.88	42.23	-28.58%
58,343	Non Comparable	195,461	167,759	9.17	10.67	9.57	16.51%
2,295,856	Total Expenses	6,693,284	6,573,138	361.03	365.51	374.81	1.83%
(111,229)	Net Income (Loss)	(354,314)	(393,172)	(17.48)	(19.35)	(22.41)	-9.88%

## Affiliated Nursing Homes (Page 1)

The Center for Rehabilitation & Healthcare at Dutchess, LLC	<u>12/31/2017</u>	<u>12/31/16</u>	<u>12/31/15</u>
Current Assets	\$4,170,886	\$5,369,359	\$4,325,424
Fixed Assets	\$7,818,762	\$5,540,482	\$6,061,865
Total Assets	\$11,989,648	\$10,909,841	\$10,387,289
Current Liabilities	\$1,642,574	\$1,912,795	\$3,972,494
Long Term Liabilities	\$3,487,437	\$2,680,689	\$554,298
Total Liabilities	\$5,130,011	\$4,593,484	\$4,526,792
Net Assets	\$6,859,637	\$6,316,357	\$5,860,497
Working Capital Position	\$2,528,312	\$3,456,564	\$352,930
Revenue	\$13,472,769	\$13,071,348	\$13,444,931
Expenses	\$12,749,988	\$12,245,488	\$11,481,425
Net Income	\$722,781	\$825,860	\$1,963,506

Clearview Operating Co., LLC	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Current Assets	\$5,881,222	\$5,134,721	\$4,156,828
Fixed Assets	\$17,556,386	\$18,451,922	\$18,031,039
Total Assets	\$23,437,608	\$23,586,643	\$22,187,867
Current Liabilities	\$4,662,414	\$4,701,884	\$4,652,217
Long Term Liabilities	\$2,144,549	\$1,503,536	\$7,315,662
Total Liabilities	\$6,806,963	\$6,205,420	\$11,967,879
Net Assets	\$16,630,645	\$17,381,223	\$10,219,988
Working Capital Position	\$1,218,808	\$432,837	-\$495,389
Revenue	\$25,124,604	\$25,461,068	\$23,395,997
Expenses	\$23,612,057	\$22,785,222	\$21,484,897
Net Income	\$1,512,547	\$2,675,846	\$1,911,100

Rome Center, LLC	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Current Assets	\$4,029,870	\$4,938,062	\$3,194,555
Fixed Assets	\$5,344,047	\$3,942,963	\$4,215,758
Total Assets	\$9,373,917	\$8,881,025	\$7,410,313
Current Liabilities	\$3,102,966	\$3,861,762	\$2,952,501
Long Term Liabilities	\$19,848	\$133,985	\$294,903
Total Liabilities	\$3,122,814	\$3,995,747	\$3,247,404
Net Assets	\$6,251,103	\$4,885,278	\$4,162,909
Working Capital Position	\$926,904	\$1,076,300	\$242,054
Revenue	\$15,546,905	\$15,581,409	\$15,100,076
Expenses	\$14,021,080	\$14,549,040	\$13,368,901
Net Income	\$1,525,825	\$1,032,369	\$1,731,175

## Affiliated Nursing Homes (Page 2)

Chittenango Center, LLC	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Current Assets	\$2,942,202	\$4,185,545	\$2,641,220
Fixed Assets	\$3,346,395	\$1,369,792	\$1,550,899
Total Assets	\$6,288,597	\$5,555,337	\$4,192,119
Current Liabilities	\$1,238,272	\$1,075,668	\$764,618
Long Term Liabilities	\$46,819	\$167,728	\$144,838
Total Liabilities	\$1,285,091	\$1,243,396	\$909,456
Net Assets	\$5,003,506	\$4,311,941	\$3,282,663
Working Capital Position	\$1,703,930	\$3,109,877	\$1,876,602
Revenue	\$8,354,696	\$8,286,901	\$8,081,446
Expenses	\$7,503,133	\$7,067,622	\$6,805,395
Net Income	\$851,563	\$1,219,279	\$1,276,051

Guilderland Operator, LLC	<u>12/31/2017</u>	<u>11/14/16 -12/31/2016</u>	
Current Assets	\$3,948,599	\$3,557,429	\$0
Fixed Assets	\$1,128,926	\$6,564,176	\$0
Total Assets	\$5,077,525	\$10,121,605	\$0
Current Liabilities	\$4,728,609	\$5,931,510	\$0
Long Term Liabilities	\$1,105,073	\$4,423,111	\$0
Total Liabilities	\$5,833,682	\$10,354,621	\$0
Net Assets	-\$756,157	-\$233,016	\$0
Working Capital Position	-\$780,010	-\$2,374,081	\$0
Revenue	\$11,374,574	\$1,316,254	\$0
Expenses	\$11,725,884	\$1,549,270	\$0
Net Income	-\$351,310	-\$233,016	\$0

River Valley Operating Associates, LLC	<u>12/31/2017</u>	<u>7/22/16-12/31/2016</u>	
Current Assets	\$5,954,338	\$3,806,689	\$0
Fixed Assets	-\$6,358,567	\$5,536,573	\$0
Total Assets	-\$404,229	\$9,343,262	\$0
Current Liabilities	\$2,901,568	\$3,858,611	\$0
Long Term Liabilities	\$45,511	\$6,888,564	\$0
Total Liabilities	\$2,947,079	\$10,747,175	\$0
Net Assets	-\$3,351,308	-\$1,403,913	\$0
Working Capital Position	\$3,052,770	-\$51,922	\$0
Revenue	\$17,161,604	\$7,206,983	\$0
Expenses	\$18,990,829	\$8,610,896	\$0
Net Income	-\$1,829,225	-\$1,403,913	\$0

**Project #182385**  
**BFA Attachment G**

- o Real Estate Owned Pinegrove Manor, LLC
- o Mattew Barbara (3%)
- o Paul Barbara (3%)
- o Alan Chopp (1 %)
- o Kathleen Eisman (3%)
- o Howard Fensterman (15.67%)
- o Robert Fensterman (5.83%)
- o Mayer Fischl (1 % )
- o Benjamin Fishoff(6%)
- o Cmtis Granet (3%)
- o Alan Ha1tstein (1 %)
- o Benjamin Landa (20.50%)
- o Barry Leistner (3 % )
- o Chaim Leshlrnwitz (1 %)
- o Naftali Leshlrnwitz (1 %)
- o Peckman Family Living Trnst (6%)
- o Philipson Family LLC (15.50%)
- o Robe1t Pines (3.5%)
- o Michael Rub (1 %)
- o Bernard Steinberg (1 %)
- o S&H Properties (1.5%)
- o Eli Robert Vegh (2%)
- o Michael Weiss (1.5%)

Project # 172387  
BFA Attachment B

Grand South Point, LLC d/b/a The Grand Rehabilitation and Nursing at South Point  
Assumed Liabilities

Description	Amount
Equipment Obligation	20,845
Accrued Payroll	<u>283,793</u>
Total Assumed Liabilities	\$304,638

Pro Forma Balance Sheet  
(South Point)

Assets

**Current Assets**

Working Capital - Cash	\$3,541,607
Inventory	\$30,729
Prepaid Expenses	\$450,350

---

**Total Current Assets** \$4,022,686

**Fixed Assets**

Capital/Leasehold Improvements	\$1,982,671
Furniture/Fixtures	\$948,547
Patients Trust Fund	\$158,705
Security Deposits	\$12,400
Goodwill	\$5,297,734

---

**Total Fixed Assets** \$8,400,057

---

**TOTAL ASSETS:** \$12,422,743

---

Liabilities

**Current Liabilities**

Equipment Obligations	\$20,845
Accrued Payroll	\$283,793
Due to LOC	\$1,040,226
Working Capital Loan	\$1,760,381

---

**Total Current Liabilities** \$3,105,245

---

**TOTAL LIABILITIES:** \$3,105,245

---

Equity

Jeremy Strauss	\$8,851,623 *
Meryl Strauss	\$465,875 *

---

**TOTAL EQUITY:** \$9,317,498

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**TOTAL LIABILITIES AND MEMBERS' EQUITY** \$12,422,743

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\* The member equity indicated here reflects the projected member equity upon closing. The basis for the values projected is the amount of assumed assets and assumed liabilities as detailed in the current operators' March 2018 internal financial statement. Actual member equity contribution, for the purposes of this Certificate of Need Application, is reflected in Attachment 13 - Member Equity Analysis.

Project # 172387  
BFA Attachment D

Financial Summary

Bayview Manor LLC  
d/b/a South Point Plaza Nursing and Rehabilitation Center

FISCAL PERIOD ENDED	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
ASSETS - CURRENT	\$5,073,881	\$3,387,338	\$3,603,000
ASSETS - FIXED AND OTHER	\$6,776,875	\$6,884,122	\$6,979,000
LIABILITIES - CURRENT	\$3,243,045	\$3,442,648	\$4,109,000
LIABILITIES - LONG-TERM	<u>\$411,178</u>	<u>\$664,138</u>	<u>\$1,053,000</u>
EQUITY	\$8,196,533	\$6,164,674	\$5,420,000
<hr/>			
INCOME	\$20,786,126	\$20,502,473	\$20,325,000
EXPENSE	<u>\$18,654,267</u>	<u>\$18,681,883</u>	<u>\$17,616,000</u>
NET INCOME	\$2,131,859	\$1,820,590	\$2,709,000
<hr/>			
NUMBER OF BEDS	185	185	185
PERCENT OF OCCUPANCY (DAYS)	96.17%	95.90%	96.80%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	72.06%	80.00%	85.50%
MEDICARE	8.47%	7.20%	11.00%
PRIVATE/OTHER	19.47%	12.80%	3.50%

**BAYVIEW MANOR, LLC**  
**D/B/A SOUTH POINT PLAZA NURSING & REHABILITATION CENTER**  
**TZVI SHOEL, LLC**  
**COMBINING BALANCE SHEET**  
**December 31, 2017**

ASSETS

	FACILITY	REALTY	ELIMINATION	COMBINED
<b>CURRENT ASSETS:</b>				
Cash	\$ 642,346	\$ 100,954	\$ -	\$ 743,300
Accounts Receivable (Net)	2,854,039	-	-	2,854,039
Inventory	30,729	-	-	30,729
Prepaid Expenses	25,405	-	-	25,405
Exchanges	22,955	-	-	22,955
Due From Tzvi Shoel, LLC	<u>1,498,407</u>	<u>-</u>	<u>(1,498,407)</u>	<u>-</u>
<b>TOTAL CURRENT ASSETS</b>	<b>5,073,881</b>	<b>100,954</b>	<b>(1,498,407)</b>	<b>3,676,428</b>
<b>RESTRICTED ASSETS:</b>				
Cash	<u>-</u>	<u>200,256</u>	<u>-</u>	<u>200,256</u>
<b>TOTAL RESTRICTED ASSETS</b>	<b>-</b>	<b>200,256</b>	<b>-</b>	<b>200,256</b>
<b>FIXED ASSETS:</b>				
Land	-	390,000	-	390,000
Building	-	3,510,000	-	3,510,000
Leasehold Improvements	1,974,868	-	-	1,974,868
Furniture & Equipment	<u>945,652</u>	<u>-</u>	<u>-</u>	<u>945,652</u>
	2,920,520	3,900,000	-	6,820,520
Less: Accumulated Depreciation & Amortization	<u>1,613,845</u>	<u>643,159</u>	<u>-</u>	<u>2,257,004</u>
<b>TOTAL FIXED ASSETS</b>	<b>1,306,675</b>	<b>3,256,841</b>	<b>-</b>	<b>4,563,516</b>
<b>OTHER ASSETS:</b>				
Security Deposits	26,354	-	-	26,354
Goodwill (Net)	5,297,734	-	-	5,297,734
Patients' Trust Fund	<u>146,112</u>	<u>-</u>	<u>-</u>	<u>146,112</u>
<b>TOTAL OTHER ASSETS</b>	<b><u>5,470,200</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>5,470,200</u></b>
<b>TOTAL ASSETS</b>	<b><u>\$ 11,850,756</u></b>	<b><u>\$ 3,558,051</u></b>	<b><u>\$ (1,498,407)</u></b>	<b><u>\$ 13,910,400</u></b>

**BAYVIEW MANOR, LLC  
 D/B/A SOUTH POINT PLAZA NURSING & REHABILITATION CENTER  
 TZVI SHOEL, LLC  
 COMBINING BALANCE SHEET  
 December 31, 2017**

LIABILITIES & EQUITY

	FACILITY	REALTY	ELIMINATION	COMBINED
<b>CURRENT LIABILITIES:</b>				
Mortgage Payable	\$ -	\$ 331,897	\$ -	\$ 331,897
Notes & Loans Payable	796,906	-	-	796,906
Equipment Obligations	36,046	-	-	36,046
Accounts Payable	1,432,493	-	-	1,432,493
Accrued Payroll	567,050	-	-	567,050
Accrued Expenses & Taxes	29,390	23,257	-	52,647
Due To Bayview Manor, LLC	-	1,498,407	(1,498,407)	-
Due To Third Party Payors	351,276	-	-	351,276
Loans Payable - Related Parties	<u>29,884</u>	<u>-</u>	<u>-</u>	<u>29,884</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>3,243,045</b>	<b>1,853,561</b>	<b>(1,498,407)</b>	<b>3,598,199</b>
<b>LONG TERM LIABILITIES:</b>				
Mortgage Payable (Net)	-	4,762,523	-	4,762,523
Notes & Loans Payable (Net)	228,446	-	-	228,446
Equipment Obligations	36,620	-	-	36,620
Patients' Trust Fund Payable	<u>146,112</u>	<u>-</u>	<u>-</u>	<u>146,112</u>
<b>TOTAL LONG TERM LIABILITIES</b>	<b>411,178</b>	<b>4,762,523</b>	<b>-</b>	<b>5,173,701</b>
<b>MEMBERS' EQUITY (DEFICIT)</b>	<b><u>8,196,533</u></b>	<b><u>(3,058,033)</u></b>	<b><u>-</u></b>	<b><u>5,138,500</u></b>
<b>TOTAL LIABILITIES &amp; MEMBERS' EQUITY</b>	<b><u>\$ 11,850,756</u></b>	<b><u>\$ 3,558,051</u></b>	<b><u>\$ (1,498,407)</u></b>	<b><u>\$ 13,910,400</u></b>

**BAYVIEW MANOR, LLC**  
**D/B/A SOUTH POINT PLAZA NURSING & REHABILITATION CENTER**  
**TZVI SHOEL, LLC**  
**COMBINING STATEMENT OF OPERATIONS**  
**For the year ended December 31, 2017**

