

This report is required by law (42 USC 1395g; 42 CFR 413.20(b)). Failure to report can result in all interim payments made since the beginning of the cost reporting period being deemed overpayments (42 USC 1395g). FORM APPROVED OMB NO. 0938-0463 Expires: 12/31/2021

SKILLED NURSING FACILITY AND SKILLED NURSING FACILITY HEALTH CARE COMPLEX COST REPORT CERTIFICATION AND SETTLEMENT SUMMARY	Provider CCN: 315021	Period: From 01/01/2023 To 12/31/2023	Worksheet S Parts I, II & III Date/Time Prepared: 5/21/2024 10:41 am
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PART I - COST REPORT STATUS

Provider use only	1. ☒ Electronically prepared cost report 2. ☐ Manually prepared cost report 3. ☐ If this is an amended report enter the number of times the provider resubmitted this cost report 3.01 ☐ No Medicare Utilization. Enter "Y" for yes or leave blank for no.	Date: 5/21/2024 Time: 10:41 am
Contractor use only	4. ☐ Cost Report Status (1) As Submitted (2) Settled without audit (3) Settled with audit (4) Reopened (5) Amended 5. Date Received: _____	6. Contractor No. _____ 7. ☐ First Cost Report for this Provider CCN 8. ☐ Last Cost Report for this Provider CCN 9. NPR Date: _____ 10. ☐ If line 4, column 1 is "4": Enter number of times reopened 11. Contractor Vendor Code _____ 4 12. ☐ Medicare Utilization. Enter "F" for full, "L" for low, or "N" for no utilization.

PART II - CERTIFICATION OF CHIEF FINANCIAL OFFICER OR ADMINISTRATOR

MISREPRESENTATION OR FALSIFICATION OF ANY INFORMATION CONTAINED IN THIS COST REPORT MAY BE PUNISHABLE BY CRIMINAL, CIVIL AND ADMINISTRATIVE ACTION, FINE AND/OR IMPRISONMENT UNDER FEDERAL LAW. FURTHERMORE, IF SERVICES IDENTIFIED IN THIS REPORT WERE PROVIDED OR PROCURED THROUGH THE PAYMENT DIRECTLY OR INDIRECTLY OF A KICKBACK OR WERE OTHERWISE ILLEGAL, CRIMINAL, CIVIL AND ADMINISTRATIVE ACTION, FINES AND/OR IMPRISONMENT MAY RESULT.

CERTIFICATION BY CHIEF FINANCIAL OFFICER OR ADMINISTRATOR OF FACILITY

I HEREBY CERTIFY that I have read the above certification statement and that I have examined the accompanying electronically filed or manually submitted cost report and the Balance Sheet and Statement of Revenue and Expenses prepared by DAUGHTERS OF MIRIAM (315021) for the cost reporting period beginning 01/01/2023 and ending 12/31/2023 and to the best of my knowledge and belief, this report and statement are true, correct, complete and prepared from the books and records of the provider in accordance with applicable instructions, except as noted. I further certify that I am familiar with the laws and regulations regarding the provision of health care services, and that the services identified in this cost report were provided in compliance with such laws and regulations.

	SIGNATURE OF CHIEF FINANCIAL OFFICER OR ADMINISTRATOR	CHECKBOX	ELECTRONIC SIGNATURE STATEMENT	
1	Henny Grunfeld	☒	I have read and agree with the above certification statement. I certify that I intend my electronic signature on this certification be the legally binding equivalent of my original signature.	1
2	Signatory Printed Name		Henny Grunfeld	2
3	Signatory Title		FINANCE SUPERVISOR	3
4	Date		(Dated when report is electronica	4

Cost Center Description		Title V	Title XVIII		Title XIX	
		1.00	Part A 2.00	Part B 3.00	4.00	
PART III - SETTLEMENT SUMMARY						
1.00	SKILLED NURSING FACILITY	0	588,216	150	0	1.00
2.00	NURSING FACILITY	0			0	2.00
3.00	ICF/IID				0	3.00
4.00	SNF - BASED HHA I	0	0	0		4.00
5.00	SNF - BASED RHC I	0		0		5.00
6.00	SNF - BASED FQHC I	0		0		6.00
7.00	SNF - BASED CMHC I	0		0		7.00
100.00	TOTAL	0	588,216	150	0	100.00

The above amounts represent "due to" or "due from" the applicable program for the element of the above complex indicated.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0463. The time required to complete and review the information collection is estimated 202 hours per response, including the time to review instructions, search existing resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving the form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Report Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850. Please do not send applications, claims, payments, medical records or any documents containing sensitive information to the PRA Reports Clearance Office. Please note that any correspondence not pertaining to the information collection burden approved under the associated OMB control number listed on this form will not be reviewed, forwarded, or retained. If you have questions or concerns regarding where to submit your documents, please contact 1-800-MEDICARE.

SKILLED NURSING FACILITY AND SKILLED NURSING FACILITY HEALTH CARE COMPLEX IDENTIFICATION DATA		Provider No.: 315021	Period: From 01/01/2023 To 12/31/2023	Worksheet S-2 Part I Date/Time Prepared: 5/21/2024 10:41 am		
1.00		2.00		3.00		
Skilled Nursing Facility and Skilled Nursing Facility Complex Address:						
1.00	Street: 155 HAZEL STREET	PO Box:				1.00
2.00	City: CLIFTON	State: NJ	Zip Code: 07015			2.00
3.00	County: PASSAIC	CBSA Code: 35614	Urban/Rural: U			3.00
3.01		CBSA Code:				3.01
		Component Name	Provider CCN	Date Certified	Payment System (P, O, or N)	
					V	XVIII
					XIX	
		1.00	2.00	3.00	4.00	5.00
					6.00	
SNF and SNF-Based Component Identification:						
4.00	SNF	DAUGHTERS OF MIRIAM	315021	01/01/1967	N	P
5.00	Nursing Facility				N	
6.00	ICF/IID					
7.00	SNF-Based HHA					
8.00	SNF-Based RHC					
9.00	SNF-Based FQHC					
10.00	SNF-Based CMHC					
11.00	SNF-Based OLTC					
12.00	SNF-Based HOSPICE					
13.00	SNF-Based CORF					
				From:	To:	
				1.00	2.00	
14.00	Cost Reporting Period (mm/dd/yyyy)			01/01/2023	12/31/2023	
15.00	Type of Control (See Instructions)			5		
					Y/N	
					1.00	
Type of Freestanding Skilled Nursing Facility						
16.00	Is this a distinct part skilled nursing facility that meets the requirements set forth in 42 CFR section 483.5?					N
17.00	Is this a composite distinct part skilled nursing facility that meets the requirements set forth in 42 CFR section 483.5?					N
18.00	Are there any costs included in worksheet A that resulted from transactions with related organizations as defined in CMS Pub. 15-1, chapter 10? If yes, complete worksheet A-8-1.					Y
Miscellaneous Cost Reporting Information						
19.00	If this is a low Medicare utilization cost report, indicate with a "Y", for yes, or "N" for no.					N
19.01	If line 19 is yes, does this cost report meet your contractor's criteria for filing a low Medicare utilization cost report, indicate with a "Y", for yes, or "N" for no.					N
Depreciation - Enter the amount of depreciation reported in this SNF for the method indicated on Lines 20 - 22.						
20.00	Straight Line					53,142
21.00	Declining Balance					0
22.00	Sum of the Year's Digits					0
23.00	Sum of line 20 through 22					53,142
24.00	If depreciation is funded, enter the balance as of the end of the period.					0
25.00	Were there any disposal of capital assets during the cost reporting period? (Y/N)					N
26.00	Was accelerated depreciation claimed on any assets in the current or any prior cost reporting period? (Y/N)					N
27.00	Did you cease to participate in the Medicare program at end of the period to which this cost report applies? (Y/N)					N
28.00	Was there a substantial decrease in health insurance proportion of allowable cost from prior cost reports? (Y/N)					N
					Part A	Part B
					1.00	2.00
					Other	3.00
If this facility contains a public or non-public provider that qualifies for an exemption from the application of the lower of the costs or charges enter "Y" for each component and type of service that qualifies for the exemption.						
29.00	Skilled Nursing Facility				N	N
30.00	Nursing Facility					N
31.00	ICF/IID					
32.00	SNF-Based HHA				N	N
33.00	SNF-Based RHC					
34.00	SNF-Based FQHC					
35.00	SNF-Based CMHC					N
36.00	SNF-Based OLTC					
				Y/N		
				1.00	2.00	
37.00	Is the skilled nursing facility located in a state that certifies the provider as a SNF regardless of the level of care given for Titles V & XIX patients? (Y/N)			Y		
38.00	Are you legally-required to carry malpractice insurance? (Y/N)			N		
39.00	Is the malpractice a "claims-made" or "occurrence" policy? If the policy is "claims-made" enter 1. If the policy is "occurrence", enter 2.					
			Premiums	Paid Losses	Self Insurance	
			1.00	2.00	3.00	
41.00	List malpractice premiums and paid losses:			0	0	0