	FACILITY	REALTY	ELIMINATION	COMBINED
TOTAL REVENUE FROM PATIENTS:	\$ 20,208,441	\$ -	\$ -	\$ 20,208,441
TOTAL RENTAL REVENUE	-	310,000	(310,000)	-
OPERATING EXPENSES:				
Payroll	7,616,751	-	-	7,616,751
Employee Benefits	2,861,148	-	-	2,861,148
Professional Care	2,303,170	-	-	2,303,170
Dietary & Housekeeping	985,327	-	-	985,327
Plant & Maintenance	1,753,142	498,431	(310,000)	1,941,573
General & Administrative	<u>3,134,729</u>	<u>868</u>	<u>-</u>	<u>3,135,597</u>
TOTAL OPERATING EXPENSES	<u>18,654,267</u>	<u>499,299</u>	<u>(310,000)</u>	<u>18,843,566</u>
INCOME (LOSS) FROM OPERATIONS	1,554,174	(189,299)	-	1,364,875
OTHER INCOME	<u>577,685</u>	<u>100</u>	<u>-</u>	<u>577,785</u>
INCOME (LOSS) BEFORE TAXES	2,131,859	(189,199)	-	1,942,660
Less: Corporate Taxes	<u>-</u>	<u>175</u>	<u>-</u>	<u>175</u>
NET INCOME (LOSS)	<u>\$ 2,131,859</u>	<u>\$ (189,374)</u>	<u>\$ -</u>	<u>\$ 1,942,485</u>

**BAYVIEW MANOR, LLC**  
**D/B/A SOUTH POINT PLAZA NURSING & REHABILITATION CENTER**  
**TZVI SHOEL, LLC**  
**COMBINING STATEMENT OF MEMBERS' EQUITY (DEFICIT)**  
**For the year ended December 31, 2017**

	FACILITY	REALTY	ELIMINATION	COMBINED
MEMBERS' EQUITY (DEFICIT):				
Balance as of Beginning of Period	\$ 6,164,674	\$ (1,868,659)	\$ -	\$ 4,296,015
Net Income (Loss) for the Period	2,131,859	(189,374)	-	1,942,485
Members' Distributions	<u>(100,000)</u>	<u>(1,000,000)</u>	<u>-</u>	<u>(1,100,000)</u>
TOTAL MEMBERS' EQUITY (DEFICIT) END OF PERIOD	<u>\$ 8,196,533</u>	<u>\$ (3,058,033)</u>	<u>\$ -</u>	<u>\$ 5,138,500</u>

Project # 172387  
 BFA Attachment E

<u>Operator</u>	<u>Name of the facility</u>	<u>Beds</u>	<u>County</u>	<u>Eff Date</u>	<u>Jeremy Strauss</u>	<u>Meryl Strauss</u>	<u>1</u>	<u>Strauss Ventures</u>
The Center for Rehabilitation & Healthcare at Dutchess, LLC	The Grand Rehabilitation & Nursing at Pawling	122	Dutchess	2004	98%			
Clearview Operating Co., LLC	The Grand Rehabilitation & Nursing at Queens	179	Queens	2004	95%			
Rome Center, LLC	The Grand Rehabilitation & Nursing at Rome	160	Oneida	May-11	98%	2%		
Chittenango Center, LLC	The Grand Rehabilitation & Nursing at Chittenango	80	Madison	May-11	98%	2%		
Guilderland Operator, LLC	The Grand Rehabilitation & Nursing at Guilderland	127	Albany	Nov-16				97.5%
River Valley Operating Associates, LLC	The Grand Rehabilitation & Nursing at River Valley	160	Dutchess	Sep-16				94%
<b>Below facilities not included in financial summary</b>								
Barnwell Operating Associates, LLC	The Grand Rehabilitation & Nursing at Barnwell	236	Columbia	Dec-17				97.5%
Membership Strauss Ventures, LLC (95% Jeremy Strauss and 5% Meryl Strauss)								

## Affiliated Nursing Homes (Page 1)

The Center for Rehabilitation & Healthcare at Dutchess, LLC	<u>12/31/2017</u>	<u>12/31/16</u>	<u>12/31/15</u>
Current Assets	\$4,170,886	\$5,369,359	\$4,325,424
Fixed Assets	\$7,818,762	\$5,540,482	\$6,061,865
Total Assets	\$11,989,648	\$10,909,841	\$10,387,289
Current Liabilities	\$1,642,574	\$1,912,795	\$3,972,494
Long Term Liabilities	\$3,487,437	\$2,680,689	\$554,298
Total Liabilities	\$5,130,011	\$4,593,484	\$4,526,792
Net Assets	\$6,859,637	\$6,316,357	\$5,860,497
Working Capital Position	\$2,528,312	\$3,456,564	\$352,930
Revenue	\$13,472,769	\$13,071,348	\$13,444,931
Expenses	\$12,749,988	\$12,245,488	\$11,481,425
Net Income	\$722,781	\$825,860	\$1,963,506

Clearview Operating Co., LLC	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Current Assets	\$5,881,222	\$5,134,721	\$4,156,828
Fixed Assets	\$17,556,386	\$18,451,922	\$18,031,039
Total Assets	\$23,437,608	\$23,586,643	\$22,187,867
Current Liabilities	\$4,662,414	\$4,701,884	\$4,652,217
Long Term Liabilities	\$2,144,549	\$1,503,536	\$7,315,662
Total Liabilities	\$6,806,963	\$6,205,420	\$11,967,879
Net Assets	\$16,630,645	\$17,381,223	\$10,219,988
Working Capital Position	\$1,218,808	\$432,837	-\$495,389
Revenue	\$25,124,604	\$25,461,068	\$23,395,997
Expenses	\$23,612,057	\$22,785,222	\$21,484,897
Net Income	\$1,512,547	\$2,675,846	\$1,911,100

Rome Center, LLC	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Current Assets	\$4,029,870	\$4,938,062	\$3,194,555
Fixed Assets	\$5,344,047	\$3,942,963	\$4,215,758
Total Assets	\$9,373,917	\$8,881,025	\$7,410,313
Current Liabilities	\$3,102,966	\$3,861,762	\$2,952,501
Long Term Liabilities	\$19,848	\$133,985	\$294,903
Total Liabilities	\$3,122,814	\$3,995,747	\$3,247,404
Net Assets	\$6,251,103	\$4,885,278	\$4,162,909
Working Capital Position	\$926,904	\$1,076,300	\$242,054
Revenue	\$15,546,905	\$15,581,409	\$15,100,076
Expenses	\$14,021,080	\$14,549,040	\$13,368,901
Net Income	\$1,525,825	\$1,032,369	\$1,731,175

## Affiliated Nursing Homes (Page 2)

Chittenango Center, LLC	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Current Assets	\$2,942,202	\$4,185,545	\$2,641,220
Fixed Assets	\$3,346,395	\$1,369,792	\$1,550,899
Total Assets	\$6,288,597	\$5,555,337	\$4,192,119
Current Liabilities	\$1,238,272	\$1,075,668	\$764,618
Long Term Liabilities	\$46,819	\$167,728	\$144,838
Total Liabilities	\$1,285,091	\$1,243,396	\$909,456
Net Assets	\$5,003,506	\$4,311,941	\$3,282,663
Working Capital Position	\$1,703,930	\$3,109,877	\$1,876,602
Revenue	\$8,354,696	\$8,286,901	\$8,081,446
Expenses	\$7,503,133	\$7,067,622	\$6,805,395
Net Income	\$851,563	\$1,219,279	\$1,276,051

Guilderland Operator, LLC	<u>12/31/2017</u>	<u>11/14/16 -12/31/2016</u>	
Current Assets	\$3,948,599	\$3,557,429	\$0
Fixed Assets	\$1,128,926	\$6,564,176	\$0
Total Assets	\$5,077,525	\$10,121,605	\$0
Current Liabilities	\$4,728,609	\$5,931,510	\$0
Long Term Liabilities	\$1,105,073	\$4,423,111	\$0
Total Liabilities	\$5,833,682	\$10,354,621	\$0
Net Assets	-\$756,157	-\$233,016	\$0
Working Capital Position	-\$780,010	-\$2,374,081	\$0
Revenue	\$11,374,574	\$1,316,254	\$0
Expenses	\$11,725,884	\$1,549,270	\$0
Net Income	-\$351,310	-\$233,016	\$0

River Valley Operating Associates, LLC	<u>12/31/2017</u>	<u>7/22/16-12/31/2016</u>	
Current Assets	\$5,954,338	\$3,806,689	\$0
Fixed Assets	-\$6,358,567	\$5,536,573	\$0
Total Assets	-\$404,229	\$9,343,262	\$0
Current Liabilities	\$2,901,568	\$3,858,611	\$0
Long Term Liabilities	\$45,511	\$6,888,564	\$0
Total Liabilities	\$2,947,079	\$10,747,175	\$0
Net Assets	-\$3,351,308	-\$1,403,913	\$0
Working Capital Position	\$3,052,770	-\$51,922	\$0
Revenue	\$17,161,604	\$7,206,983	\$0
Expenses	\$18,990,829	\$8,610,896	\$0
Net Income	-\$1,829,225	-\$1,403,913	\$0

Project # 172387  
BFA Attachment F

Grand South Point, LLC d/b/a The Grand Rehabilitation and Nursing at South Point

Current Real Property Owners

<u>TZVI Shoel, LLC</u>	
Benjamin Landa	56.75%
Philipson Family LLC	27.25%
Ronald Stern	6.00%
Mayer Fischl	5.00%
Girshas Minster	2.00%
Alan Chopp	1.00%
Simona Golman	1.00%
Frank Ianucci	<u>1.00%</u>
	100.00%

Proposed Real Property Owners

The current landlord will continue to lease the  
real property to the applicant

Proposed Ownership of AGA Operating LLC and AGAL Realty LLC

Owners	<u>Operations</u> AGA Operating LLC	<u>Realty</u> AGAL Realty LLC
Giorgio Mayer	50.00%	50.00%
Aryeh Grinspan	25.00%	25.00%
Abraham Mayer	25.00%	25.00%

Baird Nursing Home

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
ASSETS - CURRENT	\$ -	\$ 213,358	\$ 234,702	\$ 143,739
ASSETS - FIXED AND OTHER	\$ -	\$ 357,905	\$ 368,186	\$ 397,842
TOTAL ASSETS	\$ -	\$ 571,263	\$ 602,888	\$ 541,581
LIABILITIES - CURRENT	\$ -	\$ 348,402	\$ 373,995	\$ 299,065
LIABILITIES - LONG-TERM	\$ -	\$ 108,268	\$ 168,292	\$ 223,109
TOTAL LIABILITIES	\$ -	\$ 456,670	\$ 542,287	\$ 522,174
WORKING CAPITAL	\$ -	\$ (135,044)	\$ (139,293)	\$ (155,326)
NET ASSET POSITION	\$ -	\$ 114,593	\$ 60,601	\$ 19,407
INCOME	\$ -	\$ 2,015,287	\$ 2,083,294	\$ 2,216,989
EXPENSE	\$ -	\$ 2,048,551	\$ 2,107,600	\$ 2,135,730
NET INCOME	\$ -	\$ (33,264)	\$ (24,306)	\$ 81,259

The Brook at HighFalls Nursing and Rehabilitation Center  
PRO FORMA BALANCE SHEET  
January 1, 2019

ASSETS

Cash	\$	<u>369,000</u>
Total Current Assets	\$	369,000
Non Current Assets	\$	-
Residents Funds	\$	10,000
Fixed Assets-Net	\$	<u>177,250</u>
Total Non Current Assets	\$	<u>187,250</u>
Total Assets	\$	556,250

Liabilities and Member Equity

LIABILITIES

Long Term Debt, Current portion	\$	<u>32,355</u>
Total current liabilities	\$	32,355

Long term Liabilities

Resident Funds	\$	10,000
Long Term Debt, Net of Current Portion	\$	150,645
Total Long-Term Liabilities	\$	<u>160,645</u>
Total Liabilities	\$	193,000

MEMBER EQUITY

	\$	<u>363,250</u>
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TOTAL LIABILITIES AND MEMBER EQUITY	\$	556,250
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All proposed owner's affiliated NYS RHCs and ownership percentages

Giorgio Mayer

Facility Name	Ownership Percentage	Ownership from
Gold Crest Care Center, Inc.	5.00%	February 1996 - Present
Fieldston Lodge Care Center	12.35%	March 2004 - Present
Sunnyside Care Center LLC	15.50%	June 1998 - Present
Wellsville Manor LLC	11.125%	December 1999 - Present
Affinity Skilled Living and Rehabilitation Center	7.50%	March 2008 - Present
Valley View Manor LLC	18.00%	December 2001 - Present
Bethany Operating Company LLC	10.50%	July 2002 - Present
Whitney Manor Operating Company LLC	50.00%	March 2015 - Present
ILF Operating LLC (Elm Manor)	50.00%	December 2017 - Present
LFG Operating LLC (Wedgewood)	50.00%	December 2017 - Present

Aryeh Grinspan

Facility Name	Ownership Percentage	Ownership from
ILF Operating LLC (Elm Manor)	15.00%	December 2017 - Present
LFG Operating LLC (Wedgewood)	15.00%	December 2017 - Present

Abraham Mayer

Facility Name	Ownership Percentage	Ownership from
ILF Operating LLC (Elm Manor)	10.00%	December 2017 - Present
LFG Operating LLC (Wedgewood)	10.00%	December 2017 - Present

Bethany Operating Company LLC

	Draft 2017	2016	2015
ASSETS - CURRENT	\$ 1,586,182	\$ 1,804,615	\$ 1,592,873
ASSETS - FIXED AND OTHER	\$ 2,797,538	\$ 2,139,973	\$ 2,245,126
TOTAL ASSETS	\$ 4,383,720	\$ 3,944,588	\$ 3,837,999
LIABILITIES - CURRENT	\$ 1,955,551	\$ 2,252,905	\$ 2,041,825
LIABILITIES - LONG-TERM	\$ 2,955,371	\$ 2,597,526	\$ 2,836,809
TOTAL LIABILITIES	\$ 4,910,922	\$ 4,850,431	\$ 4,878,634
WORKING CAPITAL	\$ (369,369)	\$ (448,290)	\$ (448,952)
NET ASSET POSITION	\$ (527,202)	\$ (905,843)	\$ (1,040,635)
INCOME	\$ 9,602,101	\$ 8,246,652	\$ 8,397,838
EXPENSE	\$ 8,856,261	\$ 8,075,388	\$ 8,210,691
NET INCOME	\$ 745,840	\$ 171,264	\$ 187,147

Sunnyside Care Center LLC

	Draft 2017	2016	2015
ASSETS - CURRENT	\$ 2,066,417	\$ 2,722,169	\$ 2,251,820
ASSETS - FIXED AND OTHER	\$ 1,488,024	\$ 1,618,042	\$ 1,735,144
TOTAL ASSETS	\$ 3,554,441	\$ 4,340,211	\$ 3,986,964
LIABILITIES - CURRENT	\$ 1,825,891	\$ 1,795,733	\$ 1,633,458
LIABILITIES - LONG-TERM	\$ 2,608,014	\$ 2,802,337	\$ 2,988,665
TOTAL LIABILITIES	\$ 4,433,905	\$ 4,598,070	\$ 4,622,123
WORKING CAPITAL	\$ 240,526	\$ 926,436	\$ 618,362
NET ASSET POSITION	\$ (879,464)	\$ (257,859)	\$ (635,159)
INCOME	\$ 6,159,115	\$ 6,631,940	\$ 7,033,006
EXPENSE	\$ 7,077,700	\$ 6,493,323	\$ 6,761,747
NET INCOME	\$ (918,585)	\$ 138,617	\$ 271,259