SKILLED NURSING FACILITY AND SKILLED NURSING FACILITY HEALTH CARE COMPLEX IDENTIFICATION DATA		Provider No.: 315021	Period: From 01/01/2023 To 12/31/2023	Worksheet S-2 Part I Date/Time Prepared: 5/21/2024 10:41 am
				Y/N
				1.00
42.00	Are malpractice premiums and paid losses reported in other than the Administrative and General cost center? Enter Y or N. If yes, check box, and submit supporting schedule listing cost centers and amounts.			42.00
43.00	Are there any home office costs as defined in CMS Pub. 15-1, Chapter 10?			43.00
44.00	If line 43 is yes, enter the home office chain number and enter the name and address of the home office on lines 45, 46 and 47.			44.00
1.00		2.00		3.00
If this facility is part of a chain organization, enter the name and address of the home office on the lines below				
45.00	Name:	Contractor's Name:	Contractor's Number:	
46.00	Street:	PO Box:	46.00	
47.00	City:	State:	Zip Code:	47.00

SKILLED NURSING FACILITY AND SKILLED NURSING FACILITY HEALTH CARE
COMPLEX REIMBURSEMENT QUESTIONNAIRE

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023Worksheet S-2
Part II
Date/Time Prepared:
5/21/2024 10:41 am

		Y/N	Date	
		1.00	2.00	
General Instruction: For all column 1 responses enter in column 1, "Y" for Yes or "N" for No. For all the date responses the format will be (mm/dd/yyyy)				
Completed by All Skilled Nursing Facilities				
Provider Organization and Operation				
1.00	Has the provider changed ownership immediately prior to the beginning of the cost reporting period? If column 1 is "Y", enter the date of the change in column 2. (see instructions)	N		1.00
		Y/N	Date	V/I
		1.00	2.00	3.00
2.00	Has the provider terminated participation in the Medicare Program? If column 1 is yes, enter in column 2 the date of termination and in column 3, "V" for voluntary or "I" for involuntary.	N		2.00
3.00	Is the provider involved in business transactions, including management contracts, with individuals or entities (e.g., chain home offices, drug or medical supply companies) that are related to the provider or its officers, medical staff, management personnel, or members of the board of directors through ownership, control, or family and other similar relationships? (see instructions)	Y		3.00
		Y/N	Type	Date
		1.00	2.00	3.00
Financial Data and Reports				
4.00	Column 1: Were the financial statements prepared by a Certified Public Accountant? (Y/N) Column 2: If yes, enter "A" for Audited, "C" for Compiled, or "R" for Reviewed. Submit complete copy or enter date available in column 3. (see instructions) If no, see instructions.	Y	C	4.00
5.00	Are the cost report total expenses and total revenues different from those on the filed financial statements? If column 1 is "Y", submit reconciliation.	N		5.00
		Y/N	Legal Oper.	
		1.00	2.00	
Approved Educational Activities				
6.00	Column 1: Were costs claimed for Nursing School? (Y/N) Column 2: Is the provider the legal operator of the program? (Y/N)	N	N	6.00
7.00	Were costs claimed for Allied Health Programs? (Y/N) see instructions.	N		7.00
8.00	Were approvals and/or renewals obtained during the cost reporting period for Nursing School and/or Allied Health Program? (Y/N) see instructions.	N		8.00
		Y/N		
		1.00		
Bad Debts				
9.00	Is the provider seeking reimbursement for bad debts? (Y/N) see instructions.		Y	9.00
10.00	If line 9 is "Y", did the provider's bad debt collection policy change during this cost reporting period? If "Y", submit copy.		N	10.00
11.00	If line 9 is "Y", are patient deductibles and/or coinsurance waived? If "Y", see instructions.		N	11.00
Bed Complement				
12.00	Have total beds available changed from prior cost reporting period? If "Y", see instructions.		N	12.00
		Part A		Part B
		Y/N	Date	Y/N
		1.00	2.00	3.00
PS&R Data				
13.00	Was the cost report prepared using the PS&R only? If either col. 1 or 3 is "Y", enter the paid through date of the PS&R used to prepare this cost report in cols. 2 and 4.(see Instructions.)	Y	03/13/2024	Y
14.00	Was the cost report prepared using the PS&R for total and the provider's records for allocation? If either col. 1 or 3 is "Y" enter the paid through date of the PS&R used to prepare this cost report in columns 2 and 4.	N		N
15.00	If line 13 or 14 is "Y", were adjustments made to PS&R data for additional claims that have been billed but are not included on the PS&R used to file this cost report? If "Y", see Instructions.	N		N
16.00	If line 13 or 14 is "Y", then were adjustments made to PS&R data for corrections of other PS&R Report information? If yes, see instructions.	N		N
17.00	If line 13 or 14 is "Y", then were adjustments made to PS&R data for Other? Describe the other adjustments:	N		N
18.00	Was the cost report prepared only using the provider's records? If "Y" see Instructions.	N		N

SKILLED NURSING FACILITY AND SKILLED NURSING FACILITY HEALTH CARE
COMPLEX REIMBURSEMENT QUESTIONNAIRE

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023Worksheet S-2
Part II
Date/Time Prepared:
5/21/2024 10:41 am

		1.00	2.00	
Cost Report Preparer Contact Information				
19.00	Enter the first name, last name and the title/position held by the cost report preparer in columns 1, 2, and 3, respectively.	CHRIS	GUILBAULT	19.00
20.00	Enter the employer/company name of the cost report preparer.	HEALTH CARE RESOURCES		20.00
21.00	Enter the telephone number and email address of the cost report preparer in columns 1 and 2, respectively.	609-987-1440	CHRIS.GUILBAULT@HCRNJ.NET	21.00

SKILLED NURSING FACILITY AND SKILLED NURSING FACILITY HEALTH CARE
COMPLEX REIMBURSEMENT QUESTIONNAIRE

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023Worksheet S-2
Part II
Date/Time Prepared:
5/21/2024 10:41 am

		Part B		
		Date		
		4.00		
PS&R Data				
13.00	was the cost report prepared using the PS&R only? If either col. 1 or 3 is "Y", enter the paid through date of the PS&R used to prepare this cost report in cols. 2 and 4.(see Instructions.)	03/13/2024		13.00
14.00	was the cost report prepared using the PS&R for total and the provider's records for allocation? If either col. 1 or 3 is "Y" enter the paid through date of the PS&R used to prepare this cost report in columns 2 and 4.			14.00
15.00	If line 13 or 14 is "Y", were adjustments made to PS&R data for additional claims that have been billed but are not included on the PS&R used to file this cost report? If "Y", see Instructions.			15.00
16.00	If line 13 or 14 is "Y", then were adjustments made to PS&R data for corrections of other PS&R Report information? If yes, see instructions.			16.00
17.00	If line 13 or 14 is "Y", then were adjustments made to PS&R data for Other? Describe the other adjustments:			17.00
18.00	was the cost report prepared only using the provider's records? If "Y" see Instructions.			18.00
			3.00	
Cost Report Preparer Contact Information				
19.00	Enter the first name, last name and the title/position held by the cost report preparer in columns 1, 2, and 3, respectively.	PREPARER		19.00
20.00	Enter the employer/company name of the cost report preparer.			20.00
21.00	Enter the telephone number and email address of the cost report preparer in columns 1 and 2, respectively.			21.00