Wellsville Manor Care Center, LLC

	Draft 2017	2016	2015
ASSETS - CURRENT	\$ 2,202,219	\$ 3,573,250	\$ 3,443,615
ASSETS - FIXED AND OTHER	\$ 3,140,579	\$ 3,389,671	\$ 3,008,455
TOTAL ASSETS	\$ 5,342,798	\$ 6,962,921	\$ 6,452,070
LIABILITIES - CURRENT	\$ 2,120,318	\$ 2,015,887	\$ 1,797,136
LIABILITIES - LONG-TERM	\$ 3,141,434	\$ 3,392,754	\$ 3,269,823
TOTAL LIABILITIES	\$ 5,261,752	\$ 5,408,641	\$ 5,066,959
WORKING CAPITAL	\$ 81,901	\$ 1,557,363	\$ 1,646,479
NET ASSET POSITION	\$ 81,046	\$ 1,554,280	\$ 1,385,111
INCOME	\$ 7,260,377	\$ 8,140,439	\$ 8,048,742
EXPENSE	\$ 8,447,629	\$ 7,906,044	\$ 7,664,255
NET INCOME	\$ (1,187,252)	\$ 234,395	\$ 384,487

Fieldston Lodge Care Center LLC

	2017	2016	2015
ASSETS - CURRENT	\$ 2,856,240	\$ 2,699,418	\$ 1,457,513
ASSETS - FIXED AND OTHER	\$ 6,383,291	\$ 6,720,804	\$ 7,659,076
TOTAL ASSETS	\$ 9,239,531	\$ 9,420,222	\$ 9,116,589
LIABILITIES - CURRENT	\$ 4,044,325	\$ 3,739,913	\$ 4,521,651
LIABILITIES - LONG-TERM	\$ 589,326	\$ 510,704	\$ 470,192
TOTAL LIABILITIES	\$ 4,633,651	\$ 4,250,617	\$ 4,991,843
WORKING CAPITAL	\$ (1,188,085)	\$ (1,040,495)	\$ (3,064,138)
NET ASSET POSITION	\$ 4,605,880	\$ 5,169,605	\$ 4,124,746
INCOME	\$ 24,690,301	\$ 22,810,764	\$ 20,484,896
EXPENSE	\$ 22,443,666	\$ 21,459,536	\$ 20,134,583
NET INCOME	\$ 2,246,635	\$ 1,351,228	\$ 350,313

Valley View Manor Nursing Home, LLC

	Draft <u>2017</u>	<u>2016</u>	<u>2015</u>
ASSETS - CURRENT	\$ 1,417,486	\$ 2,007,454	\$ 1,667,332
ASSETS - FIXED AND OTHER	\$ 2,197,849	\$ 2,015,071	\$ 2,152,306
TOTAL ASSETS	\$ 3,615,335	\$ 4,022,525	\$ 3,819,638
LIABILITIES - CURRENT	\$ 1,888,504	\$ 1,793,815	\$ 1,781,350
LIABILITIES - LONG-TERM	\$ 2,192,188	\$ 2,014,310	\$ 2,154,076
TOTAL LIABILITIES	\$ 4,080,692	\$ 3,808,125	\$ 3,935,426
WORKING CAPITAL	\$ (471,018)	\$ 213,639	\$ (114,018)
NET ASSET POSITION	\$ (465,357)	\$ 214,400	\$ (115,788)
INCOME	\$ 5,768,877	\$ 5,775,739	\$ 6,264,190
EXPENSE	\$ 6,084,614	\$ 5,763,270	\$ 5,941,869
NET INCOME	\$ (315,737)	\$ 12,469	\$ 322,321

Affinity Skilled Living and Rehabilitation Center

	Draft <u>2017</u>	<u>2016</u>	<u>2015</u>
ASSETS - CURRENT	\$ 4,749,835	\$ 3,662,114	\$ 4,131,587
ASSETS - FIXED AND OTHER	\$ 10,041,407	\$ 10,485,894	\$ 10,776,580
TOTAL ASSETS	\$ 14,791,242	\$ 14,148,008	\$ 14,908,167
LIABILITIES - CURRENT	\$ 9,924,807	\$ 9,657,929	\$ 9,919,449
LIABILITIES - LONG-TERM	\$ 934,468	\$ 1,871,102	\$ 1,623,840
TOTAL LIABILITIES	\$ 10,859,275	\$ 11,529,031	\$ 11,543,289
WORKING CAPITAL	\$ (5,174,972)	\$ (5,995,815)	\$ (5,787,862)
NET ASSET POSITION	\$ 3,931,967	\$ 2,618,977	\$ 3,364,878
INCOME	\$ 40,530,155	\$ 34,039,149	\$ 33,481,660
EXPENSE	\$ 40,040,460	\$ 34,058,134	\$ 32,970,697
NET INCOME	\$ 489,695	\$ (18,985)	\$ 510,963

Gold Crest Care Center, Inc

	Draft <u>2017</u>	<u>2016</u>	<u>2015</u>
ASSETS - CURRENT	\$ 2,798,416	\$ 2,106,152	\$ 1,743,147
ASSETS - FIXED AND OTHER	\$ 14,449,200	\$ 14,414,960	\$ 14,948,326
TOTAL ASSETS	\$ 17,247,616	\$ 16,521,112	\$ 16,691,473
LIABILITIES - CURRENT	\$ 14,105,318	\$ 13,956,047	\$ 4,500,302
LIABILITIES - LONG-TERM	\$ 1,069,031	\$ 712,199	\$ 10,358,638
TOTAL LIABILITIES	\$ 15,174,349	\$ 14,668,246	\$ 14,858,940
WORKING CAPITAL	\$ (11,306,902)	\$ (11,849,895)	\$ (2,757,155)
NET ASSET POSITION	\$ 2,073,267	\$ 1,852,866	\$ 1,832,533
INCOME	\$ 19,097,325	\$ 18,190,236	\$ 18,759,370
EXPENSE	\$ 18,874,416	\$ 18,017,736	\$ 17,365,654
NET INCOME	\$ 222,909	\$ 172,500	\$ 1,393,716

BFA Attachment B  
CON #181050

**Nesconset Operating LLC**

<u>Nesconset Operating LLC</u> (RHCF and ADHCP Operator)	
<u>Members:</u>	
Neil Einhorn	43.5%
Mark Friedman	43.5%
Yossie Zucker	5.0%
Akiva Rudner	4.0%
Steven Sax	4.0%

Middle Island ADHS  
45 Rocky Point Road, Middle Island

The Hamlet Rehabilitation and  
Healthcare Center At Nesconset

Islip Adult Day Health Services  
575 Clayton Road, Central Islip

Lease

Lease

Lease

<u>45 Rocky Point Road LLC</u> (ADHCP Real Estate)	
<u>Members:</u>	
Neil Einhorn	43.5%
Mark Friedman	43.5%
Yossie Zucker	5.0%
Akiva Rudner	4.0%
Steven Sax	4.0%

<u>Nesconset Property NY LLC</u> (RHCF Real Estate)	
<u>Members:</u>	
Neil Einhorn	43.5%
Mark Friedman	43.5%
Yossie Zucker	5.0%
Akiva Rudner	4.0%
Steven Sax	4.0%

<u>575 Clayton Street Realty LLC</u> (ADHCP Real Estate)	
<u>Members:</u>	
Neil Einhorn	43.5%
Mark Friedman	43.5%
Yossie Zucker	5.0%
Akiva Rudner	4.0%
Steven Sax	4.0%

**Nesconset Center for Nursing & Rehab (\$000)**  
**(excludes real estate)**

**BFA Attachment C**  
**CON #181050**

	<u>5/31/2018</u>		<u>2017</u>	<u>2016</u>	<u>2015</u>
	<u>Internal</u>				
Current Assets	\$8,732,483	\$	8,664,978	\$6,873,523	\$6,673,060
Non-Current Assets	<u>9,299,492</u>		<u>4,397,138</u>	<u>5,178,550</u>	<u>5,295,859</u>
Total Assets	\$18,031,975		\$13,062,116	\$12,052,073	\$11,968,919
Current Liabilities	20,138,257		15,687,653	10,886,519	7,749,110
Long Term Liabilities	<u>553,501</u>		<u>1,464,286</u>	<u>1,451,615</u>	<u>1,440,820</u>
Total Liabilities	20,691,758		17,151,939	12,338,134	9,189,930
Net Assets	(\$2,659,783)		(\$4,089,823)	(\$286,061)	\$2,778,989
Working Capital Position	(\$11,405,774)		(\$7,022,675)	(\$4,012,996)	(\$1,076,050)
Revenues*	\$14,976,759		\$35,618,818	\$34,800,613	\$34,824,926
Expenses*	<u>14,941,208</u>		<u>39,414,826</u>	<u>38,472,579</u>	<u>34,811,473</u>
Net Income	\$35,551		(\$3,796,008)	(\$3,671,966)	\$13,453

**Affiliated Homes**CON 181050 - **BFA Attachment D**The Grand Pavilion For Rehabilitation and Nursing (\$000)

	<b><u>4/30/18 Internal</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
Current Assets	\$4,684	\$4,164	\$4,159
Non-Current Assets	<u>11,636</u>	<u>13,050</u>	<u>12,010</u>
Total Assets	\$16,319	\$17,214	\$16,169
Current Liabilities	\$728	3,508	2,314
Long Term Liabilities	<u>1,390</u>	<u>914</u>	<u>1,420</u>
Total Liabilities	\$2,118	4,421	3,734
Net Assets	\$14,202	\$12,793	\$12,435
Working Capital Position	\$3,956	\$657	\$1,845
Operating Revenues	\$8,441	\$24,608	\$23,027
Operating Expenses	<u>6,863</u>	<u>20,874</u>	<u>20,087</u>
Operating Net Income	\$1,578	\$3,734	\$2,940

*Yossie Zucker - 5% interest**Related Parties: Sharon Einhorn (43% interest), Devorah Friedman (35% interest)*St James Rehabilitation and Healthcare Center (\$000)

	<b><u>4/30/18 Internal</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
Current Assets	\$8,462	\$7,706	\$5,836
Non-Current Assets	<u>6,159</u>	<u>6,556</u>	<u>7,003</u>
Total Assets	\$14,621	\$14,262	\$12,839
Current Liabilities	3,389	4,590	3,616
Long Term Liabilities	<u>1,209</u>	<u>1,195</u>	<u>1,556</u>
Total Liabilities	4,598	5,785	5,172
Net Assets	\$10,024	\$8,477	\$7,667
Working Capital Position	\$5,074	\$3,116	\$2,220
Operating Revenues	\$12,151	\$36,225	\$32,800
Operating Expenses	<u>10,453</u>	<u>30,985</u>	<u>30,689</u>
Operating Net Income	\$1,699	\$5,240	\$2,111

*Yossie Zucker - 3% interest; Steven Sax - 2% interest; Akiva Rudner - 1% interest**Related Parties: Sharon Einhorn (25% interest), Devorah Friedman (25% interest)*The Riverside (\$000)

	<b><u>4/30/18 Internal</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
Current Assets	\$14,275	\$16,212	\$14,907
Non-Current Assets	<u>25,220</u>	<u>21,468</u>	<u>19,823</u>
Total Assets	\$39,495	\$37,680	\$34,730
Current Liabilities	10,256	10,224	8,045
Long Term Liabilities	<u>1,341</u>	<u>1,107</u>	<u>1,309</u>
Total Liabilities	\$11,597	\$11,331	\$9,354
Net Assets	\$27,897	\$26,349	\$25,376
Working Capital Position	\$4,019	\$5,988	\$6,862
Operating Revenues	\$26,319	\$80,780	\$74,950
Operating Expenses	<u>\$23,170</u>	<u>\$70,346</u>	<u>\$66,596</u>
Operating Net Income	\$3,149	\$10,434	\$8,354

*Yossie Zucker - 2% membership interest**Related Parties: Sharon Einhorn (10% interest), Devorah Friedman (10% interest)*

Cortlandt Healthcare (\$000)

	<u>5/31/18 Internal</u>	<u>2017</u>	<u>2016</u>
Current Assets	\$3,832	\$3,327	\$3,352
Non-Current Assets	<u>5,819</u>	<u>6,341</u>	<u>6,151</u>
Total Assets	\$9,651	\$9,668	\$9,503
Current Liabilities	2,145	2,166	2,190
Long Term Liabilities	<u>3,247</u>	<u>3,728</u>	<u>3,901</u>
Total Liabilities	\$5,392	\$5,894	\$6,091
Net Assets	\$4,259	\$3,774	\$3,412
Working Capital Position	\$1,687	\$1,161	\$1,162
Operating Revenues	\$7,032	\$17,156	\$17,192
Operating Expenses	<u>\$6,342</u>	<u>\$15,334</u>	<u>\$15,062</u>
Operating Net Income	\$689	\$1,822	\$2,130

*Yossie Zucker - 3% interest; Steven Sax - 1% interest*

*Related Parties: Sharon Einhorn (4% interest), Devorah Friedman (4% interest)*

Sans Souci Rehabilitation and Nursing Center (\$000)

	<u>5/31/18 Internal</u>	<u>2017</u>	<u>2016</u>
Current Assets	\$3,351	\$3,624	\$3,927
Non-Current Assets	<u>2,378</u>	<u>6,115</u>	<u>5,917</u>
Total Assets	\$5,729	\$9,739	\$9,844
Current Liabilities	(1,919)	1,621	1,666
Long Term Liabilities	<u>88</u>	<u>222</u>	<u>341</u>
Total Liabilities	(\$1,831)	\$1,843	\$2,007
Net Assets	\$7,560	\$7,896	\$7,837
Working Capital Position	\$5,270	\$2,003	\$2,261
Operating Revenues	\$6,871	\$16,770	\$17,603
Operating Expenses	<u>\$6,207</u>	<u>\$14,537</u>	<u>\$14,652</u>
Operating Net Income	\$664	\$2,233	\$2,951

*Mark Friedman - 33% interest; Neil Einhorn - 25% interest*

*Related Parties: Devorah Friedman (2% interest)*

The Willows at Ramapo Rehabilitation and Nursing Center (\$000)

	<u>4/30/18 Internal</u>	<u>2017</u>	<u>2016</u>
Current Assets	\$8,349	\$6,574	\$5,807
Non-Current Assets	<u>26,932</u>	<u>23,397</u>	<u>26,079</u>
Total Assets	\$35,281	\$29,971	\$31,886
Current Liabilities	7,227	4,366	5,096
Long Term Liabilities	<u>24,890</u>	<u>24,631</u>	<u>23,049</u>
Total Liabilities	\$32,117	\$28,997	\$28,145
Net Assets	\$3,164	\$974	\$3,741
Working Capital Position	\$1,122	\$2,208	\$711
Operating Revenues	\$8,864	\$28,858	\$25,146
Operating Expenses	<u>\$8,633</u>	<u>\$28,617</u>	<u>\$25,502</u>
Operating Net Income	\$231	\$242	(\$356)

*Mark Friedman - 8.5% interest; Neil Einhorn - 8.5% interest*

*Related Parties: Sharon Einhorn (9% interest), Devorah Friedman (9% interest)*

The Emerald Peek Rehab & Nursing Center (\$000)

	<u>4/30/18 Internal</u>	<u>2017</u>	<u>3/1-12/31/16</u>
Current Assets	\$2,312	\$1,945	\$1,933
Non-Current Assets	<u>3,580</u>	<u>3,245</u>	<u>3,526</u>
Total Assets	\$5,892	\$5,190	\$5,459
Current Liabilities	5,108	3,073	3,079
Long Term Liabilities	<u>133</u>	<u>1,984</u>	<u>1,993</u>
Total Liabilities	\$5,241	\$5,057	\$5,072
Net Assets	\$651	\$133	\$387
Working Capital Position	<b>(\$2,796)</b>	<b>(\$1,128)</b>	<b>(\$1,146)</b>
Operating Revenues	\$3,954	\$11,345	\$8,045
Operating Expenses	<u>\$3,944</u>	<u>\$11,709</u>	<u>\$8,748</u>
Operating Net Income	\$10	<b>(\$364)</b>	<b>(\$703)</b>

**Acquired March 2016.**

*Yossie Zucker - 2% interest; Steven Sax - 2% interest; Akiva Rudner - 2% interest  
Related Parties: Sharon Einhorn (43% interest), Devorah Friedman (43% interest)*

The Enclave at Port Chester Rehab and Nursing Center (\$000)

	<u>5/31/18 Internal</u>	<u>2017</u>	<u>7/1-12/31/16</u>
Current Assets	\$3,969	\$3,806	\$2,638
Non-Current Assets	<u>26,383</u>	<u>24,088</u>	<u>22,125</u>
Total Assets	\$30,352	\$27,893	\$24,763
Current Liabilities	5,073	4,786	2,906
Long Term Liabilities	<u>23,198</u>	<u>22,934</u>	<u>22,090</u>
Total Liabilities	\$28,271	\$27,720	\$24,996
Net Assets	\$2,081	\$173	<b>(\$233)</b>
Working Capital Position	<b>(\$1,104)</b>	<b>(\$981)</b>	<b>(\$268)</b>
Operating Revenues	\$7,875	\$17,859	\$8,229
Operating Expenses	<u>\$7,092</u>	<u>\$17,154</u>	<u>\$8,592</u>
Operating Net Income	\$783	\$706	<b>(\$363)</b>

**Acquired July 2016.**

*Yossie Zucker - 2% interest; Steven Sax - 2% interest; Akiva Rudner - 2% interest  
Related Parties: Sharon Einhorn (44% interest), Devorah Friedman (44% interest)*

The Chateau at Brooklyn Rehab & Nursing Center (\$000)

	<u>5/31/18 Internal</u>	<u>2/1-12/31/17</u>
Current Assets	\$6,683	\$5,582
Non-Current Assets	<u>6,042</u>	<u>6,307</u>
Total Assets	\$12,724	\$11,889
Current Liabilities	5,699	6,139
Long Term Liabilities	<u>1,698</u>	<u>4,813</u>
Total Liabilities	\$7,397	\$10,952
Net Assets	\$5,327	\$937
Working Capital Position	\$984	(\$557)
Operating Revenues	\$10,342	\$18,669
Operating Expenses	<u>\$9,998</u>	<u>\$18,578</u>
Operating Net Income	\$345	\$91

**Acquired February 2017. Known as Crown Center for Nursing and Rehab until February 2017.**

*Yossie Zucker - 2% interest; Steven Sax - 2% interest; Akiva Rudner - 2% interest  
Related Parties: Sharon Einhorn (43% interest), Devorah Friedman (43% interest)*

The Paramount at Somers Rehabilitation (000)

	<u>4/30/18 Internal</u>
Current Assets	\$6,847
Non-Current Assets	<u>913</u>
Total Assets	\$7,760
Current Liabilities	5,353
Long Term Liabilities	<u>1,802</u>
Total Liabilities	\$7,155
Net Assets	\$605
Working Capital Position	\$1,494
Operating Revenues	\$10,248
Operating Expenses	<u>\$9,643</u>
Operating Net Income	\$605

**Acquired January 2018.**

*Yossie Zucker - 2% interest; Steven Sax - 2% interest; Akiva Rudner - 2% interest*

NESCONSET OPERATING, LLC

PROFORMA BALANCE SHEET  
As of the First Day of Operations

ASSETS

	<u>Nesconset Operating, LLC</u>
<b>Current Assets</b>	
Cash & Cash Equivalents	\$ 5,488,000
Account Receivable (Per Schedule)	<u>7,073,231</u>
<b>Total Current Assets</b>	12,561,231
<b>Non Current Assets</b>	
Resident Funds	147,000
Construction In Progress- Facility Renovations	5,000,000
Fixed Assets - Net	<u>750,000</u>
<b>Total Non Current Assets</b>	<u>5,897,000</u>
<b>Total Assets</b>	<u>\$ 18,458,231</u>

LIABILITIES AND MEMBERS' EQUITY

<b>Liabilities</b>	
Assumed Liabilities (Per Schedule)	<u>\$ 6,599,392</u>
<b>Total current liabilities</b>	<u>6,599,392</u>
<b>Long term Liabilities</b>	
Payable for Facility Renovations	4,251,305
Resident Funds	<u>147,000</u>
<b>Total Long-term Liabilities</b>	<u>4,398,305</u>
<b>Total Liabilities</b>	10,997,697
<b>Members' Equity</b>	<u>7,460,534</u>
<b>Total Liabilities and Members' Equity</b>	<u>\$ 18,458,231</u>

**Nesconset Center for Nursing and Rehabilitation**

**Budget Sensitivity**

<u>Payor</u>	<u>Payor Mix</u> <u>Year One Forecast</u>	<u>Revised Budgeted</u> <u>Days</u>	<u>Per Diem</u>	<u>Revised Revenues</u>
Medicaid	84.0%	66,807	291.45	\$19,471,035
Medicare	3.0%	2,386	680.03	1,622,528
Private Pay	3.0%	2,386	460.06	1,097,691
Commercial	<u>10.0%</u>	<u>7,953</u>	325.06	2,585,235
	100.0%	79,532		

Assumed Utilization Rate: 90.79%

Total Inpatient Revenue based on current utilization : \$24,776,489

Total Inpatient Revenue as budgeted for first year: 26,501,200

Decrease in budgeted revenues: (\$1,724,711)

## Glen-Haven Residential Health Care Facilities, Inc.

	<u>4/30/2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$3,274,633	\$2,371,873	\$2,269,726	\$2,134,578
Non-Current Assets	<u>1,385,708</u>	<u>1,483,483</u>	<u>1,605,315</u>	<u>1,670,393</u>
Total Assets	\$4,660,341	\$3,855,356	\$3,875,041	\$3,804,971
Current Liabilities	2,631,111	2,281,923	3,385,107	3,476,326
Long Term Liabilities	<u>705,354</u>	<u>855,952</u>	<u>1,094,426</u>	<u>4,701,040</u>
Total Liabilities	3,336,465	3,137,875	4,479,533	8,177,366
Net Assets	\$1,323,876	\$717,481	(\$604,492)	(\$4,372,395)
Working Capital Position	\$643,522	\$89,950	(\$1,115,381)	(\$1,341,748)
Operating Revenues	\$4,909,482	\$13,923,807	\$14,086,005	\$13,300,396
Operating Expenses	<u>4,353,192</u>	<u>12,601,084</u>	<u>14,478,534</u>	<u>12,798,558</u>
Operating Net Income	\$556,290	\$1,322,723	(\$392,529)	\$501,838
Number of Beds	120	120	120	120
Percent Occupancy	N/A	90%	91%	87%
Medicaid	N/A	76%	77%	65%
Medicare	N/A	11%	13%	16%
Private Pay and other	N/A	13%	11%	19%

Rockville Operating, LLC d/b/a The Grand Pavilion at Rockville Centre

	<u>4/30/2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$4,683,601	\$4,164,327	\$4,158,758	\$3,152,464
Non-Current Assets	<u>11,635,695</u>	<u>13,049,834</u>	<u>12,009,737</u>	<u>10,998,700</u>
Total Assets	\$16,319,296	\$17,214,161	\$16,168,495	\$14,151,164
Current Liabilities	728,083	3,507,493	2,314,284	2,864,782
Long Term Liabilities	<u>1,389,460</u>	<u>913,927</u>	<u>1,420,043</u>	<u>974,305</u>
Total Liabilities	2,117,544	4,421,420	3,734,327	3,839,087
Net Assets	\$14,201,752	\$12,792,741	\$12,434,168	\$10,312,077
Working Capital Position	\$3,955,518	\$656,834	\$1,844,474	\$287,682
Operating Revenues	\$8,440,939	\$24,418,819	\$23,027,160	\$20,323,415
Operating Expenses	<u>6,863,045</u>	<u>20,874,182</u>	<u>20,086,984</u>	<u>19,717,747</u>
Operating Net Income	\$1,577,893	\$3,544,637	\$2,940,176	\$605,668

Yossie Zucker - 5%

Ramapo Manor Nursing Center, Inc.

	<u>4/30/2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$8,348,876	\$6,574,148	\$5,807,078	\$7,134,249
Non-Current Assets	<u>26,932,163</u>	<u>23,396,748</u>	<u>26,079,693</u>	<u>23,008,363</u>
Total Assets	\$35,281,040	\$29,970,896	\$31,886,771	\$30,142,612
Current Liabilities	7,227,046	4,366,339	5,096,021	4,690,728
Long Term Liabilities	<u>24,889,597</u>	<u>24,630,767</u>	<u>23,049,334</u>	<u>21,701,875</u>
Total Liabilities	32,116,643	28,997,106	28,145,355	26,392,603
Net Assets	\$3,164,397	\$973,790	\$3,741,416	\$3,750,009
Working Capital Position	\$1,121,830	\$2,207,809	\$711,057	\$2,443,521
Operating Revenues	\$8,864,065	\$27,162,030	\$25,137,290	\$23,618,326
Operating Expenses	<u>8,633,432</u>	<u>28,611,972</u>	<u>25,149,184</u>	<u>22,622,229</u>
Operating Net Income	\$230,633	(\$1,449,942)	(\$11,894)	\$996,097

Mark Friedman - 8.5%, Neal Einhorn - 8.5%, Yossie Zucker - 2%

150 Riverside OP. LLC

	<u>4/30/2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$14,274,661	\$16,212,289	\$14,907,131	N/A
Non-Current Assets	<u>25,219,955</u>	<u>21,468,357</u>	<u>19,822,267</u>	
Total Assets	\$39,494,616	\$37,680,646	\$34,729,398	
Current Liabilities	10,256,095	10,224,648	8,044,500	
Long Term Liabilities	<u>1,341,159</u>	<u>1,106,653</u>	<u>1,309,371</u>	
Total Liabilities	11,597,254	11,331,301	9,353,871	
Net Assets	\$27,897,362	\$26,349,345	\$25,375,527	
Working Capital Position	\$4,018,566	\$5,987,641	\$6,862,631	
Operating Revenues	\$26,318,559	\$80,187,217	\$74,949,908	
Operating Expenses	<u>23,169,792</u>	<u>70,147,614</u>	<u>66,595,588</u>	
Operating Net Income	\$3,148,767	\$10,039,603	\$8,354,320	

Yossie Zucker - 2%

Westchester Park, LLC d/b/a Sans Souci Rehab & Nursing Center

	<u>5/31/2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$3,350,887	\$3,624,124	\$3,926,376	\$2,863,299
Non-Current Assets	<u>7,161,923</u>	<u>6,114,498</u>	<u>5,917,352</u>	<u>6,453,987</u>
Total Assets	\$10,512,810	\$9,738,622	\$9,843,728	\$9,317,286
Current Liabilities	2,864,785	1,620,718	1,665,689	2,680,480
Long Term Liabilities	<u>88,241</u>	<u>222,175</u>	<u>341,058</u>	<u>415,692</u>
Total Liabilities	2,953,026	1,842,893	2,006,747	3,096,172
Net Assets	\$7,559,784	\$7,895,729	\$7,836,981	\$6,221,114
Working Capital Position	\$486,102	\$2,003,406	\$2,260,687	\$182,819
Operating Revenues	\$6,871,086	\$16,763,464	\$17,592,686	\$17,239,745
Operating Expenses	<u>6,207,031</u>	<u>14,532,775</u>	<u>14,632,972</u>	<u>14,070,838</u>
Operating Net Income	\$664,055	\$2,230,689	\$2,959,714	\$3,168,907

Mark Friedman -33%, Neal Einhorn - 25%

St. James Operating LLC d/b/a St. James Rehab & Healthcare Center

	<u>4/30/2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$8,462,370	\$7,705,975	\$5,836,269	\$5,348,226
Non-Current Assets	<u>6,158,787</u>	<u>6,555,985</u>	<u>7,003,047</u>	<u>5,063,930</u>
Total Assets	\$14,621,157	\$14,261,960	\$12,839,316	\$10,412,156
Current Liabilities	3,388,706	4,589,998	3,616,256	3,521,788
Long Term Liabilities	<u>1,208,758</u>	<u>1,195,262</u>	<u>1,555,998</u>	<u>430,275</u>
Total Liabilities	4,597,464	5,785,260	5,172,254	3,952,063
Net Assets	\$10,023,693	\$8,476,700	\$7,667,062	\$6,460,093
Working Capital Position	\$5,073,664	\$3,115,977	\$2,220,013	\$1,826,438
Operating Revenues	\$12,151,289	\$36,224,756	\$32,799,692	\$31,629,114
Operating Expenses	<u>10,452,734</u>	<u>30,985,118</u>	<u>30,689,158</u>	<u>29,987,058</u>
Operating Net Income	\$1,698,556	\$5,239,638	\$2,110,534	\$1,642,056