SKILLED NURSING FACILITY AND SKILLED NURSING FACILITY HEALTH CARE
COMPLEX STATISTICAL DATA

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023

Worksheet S-3
Part I
Date/Time Prepared:
5/21/2024 10:41 am

Component		Number of Beds		Bed Days Available		Inpatient Days/Visits			
						Title V	Title XVIII	Title XIX	
						1.00	2.00	3.00	
1.00	SKILLED NURSING FACILITY	210	76,650	0	10,877	48,430	1.00		
2.00	NURSING FACILITY	0	0	0	0	0	2.00		
3.00	ICF/IID	0	0	0	0	0	3.00		
4.00	HOME HEALTH AGENCY COST	0	0	0	0	0	4.00		
5.00	Other Long Term Care	0	0	0	0	0	5.00		
6.00	SNF-Based CMHC	0	0	0	0	0	6.00		
7.00	HOSPICE	0	0	0	0	0	7.00		
8.00	Total (Sum of lines 1-7)	210	76,650	0	10,877	48,430	8.00		
Component		Inpatient Days/Visits		Discharges					
		Other	Total	Title V	Title XVIII	Title XIX			
		6.00	7.00	8.00	9.00	10.00			
1.00	SKILLED NURSING FACILITY	9,006	68,313	0	217	228	1.00		
2.00	NURSING FACILITY	0	0	0	0	0	2.00		
3.00	ICF/IID	0	0	0	0	0	3.00		
4.00	HOME HEALTH AGENCY COST	0	0	0	0	0	4.00		
5.00	Other Long Term Care	0	0	0	0	0	5.00		
6.00	SNF-Based CMHC	0	0	0	0	0	6.00		
7.00	HOSPICE	0	0	0	0	0	7.00		
8.00	Total (Sum of lines 1-7)	9,006	68,313	0	217	228	8.00		
Component		Discharges		Average Length of Stay					
		Other	Total	Title V	Title XVIII	Title XIX			
		11.00	12.00	13.00	14.00	15.00			
1.00	SKILLED NURSING FACILITY	358	803	0.00	50.12	212.41	1.00		
2.00	NURSING FACILITY	0	0	0.00	0.00	0.00	2.00		
3.00	ICF/IID	0	0	0.00	0.00	0.00	3.00		
4.00	HOME HEALTH AGENCY COST	0	0	0.00	0.00	0.00	4.00		
5.00	Other Long Term Care	0	0	0.00	0.00	0.00	5.00		
6.00	SNF-Based CMHC	0	0	0.00	0.00	0.00	6.00		
7.00	HOSPICE	0	0	0.00	0.00	0.00	7.00		
8.00	Total (Sum of lines 1-7)	358	803	0.00	50.12	212.41	8.00		
Component		Average Length of Stay	Admissions						
		Total	Title V	Title XVIII	Title XIX		Other		
		16.00	17.00	18.00	19.00		20.00		
1.00	SKILLED NURSING FACILITY	85.07	0	300	238	273	1.00		
2.00	NURSING FACILITY	0.00	0	0	0	0	2.00		
3.00	ICF/IID	0.00	0	0	0	0	3.00		
4.00	HOME HEALTH AGENCY COST	0.00	0	0	0	0	4.00		
5.00	Other Long Term Care	0.00	0	0	0	0	5.00		
6.00	SNF-Based CMHC	0.00	0	0	0	0	6.00		
7.00	HOSPICE	0.00	0	0	0	0	7.00		
8.00	Total (Sum of lines 1-7)	85.07	0	300	238	273	8.00		
Component		Admissions	Full Time Equivalent						
		Total	Employees on Payroll	Nonpaid workers					
		21.00	22.00	23.00					
1.00	SKILLED NURSING FACILITY	811	192.60	0.00			1.00		
2.00	NURSING FACILITY	0	0.00	0.00			2.00		
3.00	ICF/IID	0	0.00	0.00			3.00		
4.00	HOME HEALTH AGENCY COST	0	0.00	0.00			4.00		
5.00	Other Long Term Care	0	0.00	0.00			5.00		
6.00	SNF-Based CMHC	0	0.00	0.00			6.00		
7.00	HOSPICE	0	0.00	0.00			7.00		
8.00	Total (Sum of lines 1-7)	811	192.60	0.00			8.00		

SNF WAGE INDEX INFORMATION

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023Worksheet S-3
Part II
Date/Time Prepared:
5/21/2024 10:41 am

	Amount Reported	Reclass. of Salaries from Worksheet A-6	Adjusted Salaries (col. 1 ± col. 2)	Paid Hours Related to Salary in col. 3	Average Hourly Wage (col. 3 ÷ col. 4)	
	1.00	2.00	3.00	4.00	5.00	
PART II - DIRECT SALARIES						
SALARIES						
1.00	Total salaries (See Instructions)	9,054,943	0	9,054,943	400,787.00	22.59
2.00	Physician salaries-Part A	0	0	0	0.00	0.00
3.00	Physician salaries-Part B	0	0	0	0.00	0.00
4.00	Home office personnel	0	0	0	0.00	0.00
5.00	Sum of lines 2 through 4	0	0	0	0.00	0.00
6.00	Revised wages (line 1 minus line 5)	9,054,943	0	9,054,943	400,787.00	22.59
7.00	Other Long Term Care	0	0	0	0.00	0.00
8.00	HOME HEALTH AGENCY COST	0	0	0	0.00	0.00
9.00	CMHC	0	0	0	0.00	0.00
10.00	HOSPICE	0	0	0	0.00	0.00
11.00	Other excluded areas	0	0	0	0.00	0.00
12.00	Subtotal Excluded salary (Sum of lines 7 through 11)	0	0	0	0.00	0.00
13.00	Total Adjusted Salaries (line 6 minus line 12)	9,054,943	0	9,054,943	400,787.00	22.59
OTHER WAGES & RELATED COSTS						
14.00	Contract Labor: Patient Related & Mgmt	4,074,428	0	4,074,428	87,364.00	46.64
15.00	Contract Labor: Physician services-Part A	0	0	0	0.00	0.00
16.00	Home office salaries & wage related costs	0	0	0	0.00	0.00
WAGE-RELATED COSTS						
17.00	Wage-related costs core (See Part IV)	1,656,687	0	1,656,687		
18.00	Wage-related costs other (See Part IV)	0	0	0		
19.00	Wage related costs (excluded units)	0	0	0		
20.00	Physician Part A - WRC	0	0	0		
21.00	Physician Part B - WRC	0	0	0		
22.00	Total Adjusted Wage Related cost (see instructions)	1,656,687	0	1,656,687		

SNF WAGE INDEX INFORMATION

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023Worksheet S-3
Part III
Date/Time Prepared:
5/21/2024 10:41 am

	Amount Reported	Reclass. of Salaries from Worksheet A-6	Adjusted Salaries (col. 1 ± col. 2)	Paid Hours Related to Salary in col. 3	Average Hourly Wage (col. 3 ÷ col. 4)	
	1.00	2.00	3.00	4.00	5.00	
PART III - OVERHEAD COST - DIRECT SALARIES						
1.00	Employee Benefits	0	0	0	0.00	1.00
2.00	Administrative & General	723,958	0	723,958	17,943.00	2.00
3.00	Plant Operation, Maintenance & Repairs	303,382	0	303,382	16,545.00	3.00
4.00	Laundry & Linen Service	894	0	894	62.00	4.00
5.00	Housekeeping	433,916	0	433,916	26,019.00	5.00
6.00	Dietary	1,044,193	0	1,044,193	54,673.00	6.00
7.00	Nursing Administration	1,098,671	0	1,098,671	22,500.00	7.00
8.00	Central Services and Supply	0	0	0	0.00	8.00
9.00	Pharmacy	0	0	0	0.00	9.00
10.00	Medical Records & Medical Records Library	0	0	0	0.00	10.00
11.00	Social Service	142,382	0	142,382	4,001.00	11.00
12.00	Nursing and Allied Health Ed. Act.					12.00
13.00	Other General Service	239,221	0	239,221	13,742.00	13.00
14.00	Total (sum lines 1 thru 13)	3,986,617	0	3,986,617	155,485.00	14.00

SNF WAGE RELATED COSTS

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023Worksheet S-3
Part IV
Date/Time Prepared:
5/21/2024 10:41 am

		Amount Reported	
		1.00	
PART IV - WAGE RELATED COSTS			
Part A - Core List			
RETIREMENT COST			
1.00	401K Employer Contributions	339	1.00
2.00	Tax Sheltered Annuity (TSA) Employer Contribution	0	2.00
3.00	Qualified and Non-Qualified Pension Plan Cost	0	3.00
4.00	Prior Year Pension Service Cost	0	4.00
PLAN ADMINISTRATIVE COSTS (Paid to External Organization)			
5.00	401K/TSA Plan Administration fees	0	5.00
6.00	Legal/Accounting/Management Fees-Pension Plan	0	6.00
7.00	Employee Managed Care Program Administration Fees	0	7.00
HEALTH AND INSURANCE COST			
8.00	Health Insurance (Purchased or Self Funded)	481,335	8.00
9.00	Prescription Drug Plan	0	9.00
10.00	Dental, Hearing and Vision Plan	23,173	10.00
11.00	Life Insurance (If employee is owner or beneficiary)	0	11.00
12.00	Accident Insurance (If employee is owner or beneficiary)	0	12.00
13.00	Disability Insurance (If employee is owner or beneficiary)	0	13.00
14.00	Long-Term Care Insurance (If employee is owner or beneficiary)	0	14.00
15.00	Workers' Compensation Insurance	181,145	15.00
16.00	Retirement Health Care Cost (Only current year, not the extraordinary accrual required by FASB 106. Non cumulative portion)	0	16.00
TAXES			
17.00	FICA-Employers Portion Only	685,841	17.00
18.00	Medicare Taxes - Employers Portion Only	0	18.00
19.00	Unemployment Insurance	272,565	19.00
20.00	State or Federal Unemployment Taxes	12,289	20.00
OTHER			
21.00	Executive Deferred Compensation	0	21.00
22.00	Day Care Cost and Allowances	0	22.00
23.00	Tuition Reimbursement	0	23.00
24.00	Total Wage Related cost (Sum of lines 1 - 23)	1,656,687	24.00
		Amount Reported	
		1.00	
Part B - Other than Core Related Cost			
25.00	OTHER WAGE RELATED COSTS (SPECIFY)	0	25.00

SNF REPORTING OF DIRECT CARE EXPENDITURES

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023Worksheet S-3
Part V
Date/Time Prepared:
5/21/2024 10:41 am

Occupational Category		Amount Reported	Fringe Benefits	Adjusted Salaries (col. 1 + col. 2)	Paid Hours Related to Salary in col. 3	Average Hourly Wage (col. 3 ÷ col. 4)	
		1.00	2.00	3.00	4.00	5.00	
Direct Salaries							
Nursing Occupations							
1.00	Registered Nurses (RNs)	1,067,322	212,077	1,279,399	25,080.00	51.01	1.00
2.00	Licensed Practical Nurses (LPNs)	1,317,277	261,743	1,579,020	36,075.00	43.77	2.00
3.00	Certified Nursing Assistant/Nursing Assistants/Aides	2,683,727	533,257	3,216,984	184,148.00	17.47	3.00
4.00	Total Nursing (sum of lines 1 through 3)	5,068,326	1,007,077	6,075,403	245,303.00	24.77	4.00
5.00	Physical Therapists	0	0	0	0.00	0.00	5.00
6.00	Physical Therapy Assistants	0	0	0	0.00	0.00	6.00
7.00	Physical Therapy Aides	0	0	0	0.00	0.00	7.00
8.00	Occupational Therapists	0	0	0	0.00	0.00	8.00
9.00	Occupational Therapy Assistants	0	0	0	0.00	0.00	9.00
10.00	Occupational Therapy Aides	0	0	0	0.00	0.00	10.00
11.00	Speech Therapists	0	0	0	0.00	0.00	11.00
12.00	Respiratory Therapists	0	0	0	0.00	0.00	12.00
13.00	Other Medical Staff	0	0	0	0.00	0.00	13.00
Contract Labor							
Nursing Occupations							
14.00	Registered Nurses (RNs)	1,784		1,784	28.00	63.71	14.00
15.00	Licensed Practical Nurses (LPNs)	1,175,568		1,175,568	22,768.00	51.63	15.00
16.00	Certified Nursing Assistant/Nursing Assistants/Aides	1,550,527		1,550,527	46,572.00	33.29	16.00
17.00	Total Nursing (sum of lines 14 through 16)	2,727,879		2,727,879	69,368.00	39.32	17.00
18.00	Physical Therapists	523,209		523,209	7,332.00	71.36	18.00
19.00	Physical Therapy Assistants	0		0	0.00	0.00	19.00
20.00	Physical Therapy Aides	0		0	0.00	0.00	20.00
21.00	Occupational Therapists	713,525		713,525	9,168.00	77.83	21.00
22.00	Occupational Therapy Assistants	0		0	0.00	0.00	22.00
23.00	Occupational Therapy Aides	0		0	0.00	0.00	23.00
24.00	Speech Therapists	109,814		109,814	1,496.00	73.41	24.00
25.00	Respiratory Therapists	0		0	0.00	0.00	25.00
26.00	Other Medical Staff	0		0	0.00	0.00	26.00

PROSPECTIVE PAYMENT FOR SNF STATISTICAL DATA

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023

Worksheet S-7

Date/Time Prepared:
5/21/2024 10:41 am

		Group	Days	
		1.00	2.00	
1.00		RUX		1.00
2.00		RUL		2.00
3.00		RVX		3.00
4.00		RVL		4.00
5.00		RHX		5.00
6.00		RHL		6.00
7.00		RMX		7.00
8.00		RML		8.00
9.00		RLX		9.00
10.00		RUC		10.00
11.00		RUB		11.00
12.00		RUA		12.00
13.00		RVC		13.00
14.00		RVB		14.00
15.00		RVA		15.00
16.00		RHC		16.00
17.00		RHB		17.00
18.00		RHA		18.00
19.00		RMC		19.00
20.00		RMB		20.00
21.00		RMA		21.00
22.00		RLB		22.00
23.00		RLA		23.00
24.00		ES3		24.00
25.00		ES2		25.00
26.00		ES1		26.00
27.00		HE2		27.00
28.00		HE1		28.00
29.00		HD2		29.00
30.00		HD1		30.00
31.00		HC2		31.00
32.00		HC1		32.00
33.00		HB2		33.00
34.00		HB1		34.00
35.00		LE2		35.00
36.00		LE1		36.00
37.00		LD2		37.00
38.00		LD1		38.00
39.00		LC2		39.00
40.00		LC1		40.00
41.00		LB2		41.00
42.00		LB1		42.00
43.00		CE2		43.00
44.00		CE1		44.00
45.00		CD2		45.00
46.00		CD1		46.00
47.00		CC2		47.00
48.00		CC1		48.00
49.00		CB2		49.00
50.00		CB1		50.00
51.00		CA2		51.00
52.00		CA1		52.00
53.00		SE3		53.00
54.00		SE2		54.00
55.00		SE1		55.00
56.00		SSC		56.00
57.00		SSB		57.00
58.00		SSA		58.00
59.00		IB2		59.00
60.00		IB1		60.00
61.00		IA2		61.00
62.00		IA1		62.00
63.00		BB2		63.00
64.00		BB1		64.00
65.00		BA2		65.00
66.00		BA1		66.00
67.00		PE2		67.00
68.00		PE1		68.00
69.00		PD2		69.00
70.00		PD1		70.00
71.00		PC2		71.00
72.00		PC1		72.00
73.00		PB2		73.00
74.00		PB1		74.00
75.00		PA2		75.00

PROSPECTIVE PAYMENT FOR SNF STATISTICAL DATA

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023

Worksheet S-7

Date/Time Prepared:
5/21/2024 10:41 am

		Group	Days	
		1.00	2.00	
76.00		PA1		76.00
99.00		AAA		99.00
100.00	TOTAL			100.00
		Expenses	Percentage	Y/N
		1.00	2.00	3.00
A notice published in the Federal Register Volume 68, No. 149 August 4, 2003 provided for an increase in the RUG payments beginning 10/01/2003. Congress expected this increase to be used for direct patient care and related expenses. For lines 101 through 106: Enter in column 1 the amount of the expense for each category. Enter in column 2 the percentage of total expenses for each category to total SNF revenue from Worksheet G-2, Part I, line 1, column 3. Indicate in column 3 "Y" for yes or "N" for no if the spending reflects increases associated with direct patient care and related expenses for each category. (If column 2 is zero, enter N/A in column 3) (See instructions)				
101.00	Staffing			101.00
102.00	Recruitment			102.00
103.00	Retention of employees			103.00
104.00	Training			104.00
105.00	OTHER (SPECIFY)			105.00
106.00	Total SNF revenue (Worksheet G-2, Part I, line 1, column 3)			106.00