Yossie Zucker - 3%, Akiva Rudner - 1%, Steven Sax - 3%

Cortlandt Operations, LLC d/b/a Cortlandt Healthcare

	<u>5/31/2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$3,831,500	\$3,326,563	\$3,351,697	\$2,895,549
Non-Current Assets	<u>5,819,373</u>	<u>6,341,203</u>	<u>6,150,856</u>	<u>6,378,534</u>
Total Assets	\$9,650,872	\$9,667,766	\$9,502,553	\$9,274,083
Current Liabilities	2,144,912	2,166,154	2,189,558	2,872,888
Long Term Liabilities	<u>3,247,341</u>	<u>3,728,042</u>	<u>3,900,963</u>	<u>4,129,175</u>
Total Liabilities	5,392,253	5,894,196	6,090,521	7,002,063
Net Assets	\$4,258,619	\$3,773,570	\$3,412,032	\$2,272,020
Working Capital Position	\$1,686,587	\$1,160,409	\$1,162,139	\$22,661
Operating Revenues	\$7,031,513	\$17,155,564	\$17,065,166	\$16,155,569
Operating Expenses	<u>6,342,298</u>	<u>15,334,026</u>	<u>15,061,707</u>	<u>14,471,989</u>
Operating Net Income	\$689,215	\$1,821,538	\$2,003,459	\$1,683,580

Yossie Zucker - 2%, Steven Sax - 1%

Port Chester Operating, LLC d/b/a The Enclave at Port Chester Rehab & Nursing Center

	<u>5/31/2018</u>	<u>2017</u>	<u>7/1 - 12/31/2016</u>	<u>2015</u>
Current Assets	\$3,968,975	\$3,805,513	\$2,638,240	N/A
Non-Current Assets	<u>26,383,105</u>	<u>24,087,195</u>	<u>22,125,063</u>	
Total Assets	\$30,352,079	\$27,892,708	\$24,763,303	
Current Liabilities	5,073,317	4,785,896	2,905,808	
Long Term Liabilities	<u>23,197,404</u>	<u>22,934,157</u>	<u>22,090,344</u>	
Total Liabilities	28,270,721	27,720,053	24,996,152	
Net Assets	\$2,081,359	\$172,655	(\$232,849)	
Working Capital Position	(\$1,104,343)	(\$980,383)	(\$267,568)	
Operating Revenues	\$7,875,043	\$17,859,083	\$8,228,993	
Operating Expenses	<u>7,092,276</u>	<u>17,153,579</u>	<u>8,592,196</u>	
Operating Net Income	\$782,767	\$705,504	(\$363,203)	
<i>Yossie Zucker - 2%, Akiva Rudner - 2%, Steven Sax - 2%</i>				
<i>*Acquired July 2016</i>				

Emerald Peek Rehabilitation & Nursing Center

	<u>4/30/2018</u>	<u>2017</u>	<u>3/1 - 12/31/2016</u>	<u>2015</u>
Current Assets	\$2,311,789	\$1,945,154	\$1,933,141	N/A
Non-Current Assets	<u>3,580,142</u>	<u>3,245,088</u>	<u>3,526,306</u>	
Total Assets	\$5,891,932	\$5,190,242	\$5,459,447	
Current Liabilities	5,107,988	3,073,395	3,079,479	
Long Term Liabilities	<u>132,544</u>	<u>1,984,421</u>	<u>1,992,738</u>	
Total Liabilities	5,240,532	5,057,816	5,072,217	
Net Assets	\$651,400	\$132,426	\$387,230	
Working Capital Position	(\$2,796,199)	(\$1,128,241)	(\$1,146,338)	
Operating Revenues	\$3,954,019	\$11,098,580	\$8,045,209	
Operating Expenses	<u>3,943,657</u>	<u>11,709,296</u>	<u>8,747,581</u>	
Operating Net Income	\$10,361	(\$610,716)	(\$702,372)	
<i>Yossie Zucker - 2%, Akiva Rudner - 2%, Steven Sax - 2%</i>				
<i>*Acquired March 2016</i>				

The Chateau at Brooklyn Rehabilitation & Nursing Center

	<u>5/31/2018</u>	<u>2/1 - 12/31/2017</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$6,682,489	\$5,582,218	N/A	N/A
Non-Current Assets	<u>6,041,562</u>	<u>6,306,548</u>		
Total Assets	\$12,724,051	\$11,888,766		
Current Liabilities	5,699,031	6,138,843		
Long Term Liabilities	<u>1,697,935</u>	<u>4,812,803</u>		
Total Liabilities	7,396,966	10,951,646		
Net Assets	\$5,327,085	\$937,120		
Working Capital Position	\$983,458	(\$556,625)		
Operating Revenues	\$10,342,031	\$18,669,282		
Operating Expenses	<u>9,997,477</u>	<u>18,578,125</u>		
Operating Net Income	\$344,554	\$91,157		

*Yossie Zucker - 2%, Akiva Rudner - 2%, Steven Sax - 2%\*Acquired February 2017*

Somers Operating LLC

	<u>4/30/2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$6,846,838	N/A	N/A	N/A
Non-Current Assets	<u>913,376</u>			
Total Assets	\$7,760,214			
Current Liabilities	5,353,286			
Long Term Liabilities	<u>1,801,622</u>			
Total Liabilities	7,154,908			
Net Assets	\$605,306			
Working Capital Position	\$1,493,552			
Operating Revenues	\$10,247,982			
Operating Expenses	<u>9,642,676</u>			
Operating Net Income	\$605,306			

Yossie Zucker - 5%, Akiva Rudner - 4%, Steven Sax - 4%

\*Acquired January 2018

## PORT JEFFERSON OPERATING, LLC

**PROFORMA BALANCE SHEET**  
*As of the First Day of Operations*

**ASSETS**

	<u>Port Jefferson Operating, LLC</u>
<b>Current Assets</b>	
Cash & Cash Equivalents	\$ 2,947,232
Account Receivable	<u>1,398,326</u>
<b>Total Current Assets</b>	<b>4,345,558</b>
<b>Non Current Assets</b>	
Resident Funds	145,000
Intangible Assets- Goodwill	366,843
Fixed Assets - Net	<u>300,000</u>
<b>Total Non Current Assets</b>	<u>811,843</u>
<b>Total Assets</b>	<b><u>\$ 5,157,401</u></b>

**LIABILITIES AND MEMBERS' EQUITY**

<b>Liabilities</b>	
Assumed Liabilities	\$ 2,065,169
Long Term Debt, Current Portion	<u>259,901</u>
<b>Total current liabilities</b>	<u>2,325,070</u>
<b>Long term Liabilities</b>	
Resident Funds	145,000
Long Term Debt, Net of Current Portion	<u>1,210,099</u>
<b>Total Long-term Liabilities</b>	<u>1,355,099</u>
<b>Total Liabilities</b>	3,680,169
<b>Members' Equity</b>	<u>1,477,232</u>
<b>Total Liabilities and Members' Equity</b>	<b><u>\$ 5,157,401</u></b>

## The Glengariff Corporation

	<u>5/31/2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$7,768,262	\$8,563,968	\$8,093,067	\$7,216,631
Non-Current Assets	<u>5,869,865</u>	<u>5,893,101</u>	<u>6,263,447</u>	<u>6,745,853</u>
Total Assets	\$13,638,127	\$14,457,069	\$14,356,514	\$13,962,484
Current Liabilities	3,176,800	4,476,292	4,146,605	4,127,167
Long Term Liabilities	<u>1,612,522</u>	<u>1,712,260</u>	<u>2,258,747</u>	<u>8,109,038</u>
Total Liabilities	4,789,322	6,188,552	6,405,352	12,236,205
Net Assets	\$8,848,805	\$8,268,517	\$7,951,162	\$1,726,279
Working Capital Position	\$4,591,462	\$4,087,676	\$3,946,462	\$3,089,464
Operating Revenues	\$14,640,523	\$34,142,624	\$33,457,238	\$32,220,994
Operating Expenses	<u>13,540,441</u>	<u>32,622,257</u>	<u>32,439,670</u>	<u>31,729,631</u>
Operating Net Income	\$1,100,082	\$1,520,367	\$1,017,568	\$491,363
Number of Beds	262	262	262	262
Percent Occupancy	N/A	85.8%	86.2%	85.0%
Medicaid	N/A	58.7%	59.7%	53.3%
Medicare	N/A	23.1%	23.9%	26.1%
Private Pay and other	N/A	18.2%	16.4%	20.6%

Rockville Operating, LLC d/b/a The Grand Pavilion at Rockville Centre

	<u>4/30/2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$4,683,601	\$4,164,327	\$4,158,758	\$3,152,464
Non-Current Assets	<u>11,635,695</u>	<u>13,049,834</u>	<u>12,009,737</u>	<u>10,998,700</u>
Total Assets	\$16,319,296	\$17,214,161	\$16,168,495	\$14,151,164
Current Liabilities	728,083	3,507,493	2,314,284	2,864,782
Long Term Liabilities	<u>1,389,460</u>	<u>913,927</u>	<u>1,420,043</u>	<u>974,305</u>
Total Liabilities	2,117,544	4,421,420	3,734,327	3,839,087
Net Assets	\$14,201,752	\$12,792,741	\$12,434,168	\$10,312,077
Working Capital Position	\$3,955,518	\$656,834	\$1,844,474	\$287,682
Operating Revenues	\$8,440,939	\$24,418,819	\$23,027,160	\$20,323,415
Operating Expenses	<u>6,863,045</u>	<u>20,874,182</u>	<u>20,086,984</u>	<u>19,717,747</u>
Operating Net Income	\$1,577,893	\$3,544,637	\$2,940,176	\$605,668

Yossie Zucker - 5%

Ramapo Manor Nursing Center, Inc.

	<u>4/30/2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$8,348,876	\$6,574,148	\$5,807,078	\$7,134,249
Non-Current Assets	<u>26,932,163</u>	<u>23,396,748</u>	<u>26,079,693</u>	<u>23,008,363</u>
Total Assets	\$35,281,040	\$29,970,896	\$31,886,771	\$30,142,612
Current Liabilities	7,227,046	4,366,339	5,096,021	4,690,728
Long Term Liabilities	<u>24,889,597</u>	<u>24,630,767</u>	<u>23,049,334</u>	<u>21,701,875</u>
Total Liabilities	32,116,643	28,997,106	28,145,355	26,392,603
Net Assets	\$3,164,397	\$973,790	\$3,741,416	\$3,750,009
Working Capital Position	\$1,121,830	\$2,207,809	\$711,057	\$2,443,521
Operating Revenues	\$8,864,065	\$27,162,030	\$25,137,290	\$23,618,326
Operating Expenses	<u>8,633,432</u>	<u>28,611,972</u>	<u>25,149,184</u>	<u>22,622,229</u>
Operating Net Income	\$230,633	(\$1,449,942)	(\$11,894)	\$996,097

Mark Friedman - 8.5%, Neal Einhorn - 8.5%, Yossie Zucker - 2%

150 Riverside OP. LLC

	<u>4/30/2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$14,274,661	\$16,212,289	\$14,907,131	N/A
Non-Current Assets	<u>25,219,955</u>	<u>21,468,357</u>	<u>19,822,267</u>	
Total Assets	\$39,494,616	\$37,680,646	\$34,729,398	
Current Liabilities	10,256,095	10,224,648	8,044,500	
Long Term Liabilities	<u>1,341,159</u>	<u>1,106,653</u>	<u>1,309,371</u>	
Total Liabilities	11,597,254	11,331,301	9,353,871	
Net Assets	\$27,897,362	\$26,349,345	\$25,375,527	
Working Capital Position	\$4,018,566	\$5,987,641	\$6,862,631	
Operating Revenues	\$26,318,559	\$80,187,217	\$74,949,908	
Operating Expenses	<u>23,169,792</u>	<u>70,147,614</u>	<u>66,595,588</u>	
Operating Net Income	\$3,148,767	\$10,039,603	\$8,354,320	

Yossie Zucker - 2%

Westchester Park, LLC d/b/a Sans Souci Rehab & Nursing Center

	<u>5/31/2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$3,350,887	\$3,624,124	\$3,926,376	\$2,863,299
Non-Current Assets	<u>7,161,923</u>	<u>6,114,498</u>	<u>5,917,352</u>	<u>6,453,987</u>
Total Assets	\$10,512,810	\$9,738,622	\$9,843,728	\$9,317,286
Current Liabilities	2,864,785	1,620,718	1,665,689	2,680,480
Long Term Liabilities	<u>88,241</u>	<u>222,175</u>	<u>341,058</u>	<u>415,692</u>
Total Liabilities	2,953,026	1,842,893	2,006,747	3,096,172
Net Assets	\$7,559,784	\$7,895,729	\$7,836,981	\$6,221,114
Working Capital Position	\$486,102	\$2,003,406	\$2,260,687	\$182,819
Operating Revenues	\$6,871,086	\$16,763,464	\$17,592,686	\$17,239,745
Operating Expenses	<u>6,207,031</u>	<u>14,532,775</u>	<u>14,632,972</u>	<u>14,070,838</u>
Operating Net Income	\$664,055	\$2,230,689	\$2,959,714	\$3,168,907

Mark Friedman -33%, Neal Einhorn - 25%

St. James Operating LLC d/b/a St. James Rehab & Healthcare Center

	<u>4/30/2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$8,462,370	\$7,705,975	\$5,836,269	\$5,348,226
Non-Current Assets	<u>6,158,787</u>	<u>6,555,985</u>	<u>7,003,047</u>	<u>5,063,930</u>
Total Assets	\$14,621,157	\$14,261,960	\$12,839,316	\$10,412,156
Current Liabilities	3,388,706	4,589,998	3,616,256	3,521,788
Long Term Liabilities	<u>1,208,758</u>	<u>1,195,262</u>	<u>1,555,998</u>	<u>430,275</u>
Total Liabilities	4,597,464	5,785,260	5,172,254	3,952,063
Net Assets	\$10,023,693	\$8,476,700	\$7,667,062	\$6,460,093
Working Capital Position	\$5,073,664	\$3,115,977	\$2,220,013	\$1,826,438
Operating Revenues	\$12,151,289	\$36,224,756	\$32,799,692	\$31,629,114
Operating Expenses	<u>10,452,734</u>	<u>30,985,118</u>	<u>30,689,158</u>	<u>29,987,058</u>
Operating Net Income	\$1,698,556	\$5,239,638	\$2,110,534	\$1,642,056

Yossie Zucker - 3%, Akiva Rudner - 1%, Steven Sax - 3%

Cortlandt Operations, LLC d/b/a Cortlandt Healthcare

	<u>5/31/2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$3,831,500	\$3,326,563	\$3,351,697	\$2,895,549
Non-Current Assets	<u>5,819,373</u>	<u>6,341,203</u>	<u>6,150,856</u>	<u>6,378,534</u>
Total Assets	\$9,650,872	\$9,667,766	\$9,502,553	\$9,274,083
Current Liabilities	2,144,912	2,166,154	2,189,558	2,872,888
Long Term Liabilities	<u>3,247,341</u>	<u>3,728,042</u>	<u>3,900,963</u>	<u>4,129,175</u>
Total Liabilities	5,392,253	5,894,196	6,090,521	7,002,063
Net Assets	\$4,258,619	\$3,773,570	\$3,412,032	\$2,272,020
Working Capital Position	\$1,686,587	\$1,160,409	\$1,162,139	\$22,661
Operating Revenues	\$7,031,513	\$17,155,564	\$17,065,166	\$16,155,569
Operating Expenses	<u>6,342,298</u>	<u>15,334,026</u>	<u>15,061,707</u>	<u>14,471,989</u>
Operating Net Income	\$689,215	\$1,821,538	\$2,003,459	\$1,683,580