RECLASSIFICATION AND ADJUSTMENT OF TRIAL BALANCE OF EXPENSES

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023

Worksheet A

Date/Time Prepared:
5/21/2024 10:41 am

Cost Center Description			Salaries	Other	Total (col. 1 + col. 2)	Reclassificati ons Increase/Decre ase (Fr wkst A-6)	Reclassified Trial Balance (col. 3 +- col. 4)	
			1.00	2.00	3.00	4.00	5.00	
GENERAL SERVICE COST CENTERS								
1.00	00100	CAP REL COSTS - BLDGS & FIXTURES		5,231,985	5,231,985	0	5,231,985	1.00
3.00	00300	EMPLOYEE BENEFITS	0	1,799,195	1,799,195	0	1,799,195	3.00
4.00	00400	ADMINISTRATIVE & GENERAL	723,958	3,704,808	4,428,766	0	4,428,766	4.00
5.00	00500	PLANT OPERATION, MAINT. & REPAIRS	303,382	944,208	1,247,590	0	1,247,590	5.00
6.00	00600	LAUNDRY & LINEN SERVICE	894	313,256	314,150	0	314,150	6.00
7.00	00700	HOUSEKEEPING	433,916	54,640	488,556	0	488,556	7.00
8.00	00800	DIETARY	1,044,193	957,174	2,001,367	0	2,001,367	8.00
9.00	00900	NURSING ADMINISTRATION	1,098,671	124,549	1,223,220	0	1,223,220	9.00
10.00	01000	CENTRAL SERVICES & SUPPLY	0	316,426	316,426	0	316,426	10.00
11.00	01100	PHARMACY	0	0	0	0	0	11.00
12.00	01200	MEDICAL RECORDS & LIBRARY	0	0	0	0	0	12.00
13.00	01300	SOCIAL SERVICE	142,382	2,100	144,482	0	144,482	13.00
14.00	01400	NURSING AND ALLIED HEALTH EDUCATION	0	0	0	0	0	14.00
15.00	01500	PATIENT ACTIVITIES	239,221	37,383	276,604	0	276,604	15.00
INPATIENT ROUTINE SERVICE COST CENTERS								
30.00	03000	SKILLED NURSING FACILITY	5,068,326	2,880,179	7,948,505	0	7,948,505	30.00
31.00	03100	NURSING FACILITY	0	0	0	0	0	31.00
32.00	03200	ICF/ID	0	0	0	0	0	32.00
33.00	03300	OTHER LONG TERM CARE	0	0	0	0	0	33.00
ANCILLARY SERVICE COST CENTERS								
40.00	04000	RADIOLOGY	0	21,909	21,909	0	21,909	40.00
41.00	04100	LABORATORY	0	44,675	44,675	0	44,675	41.00
42.00	04200	INTRAVENOUS THERAPY	0	0	0	0	0	42.00
43.00	04300	OXYGEN (INHALATION) THERAPY	0	9,864	9,864	0	9,864	43.00
44.00	04400	PHYSICAL THERAPY	0	515,917	515,917	0	515,917	44.00
45.00	04500	OCCUPATIONAL THERAPY	0	594,806	594,806	0	594,806	45.00
46.00	04600	SPEECH PATHOLOGY	0	89,770	89,770	0	89,770	46.00
47.00	04700	ELECTROCARDIOLOGY	0	0	0	0	0	47.00
48.00	04800	MEDICAL SUPPLIES CHARGED TO PATIENTS	0	0	0	0	0	48.00
49.00	04900	DRUGS CHARGED TO PATIENTS	0	416,896	416,896	0	416,896	49.00
50.00	05000	DENTAL CARE - TITLE XIX ONLY	0	0	0	0	0	50.00
51.00	05100	SUPPORT SURFACES	0	0	0	0	0	51.00
OUTPATIENT SERVICE COST CENTERS								
60.00	06000	CLINIC	0	0	0	0	0	60.00
61.00	06100	RURAL HEALTH CLINIC	0	0	0	0	0	61.00
62.00	06200	FQHC	0	0	0	0	0	62.00
OTHER REIMBURSABLE COST CENTERS								
70.00	07000	HOME HEALTH AGENCY COST	0	0	0	0	0	70.00
71.00	07100	AMBULANCE	0	34,736	34,736	0	34,736	71.00
73.00	07300	CMHC	0	0	0	0	0	73.00
SPECIAL PURPOSE COST CENTERS								
80.00	08000	MALPRACTICE PREMIUMS & PAID LOSSES	0	0	0	0	0	80.00
81.00	08100	INTEREST EXPENSE	0	0	0	0	0	81.00
82.00	08200	UTILIZATION REVIEW - SNF	0	0	0	0	0	82.00
83.00	08300	HOSPICE	0	0	0	0	0	83.00
89.00		SUBTOTALS (sum of lines 1-84)	9,054,943	18,094,476	27,149,419	0	27,149,419	89.00
NONREIMBURSABLE COST CENTERS								
90.00	09000	GIFT, FLOWER, COFFEE SHOPS & CANTEEN	0	0	0	0	0	90.00
91.00	09100	BARBER AND BEAUTY SHOP	0	0	0	0	0	91.00
92.00	09200	PHYSICIANS PRIVATE OFFICES	0	0	0	0	0	92.00
93.00	09300	NONPAID WORKERS	0	0	0	0	0	93.00
94.00	09400	PATIENTS LAUNDRY	0	0	0	0	0	94.00
95.00	09500	BLANK	0	0	0	0	0	95.00
95.10	09510	DAY CARE	0	0	0	0	0	95.10
95.20	09520	WORKSHOP	0	0	0	0	0	95.20
95.30	09530	APARTMENTS	0	0	0	0	0	95.30
100.00		TOTAL	9,054,943	18,094,476	27,149,419	0	27,149,419	100.00

RECLASSIFICATION AND ADJUSTMENT OF TRIAL BALANCE OF EXPENSES

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023

Worksheet A

Date/Time Prepared:
5/21/2024 10:41 am

Cost Center Description		Adjustments to Expenses (Fr wkst A-8)	Net Expenses For Allocation (col. 5 +- col. 6)	
		6.00	7.00	
GENERAL SERVICE COST CENTERS				
1.00	00100	CAP REL COSTS - BLDGS & FIXTURES	0	5,231,985
3.00	00300	EMPLOYEE BENEFITS	0	1,799,195
4.00	00400	ADMINISTRATIVE & GENERAL	-957,078	3,471,688
5.00	00500	PLANT OPERATION, MAINT. & REPAIRS	0	1,247,590
6.00	00600	LAUNDRY & LINEN SERVICE	0	314,150
7.00	00700	HOUSEKEEPING	0	488,556
8.00	00800	DIETARY	-1,424	1,999,943
9.00	00900	NURSING ADMINISTRATION	0	1,223,220
10.00	01000	CENTRAL SERVICES & SUPPLY	0	316,426
11.00	01100	PHARMACY	0	0
12.00	01200	MEDICAL RECORDS & LIBRARY	0	0
13.00	01300	SOCIAL SERVICE	0	144,482
14.00	01400	NURSING AND ALLIED HEALTH EDUCATION	0	0
15.00	01500	PATIENT ACTIVITIES	0	276,604
INPATIENT ROUTINE SERVICE COST CENTERS				
30.00	03000	SKILLED NURSING FACILITY	0	7,948,505
31.00	03100	NURSING FACILITY	0	0
32.00	03200	ICF/IID	0	0
33.00	03300	OTHER LONG TERM CARE	0	0
ANCILLARY SERVICE COST CENTERS				
40.00	04000	RADIOLOGY	0	21,909
41.00	04100	LABORATORY	0	44,675
42.00	04200	INTRAVENOUS THERAPY	0	0
43.00	04300	OXYGEN (INHALATION) THERAPY	0	9,864
44.00	04400	PHYSICAL THERAPY	0	515,917
45.00	04500	OCCUPATIONAL THERAPY	0	594,806
46.00	04600	SPEECH PATHOLOGY	0	89,770
47.00	04700	ELECTROCARDIOLOGY	0	0
48.00	04800	MEDICAL SUPPLIES CHARGED TO PATIENTS	0	0
49.00	04900	DRUGS CHARGED TO PATIENTS	0	416,896
50.00	05000	DENTAL CARE - TITLE XIX ONLY	0	0
51.00	05100	SUPPORT SURFACES	0	0
OUTPATIENT SERVICE COST CENTERS				
60.00	06000	CLINIC	0	0
61.00	06100	RURAL HEALTH CLINIC	0	0
62.00	06200	FQHC		
OTHER REIMBURSABLE COST CENTERS				
70.00	07000	HOME HEALTH AGENCY COST	0	0
71.00	07100	AMBULANCE	0	34,736
73.00	07300	CMHC	0	0
SPECIAL PURPOSE COST CENTERS				
80.00	08000	MALPRACTICE PREMIUMS & PAID LOSSES	0	0
81.00	08100	INTEREST EXPENSE	0	0
82.00	08200	UTILIZATION REVIEW - SNF	0	0
83.00	08300	HOSPICE	0	0
89.00		SUBTOTALS (sum of lines 1-84)	-958,502	26,190,917
NONREIMBURSABLE COST CENTERS				
90.00	09000	GIFT, FLOWER, COFFEE SHOPS & CANTEEN	0	0
91.00	09100	BARBER AND BEAUTY SHOP	0	0
92.00	09200	PHYSICIANS PRIVATE OFFICES	0	0
93.00	09300	NONPAID WORKERS	0	0
94.00	09400	PATIENTS LAUNDRY	0	0
95.00	09500	BLANK	0	0
95.10	09510	DAY CARE	0	0
95.20	09520	WORKSHOP	0	0
95.30	09530	APARTMENTS	0	0
100.00		TOTAL	-958,502	26,190,917

RECLASSIFICATIONS

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023

Worksheet A-6

Date/Time Prepared:
5/21/2024 10:41 am

		Increases				
		Cost Center	Line #	Salary	Non Salary	
		2.00	3.00	4.00	5.00	
100.00	TOTALS					
		Total Reclassifications (Sum of columns 4 and 5 must equal sum of columns 8 and 9)				100.00

(1) A letter (A, B, etc.) must be entered on each line to identify each reclassification entry.
(2) Transfer to Worksheet A, col. 5, line as appropriate.

RECLASSIFICATIONS

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023

Worksheet A-6

Date/Time Prepared:
5/21/2024 10:41 am

	Decreases				
	Cost Center	Line #	Salary	Non Salary	
	6.00	7.00	8.00	9.00	
100.00	TOTALS				100.00
			0	0	100.00

(1) A letter (A, B, etc.) must be entered on each line to identify each reclassification entry.
(2) Transfer to Worksheet A, col. 5, line as appropriate.