Yossie Zucker - 2%, Steven Sax - 1%

Port Chester Operating, LLC d/b/a The Enclave at Port Chester Rehab & Nursing Center

	<u>5/31/2018</u>	<u>2017</u>	<u>7/1 - 12/31/2016</u>	<u>2015</u>
Current Assets	\$3,968,975	\$3,805,513	\$2,638,240	N/A
Non-Current Assets	<u>26,383,105</u>	<u>24,087,195</u>	<u>22,125,063</u>	
Total Assets	\$30,352,079	\$27,892,708	\$24,763,303	
Current Liabilities	5,073,317	4,785,896	2,905,808	
Long Term Liabilities	<u>23,197,404</u>	<u>22,934,157</u>	<u>22,090,344</u>	
Total Liabilities	28,270,721	27,720,053	24,996,152	
Net Assets	\$2,081,359	\$172,655	(\$232,849)	
Working Capital Position	(\$1,104,343)	(\$980,383)	(\$267,568)	
Operating Revenues	\$7,875,043	\$17,859,083	\$8,228,993	
Operating Expenses	<u>7,092,276</u>	<u>17,153,579</u>	<u>8,592,196</u>	
Operating Net Income	\$782,767	\$705,504	(\$363,203)	
<i>Yossie Zucker - 2%, Akiva Rudner - 2%, Steven Sax - 2%</i>				
<i>*Acquired July 2016</i>				

Emerald Peek Rehabilitation & Nursing Center

	<u>4/30/2018</u>	<u>2017</u>	<u>3/1 - 12/31/2016</u>	<u>2015</u>
Current Assets	\$2,311,789	\$1,945,154	\$1,933,141	N/A
Non-Current Assets	<u>3,580,142</u>	<u>3,245,088</u>	<u>3,526,306</u>	
Total Assets	\$5,891,932	\$5,190,242	\$5,459,447	
Current Liabilities	5,107,988	3,073,395	3,079,479	
Long Term Liabilities	<u>132,544</u>	<u>1,984,421</u>	<u>1,992,738</u>	
Total Liabilities	5,240,532	5,057,816	5,072,217	
Net Assets	\$651,400	\$132,426	\$387,230	
Working Capital Position	(\$2,796,199)	(\$1,128,241)	(\$1,146,338)	
Operating Revenues	\$3,954,019	\$11,098,580	\$8,045,209	
Operating Expenses	<u>3,943,657</u>	<u>11,709,296</u>	<u>8,747,581</u>	
Operating Net Income	\$10,361	(\$610,716)	(\$702,372)	
<i>Yossie Zucker - 2%, Akiva Rudner - 2%, Steven Sax - 2%</i>				
<i>*Acquired March 2016</i>				

The Chateau at Brooklyn Rehabilitation & Nursing Center

	<u>5/31/2018</u>	<u>2/1 - 12/31/2017</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$6,682,489	\$5,582,218	N/A	N/A
Non-Current Assets	<u>6,041,562</u>	<u>6,306,548</u>		
Total Assets	\$12,724,051	\$11,888,766		
Current Liabilities	5,699,031	6,138,843		
Long Term Liabilities	<u>1,697,935</u>	<u>4,812,803</u>		
Total Liabilities	7,396,966	10,951,646		
Net Assets	\$5,327,085	\$937,120		
Working Capital Position	\$983,458	(\$556,625)		
Operating Revenues	\$10,342,031	\$18,669,282		
Operating Expenses	<u>9,997,477</u>	<u>18,578,125</u>		
Operating Net Income	\$344,554	\$91,157		

*Yossie Zucker - 2%, Akiva Rudner - 2%, Steven Sax - 2%*  
*\*Acquired February 2017*

Somers Operating LLC

	<u>4/30/2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$6,846,838	N/A	N/A	N/A
Non-Current Assets	<u>913,376</u>			
Total Assets	\$7,760,214			
Current Liabilities	5,353,286			
Long Term Liabilities	<u>1,801,622</u>			
Total Liabilities	7,154,908			
Net Assets	\$605,306			
Working Capital Position	\$1,493,552			
Operating Revenues	\$10,247,982			
Operating Expenses	<u>9,642,676</u>			
Operating Net Income	\$605,306			

Yossie Zucker - 5%, Akiva Rudner - 4%, Steven Sax - 4%  
 \*Acquired January 2018

## GLENGARIFF OPERATING, LLC

PROFORMA BALANCE SHEET  
As of the First Day of Operations

## ASSETS

	<u>Glengariff Operating, LLC</u>
<b>Current Assets</b>	
Cash & Cash Equivalents	\$ 4,100,112
Account Receivable	<u>4,361,359</u>
<b>Total Current Assets</b>	8,461,471
<b>Non Current Assets</b>	
Resident Funds	145,000
Fixed Assets - Net	<u>1,000,000</u>
<b>Total Non Current Assets</b>	<u>1,145,000</u>
<b>Total Assets</b>	<u>\$ 9,606,471</u>

## LIABILITIES AND MEMBERS' EQUITY

<b>Liabilities</b>	
Assumed Liabilities	\$ 2,517,536
Long Term Debt, Current Portion	<u>362,447</u>
<b>Total current liabilities</b>	<u>2,879,983</u>
<b>Long term Liabilities</b>	
Resident Funds	145,000
Long Term Debt, Net of Current Portion	<u>1,687,553</u>
<b>Total Long-term Liabilities</b>	<u>1,832,553</u>
<b>Total Liabilities</b>	4,712,536
<b>Members' Equity</b>	<u>4,893,935</u>
<b>Total Liabilities and Members' Equity</b>	<u>\$ 9,606,471</u>

**Glengriff Rehabilitation and Healthcare Center**

Beds: 262  
Occupancy at 8/1/18: 88.2%  
Patient Days at Latest Occupancy: 84,346

**Budget Sensitivity Analysis**

<u>Payor</u>	<u>Payor Mix</u> <u>Year One Forecast</u>	<u>Revised</u> <u>Budgeted Days</u>	<u>Per Diem</u>	<u>Revised Revenues</u>
Medicaid	59.0%	49,764	\$288.65	\$14,364,419
Medicare	23.0%	19,400	\$689.77	\$13,381,248
Private Pay	9.0%	7,591	\$443.75	\$3,368,568
Commercial	<u>9.0%</u>	<u>7,591</u>	\$331.58	<u>\$2,517,070</u>
	100.0%	84,346		
Total Revenue Based on Latest Occupancy:				\$33,631,306
Total Revenue as Budgeted for First Year:				<u>\$37,207,201</u>
Decrease in Budgeted Revenues:				<u>(\$3,575,895)</u>

Verrazano Nursing Home, Inc

	FISCAL PERIOD ENDED			
	<u>12/31/2015</u>	<u>12/31/2016</u>	<u>12/31/2017</u>	<u>4/30/2018</u>
Assets - Current	\$ 1,886,294	\$ 2,108,491	\$ 2,143,763	\$ 2,295,688
Assets - Fixed & Other	\$ 1,183,755	\$ 1,262,176	\$ 1,281,895	\$ 1,431,557
Total Assets	\$ 3,070,049	\$ 3,370,667	\$ 3,425,658	\$ 3,727,245
Liabilities - Current	\$ 1,690,879	\$ 1,817,220	\$ 1,748,860	\$ 1,671,710
Liabilities - Long-Term	\$ 822,789	\$ 697,634	\$ 615,309	\$ 778,487
Total Liabilities	\$ 2,513,668	\$ 2,514,854	\$ 2,364,169	\$ 2,450,197
Working Capital	\$ 195,415	\$ 291,271	\$ 394,903	\$ 623,978
Net Asset Position	\$ 556,381	\$ 855,813	\$ 1,061,489	\$ 1,277,048

Income	\$ 10,075,288	\$ 10,912,966	\$ 10,903,835	\$ 3,666,372
Expense	\$ 9,834,839	\$ 10,382,204	\$ 10,699,581	\$ 3,433,004
Net Income (Loss)	\$ 240,449	\$ 530,762	\$ 204,254	\$ 233,368

Number of Beds	120	120	120	120
Percent of Occupancy (Days)	96.00%	95.70%	95.50%	96.58%

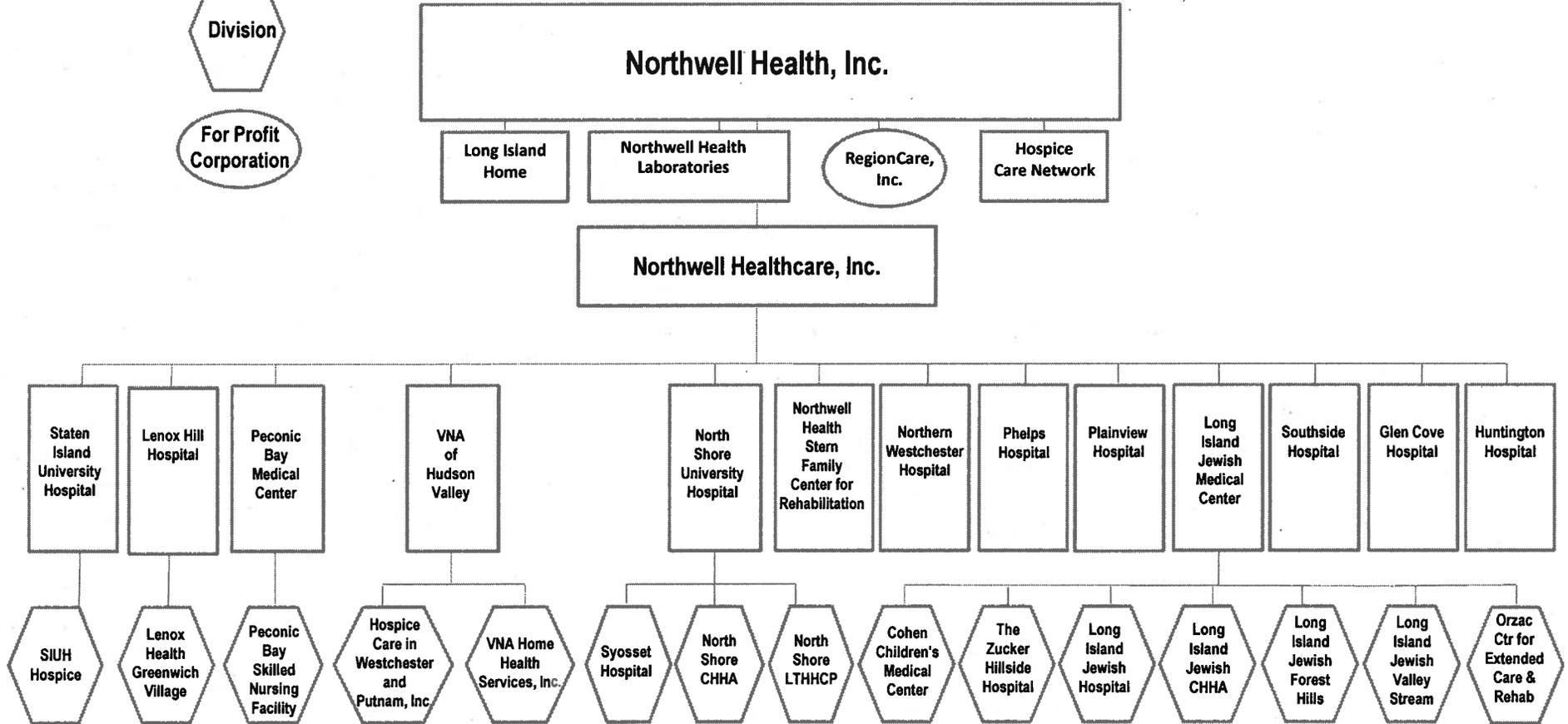
Medicaid	85.80%	86.80%	76.53%	71.94%
Medicare	7.80%	4.00%	2.62%	1.54%
Private Pay / Other	6.50%	9.10%	20.85%	26.52%

Not-for-Profit Corporation

Division

For Profit Corporation

*Northwell Health, Inc.*  
*Table of Organization*



Northwell Health, Inc.

Combining Statement of Financial Position –  
Northwell Health Obligated Group  
(In Thousands)

December 31, 2017

	Total Obligated Group	Eliminations	Northwell Healthcare, 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	Northwell Health Stern Family Center for Rehabilitation
<b>Assets</b>												
<b>Current assets:</b>												
Cash and cash equivalents	\$ 173,909	\$ –	\$ 44,337	\$ 64,992	\$ 61,473	\$ 2,906	\$ 20	\$ 1	\$ 64	\$ 11	\$ 104	\$ 1
Short-term investments	2,322,194	–	–	843,849	758,559	396,376	47,423	3,496	199,038	72,433	654	366
Accounts receivable for services to patients, net of allowance for doubtful accounts	998,934	–	–	246,837	325,074	121,681	148,912	63,941	47,799	14,118	21,133	9,439
Accounts receivable for physician activities, net	110,064	–	–	104,447	2,159	–	1,887	788	562	141	80	–
Insurance claims receivable, current portion	75,457	–	913	18,794	20,386	11,137	12,358	4,842	3,505	1,225	2,026	271
Other current assets	187,513	(3,000)	31,041	52,773	44,846	18,437	20,682	8,202	7,549	3,845	3,053	85
<b>Total current assets</b>	<b>3,868,071</b>	<b>(3,000)</b>	<b>76,291</b>	<b>1,331,692</b>	<b>1,212,497</b>	<b>550,537</b>	<b>231,282</b>	<b>81,270</b>	<b>258,517</b>	<b>91,773</b>	<b>27,050</b>	<b>10,162</b>
Due from affiliates, net	–	(278,719)	–	97,958	153,561	–	–	–	–	–	7,560	19,640
Long-term investments	2,049,979	–	1,167,072	212,778	330,169	174,098	80,310	21,583	37,996	10,409	596	14,968
Property, plant and equipment, net	4,149,345	–	799,596	459,576	1,200,241	190,766	973,755	263,390	175,560	44,482	32,181	9,798
Insurance claims receivable, net of current portion	323,513	–	2,765	64,529	99,229	57,389	54,936	18,705	7,000	6,970	11,169	821
Other assets	349,488	(5,112)	80,359	199,590	13,678	12,906	46,677	1,390	–	–	–	–
<b>Total assets</b>	<b>\$ 10,740,396</b>	<b>\$ (286,831)</b>	<b>\$ 2,126,083</b>	<b>\$ 2,366,123</b>	<b>\$ 3,009,375</b>	<b>\$ 985,696</b>	<b>\$ 1,386,960</b>	<b>\$ 386,338</b>	<b>\$ 479,073</b>	<b>\$ 153,634</b>	<b>\$ 78,556</b>	<b>\$ 55,389</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	642,574	–	183,919	145,116	119,269	38,601	62,727	49,285	21,420	10,272	10,500	1,465
Accrued salaries and related benefits	623,063	–	225,794	107,253	131,815	39,707	47,947	27,754	22,722	6,667	11,310	2,094
Current portion of capital lease obligations	1,932	–	1,625	–	50	–	257	–	–	–	–	–
Current portion of long-term debt	40,606	–	771	10,039	20,594	4,212	1,820	35	35	754	1,531	815
Current portion of insurance claims liability	75,457	–	913	18,794	20,386	11,137	12,358	4,842	3,505	1,225	2,026	271
Current portion of malpractice and other insurance liabilities	93,154	–	21,886	19,745	21,653	11,941	6,364	5,065	3,546	1,285	1,669	–
Current portion of estimated payable to third-party payers	188,762	–	–	38,651	83,379	29,138	15,677	11,475	481	–	6,172	3,789
<b>Total current liabilities</b>	<b>1,775,766</b>	<b>–</b>	<b>434,908</b>	<b>347,098</b>	<b>499,864</b>	<b>134,736</b>	<b>147,150</b>	<b>98,456</b>	<b>51,709</b>	<b>20,203</b>	<b>33,208</b>	<b>8,434</b>
Due to affiliates, net	1,895	(403,510)	46,655	–	–	16,649	152,934	158,653	20,479	10,035	–	–
Accrued retirement benefits, net of current portion	885,659	–	220,502	162,031	80,040	2,467	188,694	69,186	118,851	14,622	24,707	4,559
Capital lease obligations, net of current portion	168,286	–	99,420	–	–	–	2,278	–	–	–	–	–
Long-term debt, net of current portion	3,104,971	–	1,789,719	105,063	856,019	72,485	114,934	71,245	78,246	5,852	8,347	3,061
Insurance claims liability, net of current portion	323,513	–	2,765	64,529	99,229	57,389	54,936	18,705	7,000	6,970	11,169	821
Malpractice and other insurance liabilities, net of current portion	887,377	–	122,939	211,321	237,085	106,843	81,161	56,277	41,855	12,391	17,505	–
Other long-term liabilities	518,320	–	2,088	129,621	211,873	44,335	60,214	40,846	13,463	7,168	8,000	712
<b>Total liabilities</b>	<b>7,665,787</b>	<b>(403,510)</b>	<b>2,718,996</b>	<b>1,019,663</b>	<b>2,050,698</b>	<b>434,904</b>	<b>802,301</b>	<b>513,368</b>	<b>331,603</b>	<b>77,241</b>	<b>102,936</b>	<b>17,587</b>
<b>Commitments and contingencies</b>												
<b>Net assets (deficit):</b>												
Unrestricted	2,633,962	116,679	(592,913)	1,200,829	814,661	538,256	484,561	(137,545)	134,670	62,656	(24,868)	36,976
Temporarily restricted	369,490	–	–	117,431	134,756	11,052	71,891	10,515	11,637	10,894	488	826
Permanently restricted	71,157	–	–	28,200	9,260	1,484	28,207	–	1,163	2,843	–	–
<b>Total net assets (deficit)</b>	<b>3,074,609</b>	<b>116,679</b>	<b>(592,913)</b>	<b>1,346,460</b>	<b>958,677</b>	<b>550,792</b>	<b>584,659</b>	<b>(127,030)</b>	<b>147,470</b>	<b>76,393</b>	<b>(24,380)</b>	<b>37,802</b>
<b>Total liabilities and net assets (deficit)</b>	<b>\$ 10,740,396</b>	<b>\$ (286,831)</b>	<b>\$ 2,126,083</b>	<b>\$ 2,366,123</b>	<b>\$ 3,009,375</b>	<b>\$ 985,696</b>	<b>\$ 1,386,960</b>	<b>\$ 386,338</b>	<b>\$ 479,073</b>	<b>\$ 153,634</b>	<b>\$ 78,556</b>	<b>\$ 55,389</b>

Northwell Health, Inc.

Combining Statement of Operations –  
Northwell Health Obligated Group  
(In Thousands)

Year Ended December 31, 2017

	Total Obligated Group	Eliminations	Northwell Healthcare, 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	Northwell Health Stena Family Center for Rehabilitation
<b>Operating revenue:</b>												
Net patient service revenue	\$ 7,114,404	\$ (588)	\$ –	\$ 1,790,661	\$ 2,264,051	\$ 900,720	\$ 1,003,756	\$ 453,801	\$ 339,496	\$ 119,465	\$ 187,237	\$ 55,805
Physician practice revenue	1,088,860	–	–	409,369	370,180	–	81,233	110,522	74,325	18,468	23,826	937
Provision for bad debts	(107,124)	6,066	–	(36,003)	(36,368)	(9,266)	(13,079)	(9,326)	(4,464)	(2,004)	(2,262)	(418)
Total patient revenue, net of provision for bad debts	8,096,140	5,478	–	2,164,027	2,597,863	891,454	1,071,910	554,997	409,357	135,929	208,801	56,324
Other operating revenue	667,538	(1,283,847)	1,215,138	341,323	173,270	30,197	146,521	23,525	6,152	5,455	9,258	546
Net assets released from restrictions used for operations	42,315	–	970	14,186	17,017	585	9,378	96	39	–	–	44
Total operating revenue	8,805,993	(1,278,369)	1,216,108	2,519,536	2,788,150	922,236	1,227,809	578,618	415,548	141,384	218,059	56,914
<b>Operating expenses:</b>												
Salaries	4,332,430	(446,910)	423,565	1,265,124	1,341,526	421,934	599,688	303,472	200,761	81,667	108,423	33,180
Employee benefits	1,070,144	(89,413)	101,425	249,770	340,268	136,756	135,165	80,901	49,950	19,630	33,965	11,727
Supplies and expenses	2,707,453	(742,046)	531,298	851,298	892,317	292,781	421,963	194,030	141,213	41,635	70,831	12,133
Depreciation and amortization	381,247	–	104,407	65,396	92,094	26,817	45,340	18,932	16,602	6,202	3,956	1,501
Interest	123,481	–	55,692	6,085	45,019	3,497	5,360	3,275	3,627	282	459	185
Total operating expenses	8,614,755	(1,278,369)	1,216,387	2,437,673	2,711,224	881,785	1,207,516	600,610	412,153	149,416	217,634	58,726
Excess (deficiency) of operating revenue over operating expenses	191,238	–	(279)	81,863	76,926	40,451	20,293	(21,992)	3,395	(8,032)	425	(1,812)
<b>Non-operating gains and losses:</b>												
Investment income	96,720	–	13,158	27,689	26,888	16,839	1,349	276	7,691	2,672	(32)	190
Change in net unrealized gains and losses and change in value of equity method investments	257,243	–	42,072	75,394	65,659	45,050	4,048	862	17,463	6,681	–	14
Change in interest in acquired entities	19,455	–	–	19,455	–	–	–	–	–	–	–	–
Non-operating net periodic benefit cost	(28,854)	–	(2,385)	(4,792)	(2,827)	(32)	(8,363)	(3,399)	(5,199)	(519)	(1,175)	(163)
Loss on refunding long-term debt	(42,619)	–	–	–	(19,168)	(5,798)	(9,609)	(3,990)	(4,054)	–	–	–
Other non-operating gains and losses	7,010	–	2,432	–	4,578	–	–	–	–	–	–	–
Total non-operating gains and losses	308,955	–	55,277	117,746	75,130	56,059	(12,575)	(6,251)	15,901	8,834	(1,207)	41
Excess (deficiency) of revenue and gains and losses over expenses	500,193	–	54,998	199,609	152,056	96,510	7,718	(28,243)	19,296	802	(782)	(1,771)
Net assets released from restrictions for capital asset acquisitions	32,080	–	–	8,757	–	447	9,181	13,440	–	255	–	–
Change in fair value of interest rate swap agreements designated as cash flow hedges	471	–	–	170	301	–	–	–	–	–	–	–
Transfers (to) from affiliates	(370,821)	–	(327,020)	(23,899)	(19,902)	–	–	–	–	–	–	–
Pension and other postretirement liability adjustments	(24,275)	–	(3,436)	(4,422)	(6,543)	637	2,070	(4,553)	(7,255)	(241)	(435)	(97)
Increase (decrease) in unrestricted net assets	\$ 137,648	\$ –	\$ (275,458)	\$ 180,215	\$ 125,912	\$ 97,594	\$ 18,969	\$ (19,356)	\$ 12,041	\$ 816	\$ (1,217)	\$ (1,868)

VNA OF HUDSON VALLEY AND AFFILIATES  
Tarrytown, New York

COMBINED BALANCE SHEETS

December 31, 2016 and 2015

ASSETS

	<u>2016</u>	<u>2015</u>
Current Assets:		
Cash and Cash Equivalents	\$ 596,290	\$ 562,986
Investments	1,596,055	1,605,331
Accounts Receivable, Net of Allowance for Doubtful Accounts of \$995,000 and \$728,000	4,394,579	4,608,408
Prepaid Expenses	204,423	150,679
Total Current Assets	<u>6,791,347</u>	<u>6,927,404</u>
Assets Limited As To Use:		
Cash and Cash Equivalents	564,389	564,564
Bequest Receivable	53,560	53,560
Total Assets Limited As To Use	<u>617,949</u>	<u>618,124</u>
Property and Equipment, Net of Accumulated Depreciation	<u>193,654</u>	<u>186,483</u>
Other Assets	<u>83,392</u>	<u>83,392</u>
Total Assets	<u>\$7,686,342</u>	<u>\$7,815,403</u>

LIABILITIES AND NET ASSETS

Current Liabilities:		
Line of Credit	\$ 390,000	\$ 475,000
Current Portion of Insurance Assessment	55,325	40,301
Current Portion of Capital Lease Obligations	950	15,756
Accounts Payable and Accrued Expenses	2,392,139	1,842,214
Accrued Payroll and Related Withholdings	1,348,454	1,191,491
Deferred Revenue	806,219	834,084
Total Current Liabilities	<u>4,993,087</u>	<u>4,398,846</u>
Long-Term Liabilities:		
Insurance Assessment, Net of Current Portion	819,718	861,491
Capital Lease Obligations, Net of Current Portion	-	950
Total Long-Term Liabilities	<u>819,718</u>	<u>862,441</u>
Total Liabilities	5,812,805	5,261,287
Net Assets:		
Unrestricted	<u>1,873,537</u>	<u>2,554,116</u>
Total Liabilities and Net Assets	<u>\$7,686,342</u>	<u>\$7,815,403</u>

VNA OF HUDSON VALLEY AND AFFILIATES  
Tarrytown, New York

COMBINED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS

For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenue, Gains and Other Support:		
Net Patient Service Revenue	\$24,887,002	\$25,156,137
Provision for Uncollectible Accounts	( 490,517 )	( 278,007 )
Net Patient Service Revenue, Less Provision for Uncollectible Accounts	24,396,485	24,878,130
Contributions and Fund Raising, Net of Direct Expenses	233,560	234,879
Total Revenue, Gains and Other Support	<u>24,630,045</u>	<u>25,113,009</u>
Expenses:		
Salaries and Related Expenses	17,705,523	17,832,605
Professional Fees and Contract Services	3,760,535	3,680,049
Supplies	1,023,586	948,779
Occupancy	830,446	790,810
Transportation	346,176	366,572
Other	1,520,055	1,553,713
Interest	46,154	53,302
Depreciation and Amortization	69,063	95,123
Total Expenses	<u>25,301,538</u>	<u>25,320,953</u>
Operating Loss	( 671,493 )	( 207,944 )
Other Income (Loss):		
Interest and Investment Income	31,386	37,589
Realized and Unrealized Gains and Losses	( 40,472 )	19,427
Total Other Income (Loss)	<u>( 9,086 )</u>	<u>57,016</u>
Unrestricted Net Assets:		
Deficiency of Revenue Over Expenses and Decrease in Unrestricted Net Assets	( 680,579 )	( 150,928 )
Net Assets, Beginning of Year	<u>2,554,116</u>	<u>2,705,044</u>
Net Assets, End of Year	<u>\$ 1,873,537</u>	<u>\$ 2,554,116</u>

North Shore - Long Island Jewish Health System, Inc.  
Consolidating Statement of Financial Position - VNA  
December 2017  
(In thousands)

Project # 181348  
BFA Attachment C cont

**Assets**

Current assets:	
Cash and cash equivalents	5,760,370
Marketable securities and other investments	
Assets limited as to use, current portion	
Short-term investments	
Accounts receivable for services to patients, net of allowances for doubtful accounts	3,888,211
Accounts receivable for physician activities, net	
Pledges receivable, current portion	
Insurance claims receivable, current portion	
Other current assets	83,392
<b>Total current assets</b>	<b>9,731,973</b>
<b>Due from affiliates</b>	<b>3,833,750</b>
Note receivable from affiliate	
Assets limited as to use, net of current portion	
Direct equity method investments	
Long-term investments	
Pledges receivable, net of current portion	(0)
Property, plant and equipment, net	(0)
Insurance claims receivable, net of current portion	
Other assets	
<b>Total assets</b>	<b>13,565,723</b>

**Liabilities and net assets**

Current liabilities:	
Short Term Borrowings	390,000
Accounts payable and accrued expenses	1,021,767
Accrued salaries and related benefits	365,749
Current portion of capital lease obligations	-
Current portion of long-term debt	
Current portion of insurance claims liability	
Current portion of Malpractice and other Insurance Liabilities	
Current portion of estimated payable to third-party payers	(14,396)
<b>Total current liabilities</b>	<b>1,763,120</b>
<b>Due to affiliates</b>	<b>7,810,502</b>
Note payable to affiliate	
Accrued retirement benefits	
Capital lease obligations, net of current portion	-
Long-term debt, net of current portion	
Insurance claims liability, net of current portion	
Malpractice and other insurance liabilities, net of current portion	
Other long-term liabilities	844,240
<b>Total liabilities</b>	<b>10,417,861</b>
Net assets:	
Unrestricted	3,147,861
Minus: Grants UnRestricted Net Assets	
Unrestricted	3,147,861
Temporarily restricted, including Grants Net Assets	
Minus: Grants Temporarily Restricted Net Assets	
Temporarily restricted	
Permanently restricted	
<b>Total net assets</b>	<b>3,147,861</b>
<b>Total liabilities and net assets</b>	<b>13,565,723</b>

**VNA Hudson Valley**  
**Statement of Operations**  
**For Year Ended December 31, 2017**  
**(Unaudited)**

<b>NET PATIENT SVC REVENUE</b>	\$ 22,305,284
<b>Provision for Uncollectible</b>	(279,431)
<b>OTHER REVENUE</b>	151,575
<b>TOTAL REVENUE</b>	<u>22,177,428</u>
<b>DIRECT EXPENSES:</b>	
Salaries	11,507,868
Fringe Benefits	<u>2,493,040</u>
<b>Total Salaries &amp; Fringe</b>	14,000,908
<b>Vendor Fees:</b>	
Visiting Nurses	255
Home Health Aides	1,184,007
Personal Care Attendants	-
Physical Therapists	-
Speech Therapists	-
Occupational Therapists	-
<b>Total Fees</b>	<u>1,184,262</u>
<b>Supplies and Expenses:</b>	
Consulting & Mgmt Fees	-
Medical and Surgical Supplies	370,031
Pharmaceuticals	180,015
Other Non-Med & Non-Surg Supp	17,048
Telephone & Electric	63,162
Other Purchased Services	240,050
Temporary Employees	-
Printing and Duplication	52,556
Advertising	-
Mileage	203,626
Other Expenses	3,188,011
Lease/Rentals	383,565
Depreciation	395,892
Collection Agency Fees	-
Managing Authority Charge Back	<u>1,775,528</u>
<b>Total Supplies &amp; Expenses</b>	6,869,484
<b>Total Direct Expenses</b>	<u>22,054,654</u>
<b>Contribution Margin</b>	<u><u>\$ 122,774</u></u>

Northwell Health, Inc.