RECONCILIATION OF CAPITAL COSTS CENTERS

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023

Worksheet A-7

Date/Time Prepared:
5/21/2024 10:41 am

Description		Beginning Balances	Acquisitions			Disposals and Retirements	
			Purchases	Donation	Total		
			1.00	2.00	3.00		
	ANALYSIS OF CHANGES IN CAPITAL ASSET BALANCES						
1.00	Land	0	0	0	0	0	1.00
2.00	Land Improvements	0	0	0	0	0	2.00
3.00	Buildings and Fixtures	0	0	0	0	0	3.00
4.00	Building Improvements	100,323	207,346	0	207,346	0	4.00
5.00	Fixed Equipment	0	0	0	0	0	5.00
6.00	Movable Equipment	149,578	22,628	0	22,628	0	6.00
7.00	Subtotal (sum of lines 1-6)	249,901	229,974	0	229,974	0	7.00
8.00	Reconciling Items	0	0	0	0	0	8.00
9.00	Total (line 7 minus line 8)	249,901	229,974	0	229,974	0	9.00
Description		Ending Balance	Fully Depreciated Assets				
		6.00	7.00				
	ANALYSIS OF CHANGES IN CAPITAL ASSET BALANCES						
1.00	Land	0	0				1.00
2.00	Land Improvements	0	0				2.00
3.00	Buildings and Fixtures	0	0				3.00
4.00	Building Improvements	307,669	0				4.00
5.00	Fixed Equipment	0	0				5.00
6.00	Movable Equipment	172,206	0				6.00
7.00	Subtotal (sum of lines 1-6)	479,875	0				7.00
8.00	Reconciling Items	0	0				8.00
9.00	Total (line 7 minus line 8)	479,875	0				9.00

ADJUSTMENTS TO EXPENSES

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023

Worksheet A-8

Date/Time Prepared:
5/21/2024 10:41 am

Description (1)		(2) Basis For Adjustment	Amount	Expense Classification on Worksheet A To/From which the Amount is to be Adjusted		
				Cost Center	Line No.	
1.00	Investment income on restricted funds (chapter 2)	B	-24,781	ADMINISTRATIVE & GENERAL	4.00	1.00
2.00	Trade, quantity, and time discounts (chapter 8)		0		0.00	2.00
3.00	Refunds and rebates of expenses (chapter 8)		0		0.00	3.00
4.00	Rental of provider space by suppliers (chapter 8)		0		0.00	4.00
5.00	Telephone services (pay stations excluded) (chapter 21)		0		0.00	5.00
6.00	Television and radio service (chapter 21)		0		0.00	6.00
7.00	Parking lot (chapter 21)		0		0.00	7.00
8.00	Remuneration applicable to provider-based physician adjustment	A-8-2	0			8.00
9.00	Home office cost (chapter 21)		0		0.00	9.00
10.00	Sale of scrap, waste, etc. (chapter 23)		0		0.00	10.00
11.00	Nonallowable costs related to certain Capital expenditures (chapter 24)		0		0.00	11.00
12.00	Adjustment resulting from transactions with related organizations (chapter 10)	A-8-1	-360,173			12.00
13.00	Laundry and linen service		0		0.00	13.00
14.00	Revenue - Employee meals	B	-1,424	DIETARY	8.00	14.00
15.00	Cost of meals - Guests		0		0.00	15.00
16.00	Sale of medical supplies to other than patients		0		0.00	16.00
17.00	Sale of drugs to other than patients		0		0.00	17.00
18.00	Sale of medical records and abstracts	B	-457	ADMINISTRATIVE & GENERAL	4.00	18.00
19.00	Vending machines		0		0.00	19.00
20.00	Income from imposition of interest, finance or penalty charges (chapter 21)		0		0.00	20.00
21.00	Interest expense on Medicare overpayments and borrowings to repay Medicare overpayments		0		0.00	21.00
22.00	Utilization review--physicians' compensation (chapter 21)		0	UTILIZATION REVIEW - SNF	82.00	22.00
23.00	Depreciation--buildings and fixtures		0	CAP REL COSTS - BLDGS & FIXTURES	1.00	23.00
24.00	Depreciation--movable equipment		0	*** Cost Center Deleted ***	2.00	24.00
25.00	Other adjustment (specify)		0		0.00	25.00
25.01	BAD DEBT EXPENSE	A	-403,900	ADMINISTRATIVE & GENERAL	4.00	25.01
25.02	MISC CHARITY	A	-1,500	ADMINISTRATIVE & GENERAL	4.00	25.02
25.03	MISC REVENUE	B	-64,417	ADMINISTRATIVE & GENERAL	4.00	25.03
25.04	OTHER REV - CREDIT CARD CASH BACK	B	-457	ADMINISTRATIVE & GENERAL	4.00	25.04
25.05	MARKETING	A	-69,924	ADMINISTRATIVE & GENERAL	4.00	25.05
25.06	FINES & PENALTIES	A	-25,265	ADMINISTRATIVE & GENERAL	4.00	25.06
25.07	RESIDENT REIMBURSEMENT	A	-5,304	ADMINISTRATIVE & GENERAL	4.00	25.07
25.08	CORPORATE TAX	A	-900	ADMINISTRATIVE & GENERAL	4.00	25.08
100.00	Total (sum of lines 1 through 99) (Transfer to worksheet A, col. 6, line 100)		-958,502			100.00

(1) Description - all chapter references in this column pertain to CMS Pub. 15-1.

(2) Basis for adjustment (see instructions).

A. Costs - if cost, including applicable overhead, can be determined.

B. Amount Received - if cost cannot be determined.

STATEMENT OF COSTS OF SERVICES FROM RELATED ORGANIZATIONS AND HOME
OFFICE COSTS

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023Worksheet A-8-1
Parts I-II
Date/Time Prepared:
5/21/2024 10:41 am

		Line No.	Cost Center	Expense Items	
		1.00	2.00	3.00	
PART I. COSTS INCURRED AND ADJUSTMENTS REQUIRED AS A RESULT OF TRANSACTIONS WITH RELATED ORGANIZATIONS OR CLAIMED HOME OFFICE COSTS:					
1.00		4.00	ADMINISTRATIVE & GENERAL	MANAGEMENT	1.00
2.00		0.00			2.00
3.00		0.00			3.00
4.00		0.00			4.00
5.00		0.00			5.00
6.00		0.00			6.00
7.00		0.00			7.00
8.00		0.00			8.00
9.00		0.00			9.00
10.00	TOTALS (sum of lines 1-9). Transfer column 6, line 100 to worksheet A-8, column 3, line 12.				10.00
		Amount Allowable In Cost	Amount Included in wkst. A, col. 5	Adjustments (col. 4 minus col. 5)	
		4.00	5.00	6.00	
PART I. COSTS INCURRED AND ADJUSTMENTS REQUIRED AS A RESULT OF TRANSACTIONS WITH RELATED ORGANIZATIONS OR CLAIMED HOME OFFICE COSTS:					
1.00		992,967	1,353,140	-360,173	1.00
2.00		0	0	0	2.00
3.00		0	0	0	3.00
4.00		0	0	0	4.00
5.00		0	0	0	5.00
6.00		0	0	0	6.00
7.00		0	0	0	7.00
8.00		0	0	0	8.00
9.00		0	0	0	9.00
10.00	TOTALS (sum of lines 1-9). Transfer column 6, line 100 to worksheet A-8, column 3, line 12.	992,967	1,353,140	-360,173	10.00

STATEMENT OF COSTS OF SERVICES FROM RELATED ORGANIZATIONS AND HOME OFFICE COSTS

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023Worksheet A-8-1
Parts I-II
Date/Time Prepared:
5/21/2024 10:41 am

Symbol (1)	Name	Percentage of Ownership
1.00	2.00	3.00

PART II. INTERRELATIONSHIP TO RELATED ORGANIZATION(S) AND/OR HOME OFFICE:

The Secretary, by virtue of the authority granted under section 1814(b)(1) of the Social Security Act, requires that you furnish the information requested under Part B of this worksheet.

This information is used by the Centers for Medicare and Medicaid Services and its intermediaries/contractors in determining that the costs applicable to services, facilities, and supplies furnished by organizations related to you by common ownership or control represent reasonable costs as determined under section 1861 of the Social Security Act. If you do not provide all or any part of the request information, the cost report is considered incomplete and not acceptable for purposes of claiming reimbursement under title XVIII.

1.00	A	PHIL BAK	34.00	1.00
2.00	A	SAM GOLDBERGER	33.00	2.00
3.00	A	MARK SONNENSCHINE	33.00	3.00
4.00			0.00	4.00
5.00			0.00	5.00
6.00			0.00	6.00
7.00			0.00	7.00
8.00			0.00	8.00
9.00			0.00	9.00
10.00			0.00	10.00
100.00	G. Other (financial or non-financial) specify:		0.00	100.00

(1) Use the following symbols to indicate interrelationship to related organizations:

- A. Individual has financial interest (stockholder, partner, etc.) in both related organization and in provider.
- B. Corporation, partnership, or other organization has financial interest in provider.
- C. Provider has financial interest in corporation, partnership, or other organization.
- D. Director, officer, administrator, or key person of provider or relative of such person has financial interest in related organization.
- E. Individual is director, officer, administrator, or key person of provider and related organization.
- F. Director, officer, administrator, or key person of related organization or relative of such person has financial interest in provider.

Related Organization(s) and/or Home Office			
Name	Percentage of Ownership	Type of Business	
4.00	5.00	6.00	

PART II. INTERRELATIONSHIP TO RELATED ORGANIZATION(S) AND/OR HOME OFFICE:

The Secretary, by virtue of the authority granted under section 1814(b)(1) of the Social Security Act, requires that you furnish the information requested under Part B of this worksheet.

This information is used by the Centers for Medicare and Medicaid Services and its intermediaries/contractors in determining that the costs applicable to services, facilities, and supplies furnished by organizations related to you by common ownership or control represent reasonable costs as determined under section 1861 of the Social Security Act. If you do not provide all or any part of the request information, the cost report is considered incomplete and not acceptable for purposes of claiming reimbursement under title XVIII.

1.00	ATLAS HEALTHCARE MANAGEMENT	33.30	1.00
2.00	ATLAS HEALTHCARE MANAGEMENT	33.40	2.00
3.00	ATLAS HEALTHCARE MANAGEMENT	33.30	3.00
4.00		0.00	4.00
5.00		0.00	5.00
6.00		0.00	6.00
7.00		0.00	7.00
8.00		0.00	8.00
9.00		0.00	9.00
10.00		0.00	10.00
100.00	G. Other (financial or non-financial) specify:	0.00	100.00

(1) Use the following symbols to indicate interrelationship to related organizations:

- A. Individual has financial interest (stockholder, partner, etc.) in both related organization and in provider.
- B. Corporation, partnership, or other organization has financial interest in provider.
- C. Provider has financial interest in corporation, partnership, or other organization.
- D. Director, officer, administrator, or key person of provider or relative of such person has financial interest in related organization.
- E. Individual is director, officer, administrator, or key person of provider and related organization.
- F. Director, officer, administrator, or key person of related organization or relative of such person has financial interest in provider.

COST ALLOCATION - GENERAL SERVICE COSTS

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023Worksheet B
Part I
Date/Time Prepared:
5/21/2024 10:41 am

Cost Center Description		Net Expenses for Cost Allocation (from Wkst A col. 7)	CAPITAL RELATED COSTS	EMPLOYEE BENEFITS	Subtotal	ADMINISTRATIVE & GENERAL	
			BLDGS & FIXTURES				
		0	1.00	3.00	3A	4.00	
GENERAL SERVICE COST CENTERS							
1.00	00100	CAP REL COSTS - BLDGS & FIXTURES	5,231,985	5,231,985			1.00
3.00	00300	EMPLOYEE BENEFITS	1,799,195	51,560	1,850,755		3.00
4.00	00400	ADMINISTRATIVE & GENERAL	3,471,688	261,060	147,971	3,880,719	4.00
5.00	00500	PLANT OPERATION, MAINT. & REPAIRS	1,247,590	781,579	62,009	2,091,178	5.00
6.00	00600	LAUNDRY & LINEN SERVICE	314,150	111,518	183	425,851	6.00
7.00	00700	HOUSEKEEPING	488,556	20,894	88,689	598,139	7.00
8.00	00800	DIETARY	1,999,943	252,298	213,425	2,465,666	8.00
9.00	00900	NURSING ADMINISTRATION	1,223,220	0	224,560	1,447,780	9.00
10.00	01000	CENTRAL SERVICES & SUPPLY	316,426	0	0	316,426	10.00
11.00	01100	PHARMACY	0	0	0	0	11.00
12.00	01200	MEDICAL RECORDS & LIBRARY	0	0	0	0	12.00
13.00	01300	SOCIAL SERVICE	144,482	331,970	29,102	505,554	13.00
14.00	01400	NURSING AND ALLIED HEALTH EDUCATION	0	0	0	0	14.00
15.00	01500	PATIENT ACTIVITIES	276,604	0	48,895	325,499	15.00
INPATIENT ROUTINE SERVICE COST CENTERS							
30.00	03000	SKILLED NURSING FACILITY	7,948,505	3,048,359	1,035,921	12,032,785	30.00
31.00	03100	NURSING FACILITY	0	0	0	0	31.00
32.00	03200	ICF/IID	0	0	0	0	32.00
33.00	03300	OTHER LONG TERM CARE	0	0	0	0	33.00
ANCILLARY SERVICE COST CENTERS							
40.00	04000	RADIOLOGY	21,909	11,233	0	33,142	40.00
41.00	04100	LABORATORY	44,675	0	0	44,675	41.00
42.00	04200	INTRAVENOUS THERAPY	0	0	0	0	42.00
43.00	04300	OXYGEN (INHALATION) THERAPY	9,864	0	0	9,864	43.00
44.00	04400	PHYSICAL THERAPY	515,917	106,098	0	622,015	44.00
45.00	04500	OCCUPATIONAL THERAPY	594,806	0	0	594,806	45.00
46.00	04600	SPEECH PATHOLOGY	89,770	0	0	89,770	46.00
47.00	04700	ELECTROCARDIOLOGY	0	0	0	0	47.00
48.00	04800	MEDICAL SUPPLIES CHARGED TO PATIENTS	0	0	0	0	48.00
49.00	04900	DRUGS CHARGED TO PATIENTS	416,896	0	0	416,896	49.00
50.00	05000	DENTAL CARE - TITLE XIX ONLY	0	0	0	0	50.00
51.00	05100	SUPPORT SURFACES	0	0	0	0	51.00
OUTPATIENT SERVICE COST CENTERS							
60.00	06000	CLINIC	0	0	0	0	60.00
61.00	06100	RURAL HEALTH CLINIC	0	0	0	0	61.00
62.00	06200	FQHC	0	0	0	0	62.00
OTHER REIMBURSABLE COST CENTERS							
70.00	07000	HOME HEALTH AGENCY COST	0	0	0	0	70.00
71.00	07100	AMBULANCE	34,736	0	0	34,736	71.00
73.00	07300	CMHC	0	0	0	0	73.00
SPECIAL PURPOSE COST CENTERS							
80.00	08000	MALPRACTICE PREMIUMS & PAID LOSSES					80.00
81.00	08100	INTEREST EXPENSE					81.00
82.00	08200	UTILIZATION REVIEW - SNF					82.00
83.00	08300	HOSPICE	0	0	0	0	83.00
89.00		SUBTOTALS (sum of lines 1-84)	26,190,917	4,976,569	1,850,755	25,935,501	89.00
NONREIMBURSABLE COST CENTERS							
90.00	09000	GIFT, FLOWER, COFFEE SHOPS & CANTEEN	0	0	0	0	90.00
91.00	09100	BARBER AND BEAUTY SHOP	0	14,154	0	14,154	91.00
92.00	09200	PHYSICIANS PRIVATE OFFICES	0	18,844	0	18,844	92.00
93.00	09300	NONPAID WORKERS	0	0	0	0	93.00
94.00	09400	PATIENTS LAUNDRY	0	0	0	0	94.00
95.00	09500	BLANK	0	0	0	0	95.00
95.10	09510	DAY CARE	0	84,249	0	84,249	95.10
95.20	09520	WORKSHOP	0	138,169	0	138,169	95.20
95.30	09530	APARTMENTS	0	0	0	0	95.30
98.00		Cross Foot Adjustments	0	0	0	0	98.00
99.00		Negative Cost Centers	0	0	0	0	99.00
100.00		TOTAL	26,190,917	5,231,985	1,850,755	26,190,917	100.00

COST ALLOCATION - GENERAL SERVICE COSTS

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023Worksheet B
Part I
Date/Time Prepared:
5/21/2024 10:41 am