Consolidated Statements of Financial Position  
(In Thousands)

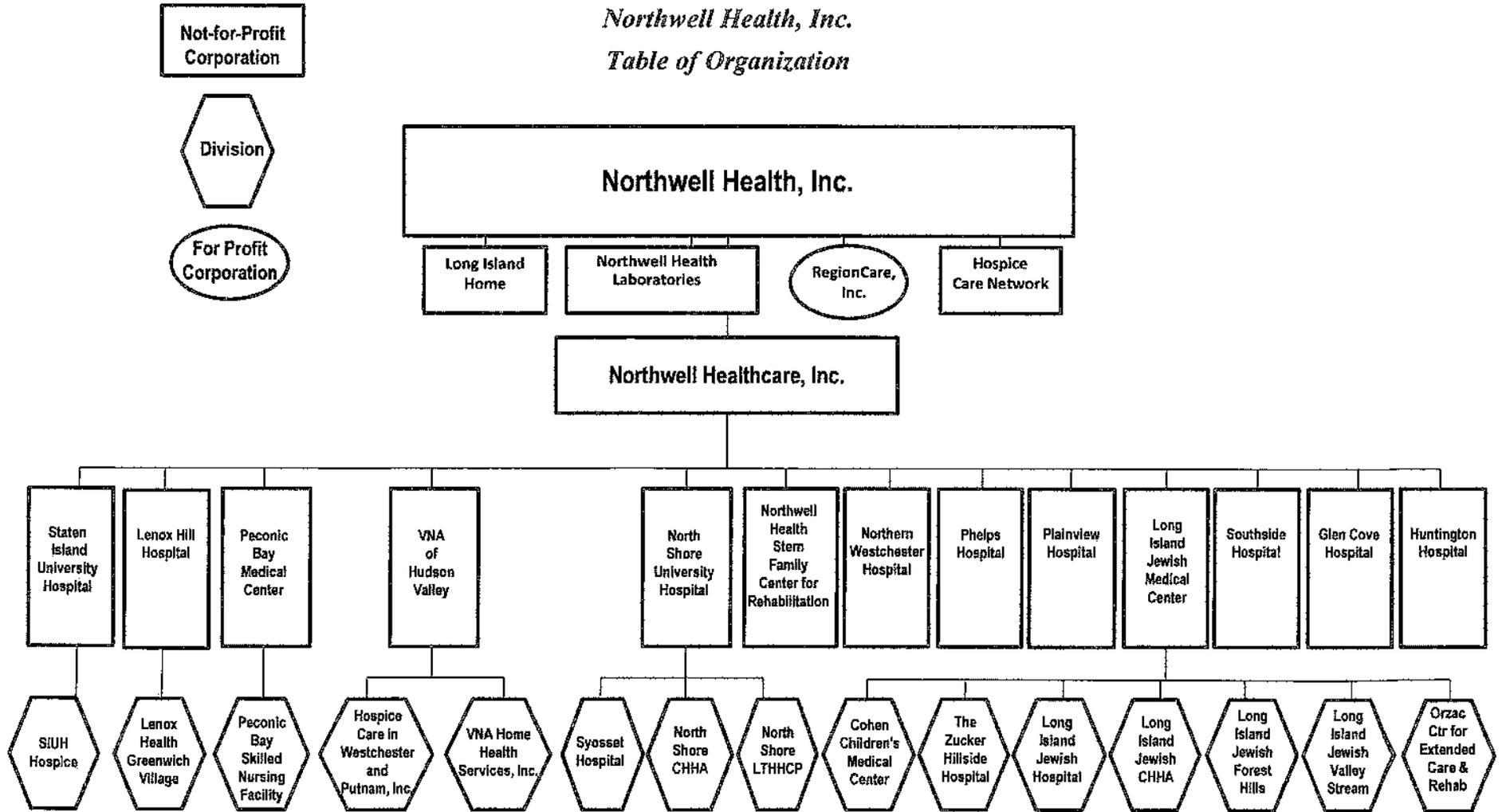
	December 31	
	2017	2016
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 399,856	\$ 383,295
Short-term investments	2,689,489	2,464,366
Accounts receivable for services to patients, net of allowance for doubtful accounts of \$117,600 in 2017 and \$122,200 in 2016	1,094,584	975,423
Accounts receivable for physician activities, net	149,504	127,718
Pledges receivable, current portion	63,459	46,197
Insurance claims receivable, current portion	78,468	71,014
Other current assets	288,197	269,472
<b>Total current assets</b>	<b>4,763,557</b>	<b>4,337,485</b>
Long-term investments	2,279,855	1,875,198
Pledges receivable, net of current portion	126,263	96,371
Property, plant and equipment, net	4,934,215	4,610,223
Insurance claims receivable, net of current portion	181,869	245,967
Other assets	283,229	199,020
<b>Total assets</b>	<b>\$ 12,568,988</b>	<b>\$ 11,364,264</b>
<b>Liabilities and net assets</b>		
<b>Current liabilities:</b>		
Short-term borrowings	\$ 110,608	\$ 110,218
Accounts payable and accrued expenses	998,686	857,584
Accrued salaries and related benefits	732,536	671,594
Current portion of capital lease obligations	3,742	3,470
Current portion of long-term debt	48,844	59,829
Current portion of insurance claims liability	78,468	71,014
Current portion of malpractice and other insurance liabilities	134,488	123,740
Current portion of estimated payables to third-party payers	358,518	320,126
<b>Total current liabilities</b>	<b>2,465,890</b>	<b>2,217,575</b>
Accrued retirement benefits, net of current portion	948,994	927,378
Capital lease obligations, net of current portion	171,873	173,108
Long-term debt, net of current portion	3,220,283	2,680,021
Insurance claims liability, net of current portion	181,869	245,967
Malpractice and other insurance liabilities, net of current portion	1,057,325	944,225
Other long-term liabilities	576,696	573,464
<b>Total liabilities</b>	<b>8,622,930</b>	<b>7,761,738</b>
<b>Commitments and contingencies</b>		
<b>Net assets:</b>		
Unrestricted	3,315,111	3,027,943
Temporarily restricted	435,172	393,610
Permanently restricted	195,775	180,973
<b>Total net assets</b>	<b>3,946,058</b>	<b>3,602,526</b>
<b>Total liabilities and net assets</b>	<b>\$ 12,568,988</b>	<b>\$ 11,364,264</b>

## Northwell Health, Inc.

Consolidated Statements of Operations  
(In Thousands)

	Year Ended December 31	
	2017	2016
Operating revenue:		
Net patient service revenue	\$ 7,880,282	\$ 7,625,675
Physician practice revenue	1,495,740	1,282,059
Provision for bad debts	(129,033)	(120,411)
Total patient revenue, net of provision for bad debts	9,246,989	8,787,323
Other operating revenue	654,042	539,604
Net assets released from restrictions used for operations	61,375	55,469
	<u>9,962,406</u>	<u>9,382,396</u>
Operating expenses:		
Salaries	5,212,002	4,720,172
Employee benefits	1,230,621	1,163,503
Supplies and expenses	2,834,144	2,669,589
Depreciation and amortization	431,497	410,229
Interest	129,509	115,231
	<u>9,837,773</u>	<u>9,078,724</u>
Excess of operating revenue over operating expenses, excluding Health Insurance Companies	<u>124,633</u>	<u>303,672</u>
Health Insurance Companies operating revenue	828,077	555,872
Health Insurance Companies operating expenses	971,447	723,873
Health Insurance Companies excess of operating expenses over operating revenue	<u>(143,370)</u>	<u>(168,001)</u>
Total (deficiency) excess of operating revenue over operating expenses	<u>(18,737)</u>	<u>135,671</u>
Non-operating gains and losses:		
Investment income	109,051	67,680
Change in net unrealized gains and losses and change in value of equity method investments	281,520	117,864
Change in fair value of interest rate swap agreements designated as derivative instruments	-	190
Non-operating net periodic benefit cost	(27,863)	(39,804)
Loss on refunding of long-term debt	(42,619)	-
Contribution received in the acquisition of Peconic Bay Medical Center	-	36,343
Other non-operating gains and losses	(7,107)	24,690
Total non-operating gains and losses	<u>312,982</u>	<u>206,963</u>
Excess of revenue and gains and losses over expenses	<u>294,245</u>	<u>342,634</u>
Net assets released from restrictions for capital asset acquisitions	32,516	33,877
Change in fair value of interest rate swap agreements designated as cash flow hedges	2,218	2,402
Recovery of fair value of endowment corpus	-	608
Pension and other postretirement liability adjustments	(36,130)	(56,801)
Other changes in net assets	(5,681)	(5,698)
Increase in unrestricted net assets	<u>\$ 287,168</u>	<u>\$ 317,022</u>

*Northwell Health, Inc.  
Table of Organization*



Response to Question 11c)

In September, 2010, claims were settled, involving no findings or admissions or fraud, liability or other wrong doing by North Shore-Long Island Jewish Health System ("NS-LIJ"), involving a qui tam lawsuit filed under the civil False Claims Act ("FCA") by a private party whistleblower in the United State District Court for the Southern District of New York ("SDNY"). The claims were investigated by the United States Attorney's Office for the SDNY and, as a result thereof, NS-LIJ and the government agreed to resolve the matter with a payment of \$2.95 million covering a ten year period. This payment was for isolated errors in certain North Shore University Hospital cost reports that related to the appropriate characterization of "Part B" costs associated with certain overhead expenses, and had little connection with the allegations of the qui tam relator's complaint.

On or about December 1, 2010, the Health System received a letter from the Civil Division of the United States Department of Justice ("DOJ") alleging that, since 2003, certain Health System hospitals may have submitted claims to Medicare for payment for the implantation of implantable cardioverter defibrillators ("ICDs") and related services for which Medicare does not provide coverage, and further alleging potential liability under the federal False Claims Act. Numerous other hospitals throughout the country received similar inquiries. This matter was resolved in 2016 by settlement agreement with DOJ, and the matter is now closed. In a press release, DOJ announced it resolved allegations concerning ICD's with approximately 500 hospitals throughout the country.

On or about November 18, 2010, North Shore University Hospital ("NSUH"), the Health System and certain of their current and former employees received Civil Investigative Demands ("CIDs") issued by the United States Attorney for the Southern District of New York ("USAO/SDNY"). The CIDs sought documents, interviews and other information relating to NSUH's clinical documentation improvement ("CDI") program, which is an initiative undertaken by NSUH and certain other Health System hospitals to ensure compilation of clear, complete, accurate and timely inpatient medical records for the purpose of coding and quality of care. The matter is now closed.

In October 2011, Southside Hospital ("SH") learned that the U.S. Attorney's Office for the Western District of New York ("USAO/WDNY") was conducting a review of inpatient admissions for atherectomy procedures, a minimally invasive surgical method used to treat peripheral arterial disease of the lower extremities. It is our understanding that similar requests were made of other hospitals at the time. The USAO/WDNY initially requested that SH provide information concerning such procedures (but did not issue a subpoena for such information), and SH cooperated with the request. Since the initial request for information, SH has had no further contact from the USAO/WDNY, and at no time has the USAO/WDNY indicated that it believes SH has any potential liability in this matter.

In June 2012, Staten Island University Hospital ("SIUH") received a subpoena from the OIG and the U.S. Attorney's Office for the Eastern District of New York ("USAO/EDNY") requesting documentation relating to services rendered at SIUH's inpatient specialized burn unit since 2005, including medical and billing records for certain patients who received those services. The requested documentation was provided in the summer of 2012. In June 2013, the USAO/EDNY contacted SIUH with follow-up questions regarding the material provided, and SIUH provided the requested information. SIUH has had no further contact from the USAO/EDNY regarding this matter, and at no time has the USAO/EDNY indicated that it believes SIUH has any potential liability in this matter.

In October 2012, Lenox Hill Hospital ("LHH") received a letter from SafeGuard Services LLC ("SafeGuard"), a Centers for Medicare & Medicaid Services ("CMS") Program Integrity Contractor,

advising that it had reviewed 33 inpatient cardiac stent claims submitted by LHH for 25 Medicare patients that had been paid by National Government Services ("NGS") during the period October 1, 2007 through December 31, 2010. SafeGuard determined that the medical documentation did not support inpatient admission of the patients in a majority of the claims. With respect to a few claims, Safeguard determined that the documentation did not support the medical necessity of the cardiac stent procedure. Based on this review, Safeguard requested LHH undertake a self-audit and voluntary disclosure of its billing and claims history for elective cardiac stent admissions during this time period involving in-hospital lengths of stay of two days or less, a discharge to home, and involving specific DRGs. In 2016, LHH completed the self-audit and made a repayment to Medicare.

In September 2015, Staten Island University hospital ("SIUH") made a self-disclosure to OIG-HHS and the New York State Office of the Medicaid Inspector General ("OMIG") in which it identified potential overpayments to Medicare and Medicaid relating to certain type of documentation issues at one of its laboratory patient service centers. SIUH entered into a settlement agreement with OIG-HHS in January 2017 that resolved the OIG-HHS self-disclosure. OMIG has informed the Health System that they are still in the process of reviewing the self-disclosure made to it.

#### Response to Question 11d)

In September, 2008, SIUH entered into a global settlement with the United States Attorney's Office for the Eastern District of New York, the Office of the Inspector General of the Department of Health and Human Services, and the Attorney General's Office of the State of New York in which the Hospital agreed to pay \$76.4 million to the federal government and \$12.4 million to the state. SIUH also entered into a Corporate Integrity Agreement with a five-year term. All but \$6.2 million due to the state was paid immediately, with the remaining \$6.2 million due in equal installments over the following three years. The settlement covered payments related to stereotactic radiosurgery treatments; to the operation of a unit to provide detoxification services to individuals when the complement of beds in the Hospital licensed for these services was already full; reimbursement received by SIUH for its graduate medical education program; and the operation of the inpatient psychiatric unit above its certified capacity without the prior approval. The investigation began, to our knowledge, in approximately March, 2003.