Cost Center Description		PLANT OPERATION, MAINT. & REPAIRS	LAUNDRY & LINEN SERVICE	HOUSEKEEPING	DIETARY	NURSING ADMINISTRATION	
		5.00	6.00	7.00	8.00	9.00	
GENERAL SERVICE COST CENTERS							
1.00	00100	CAP REL COSTS - BLDGS & FIXTURES					1.00
3.00	00300	EMPLOYEE BENEFITS					3.00
4.00	00400	ADMINISTRATIVE & GENERAL					4.00
5.00	00500	PLANT OPERATION, MAINT. & REPAIRS	2,454,926				5.00
6.00	00600	LAUNDRY & LINEN SERVICE	66,163	566,088			6.00
7.00	00700	HOUSEKEEPING	12,396	0	714,578		7.00
8.00	00800	DIETARY	149,687	0	45,011	3,089,252	8.00
9.00	00900	NURSING ADMINISTRATION	0	0	0	1,699,613	9.00
10.00	01000	CENTRAL SERVICES & SUPPLY	0	0	0	0	10.00
11.00	01100	PHARMACY	0	0	0	0	11.00
12.00	01200	MEDICAL RECORDS & LIBRARY	0	0	0	0	12.00
13.00	01300	SOCIAL SERVICE	196,956	0	59,225	0	13.00
14.00	01400	NURSING AND ALLIED HEALTH EDUCATION	0	0	0	0	14.00
15.00	01500	PATIENT ACTIVITIES	0	0	0	0	15.00
INPATIENT ROUTINE SERVICE COST CENTERS							
30.00	03000	SKILLED NURSING FACILITY	1,808,575	566,088	543,843	3,089,252	30.00
31.00	03100	NURSING FACILITY	0	0	0	0	31.00
32.00	03200	ICF/IID	0	0	0	0	32.00
33.00	03300	OTHER LONG TERM CARE	0	0	0	0	33.00
ANCILLARY SERVICE COST CENTERS							
40.00	04000	RADIOLOGY	6,665	0	2,004	0	40.00
41.00	04100	LABORATORY	0	0	0	0	41.00
42.00	04200	INTRAVENOUS THERAPY	0	0	0	0	42.00
43.00	04300	OXYGEN (INHALATION) THERAPY	0	0	0	0	43.00
44.00	04400	PHYSICAL THERAPY	62,947	0	18,928	0	44.00
45.00	04500	OCCUPATIONAL THERAPY	0	0	0	0	45.00
46.00	04600	SPEECH PATHOLOGY	0	0	0	0	46.00
47.00	04700	ELECTROCARDIOLOGY	0	0	0	0	47.00
48.00	04800	MEDICAL SUPPLIES CHARGED TO PATIENTS	0	0	0	0	48.00
49.00	04900	DRUGS CHARGED TO PATIENTS	0	0	0	0	49.00
50.00	05000	DENTAL CARE - TITLE XIX ONLY	0	0	0	0	50.00
51.00	05100	SUPPORT SURFACES	0	0	0	0	51.00
OUTPATIENT SERVICE COST CENTERS							
60.00	06000	CLINIC	0	0	0	0	60.00
61.00	06100	RURAL HEALTH CLINIC	0	0	0	0	61.00
62.00	06200	FQHC	0	0	0	0	62.00
OTHER REIMBURSABLE COST CENTERS							
70.00	07000	HOME HEALTH AGENCY COST	0	0	0	0	70.00
71.00	07100	AMBULANCE	0	0	0	0	71.00
73.00	07300	CMHC	0	0	0	0	73.00
SPECIAL PURPOSE COST CENTERS							
80.00	08000	MALPRACTICE PREMIUMS & PAID LOSSES					80.00
81.00	08100	INTEREST EXPENSE					81.00
82.00	08200	UTILIZATION REVIEW - SNF					82.00
83.00	08300	HOSPICE	0	0	0	0	83.00
89.00		SUBTOTALS (sum of lines 1-84)	2,303,389	566,088	669,011	3,089,252	89.00
NONREIMBURSABLE COST CENTERS							
90.00	09000	GIFT, FLOWER, COFFEE SHOPS & CANTEEN	0	0	0	0	90.00
91.00	09100	BARBER AND BEAUTY SHOP	8,397	0	2,525	0	91.00
92.00	09200	PHYSICIANS PRIVATE OFFICES	11,180	0	3,362	0	92.00
93.00	09300	NONPAID WORKERS	0	0	0	0	93.00
94.00	09400	PATIENTS LAUNDRY	0	0	0	0	94.00
95.00	09500	BLANK	0	0	0	0	95.00
95.10	09510	DAY CARE	49,985	0	15,030	0	95.10
95.20	09520	WORKSHOP	81,975	0	24,650	0	95.20
95.30	09530	APARTMENTS	0	0	0	0	95.30
98.00		Cross Foot Adjustments	0	0	0	0	98.00
99.00		Negative Cost Centers	0	0	0	0	99.00
100.00		TOTAL	2,454,926	566,088	714,578	3,089,252	100.00

COST ALLOCATION - GENERAL SERVICE COSTS

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023Worksheet B
Part I
Date/Time Prepared:
5/21/2024 10:41 am

Cost Center Description			CENTRAL SERVICES & SUPPLY	PHARMACY	MEDICAL RECORDS & LIBRARY	SOCIAL SERVICE	NURSING AND ALLIED HEALTH EDUCATION	
			10.00	11.00	12.00	13.00	14.00	
GENERAL SERVICE COST CENTERS								
1.00	00100	CAP REL COSTS - BLDGS & FIXTURES						1.00
3.00	00300	EMPLOYEE BENEFITS						3.00
4.00	00400	ADMINISTRATIVE & GENERAL						4.00
5.00	00500	PLANT OPERATION, MAINT. & REPAIRS						5.00
6.00	00600	LAUNDRY & LINEN SERVICE						6.00
7.00	00700	HOUSEKEEPING						7.00
8.00	00800	DIETARY						8.00
9.00	00900	NURSING ADMINISTRATION						9.00
10.00	01000	CENTRAL SERVICES & SUPPLY	371,466					10.00
11.00	01100	PHARMACY	0	0				11.00
12.00	01200	MEDICAL RECORDS & LIBRARY	0	0	0			12.00
13.00	01300	SOCIAL SERVICE	0	0	0	849,673		13.00
14.00	01400	NURSING AND ALLIED HEALTH EDUCATION	0	0	0	0	0	14.00
15.00	01500	PATIENT ACTIVITIES	0	0	0	0	0	15.00
INPATIENT ROUTINE SERVICE COST CENTERS								
30.00	03000	SKILLED NURSING FACILITY	165,236	0	0	849,673	0	30.00
31.00	03100	NURSING FACILITY	0	0	0	0	0	31.00
32.00	03200	ICF/IID	0	0	0	0	0	32.00
33.00	03300	OTHER LONG TERM CARE	0	0	0	0	0	33.00
ANCILLARY SERVICE COST CENTERS								
40.00	04000	RADIOLOGY	0	0	0	0	0	40.00
41.00	04100	LABORATORY	0	0	0	0	0	41.00
42.00	04200	INTRAVENOUS THERAPY	0	0	0	0	0	42.00
43.00	04300	OXYGEN (INHALATION) THERAPY	0	0	0	0	0	43.00
44.00	04400	PHYSICAL THERAPY	0	0	0	0	0	44.00
45.00	04500	OCCUPATIONAL THERAPY	0	0	0	0	0	45.00
46.00	04600	SPEECH PATHOLOGY	0	0	0	0	0	46.00
47.00	04700	ELECTROCARDIOLOGY	0	0	0	0	0	47.00
48.00	04800	MEDICAL SUPPLIES CHARGED TO PATIENTS	0	0	0	0	0	48.00
49.00	04900	DRUGS CHARGED TO PATIENTS	206,230	0	0	0	0	49.00
50.00	05000	DENTAL CARE - TITLE XIX ONLY	0	0	0	0	0	50.00
51.00	05100	SUPPORT SURFACES	0	0	0	0	0	51.00
OUTPATIENT SERVICE COST CENTERS								
60.00	06000	CLINIC	0	0	0	0	0	60.00
61.00	06100	RURAL HEALTH CLINIC	0	0	0	0	0	61.00
62.00	06200	FQHC						62.00
OTHER REIMBURSABLE COST CENTERS								
70.00	07000	HOME HEALTH AGENCY COST	0	0	0	0	0	70.00
71.00	07100	AMBULANCE	0	0	0	0	0	71.00
73.00	07300	CMHC	0	0	0	0	0	73.00
SPECIAL PURPOSE COST CENTERS								
80.00	08000	MALPRACTICE PREMIUMS & PAID LOSSES						80.00
81.00	08100	INTEREST EXPENSE						81.00
82.00	08200	UTILIZATION REVIEW - SNF						82.00
83.00	08300	HOSPICE	0	0	0	0	0	83.00
89.00		SUBTOTALS (sum of lines 1-84)	371,466	0	0	849,673	0	89.00
NONREIMBURSABLE COST CENTERS								
90.00	09000	GIFT, FLOWER, COFFEE SHOPS & CANTEEN	0	0	0	0	0	90.00
91.00	09100	BARBER AND BEAUTY SHOP	0	0	0	0	0	91.00
92.00	09200	PHYSICIANS PRIVATE OFFICES	0	0	0	0	0	92.00
93.00	09300	NONPAID WORKERS	0	0	0	0	0	93.00
94.00	09400	PATIENTS LAUNDRY	0	0	0	0	0	94.00
95.00	09500	BLANK	0	0	0	0	0	95.00
95.10	09510	DAY CARE	0	0	0	0	0	95.10
95.20	09520	WORKSHOP	0	0	0	0	0	95.20
95.30	09530	APARTMENTS	0	0	0	0	0	95.30
98.00		Cross Foot Adjustments	0					98.00
99.00		Negative Cost Centers	0	0	0	0	0	99.00
100.00		TOTAL	371,466	0	0	849,673	0	100.00

COST ALLOCATION - GENERAL SERVICE COSTS

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023Worksheet B
Part I
Date/Time Prepared:
5/21/2024 10:41 am

Cost Center Description			OTHER GENERAL	Subtotal	Post Stepdown Adjustments	Total		
			SERVICE					
			PATIENT ACTIVITIES					
			15.00	16.00	17.00	18.00		
GENERAL SERVICE COST CENTERS								
1.00	00100	CAP REL COSTS - BLDGS & FIXTURES						1.00
3.00	00300	EMPLOYEE BENEFITS						3.00
4.00	00400	ADMINISTRATIVE & GENERAL						4.00
5.00	00500	PLANT OPERATION, MAINT. & REPAIRS						5.00
6.00	00600	LAUNDRY & LINEN SERVICE						6.00
7.00	00700	HOUSEKEEPING						7.00
8.00	00800	DIETARY						8.00
9.00	00900	NURSING ADMINISTRATION						9.00
10.00	01000	CENTRAL SERVICES & SUPPLY						10.00
11.00	01100	PHARMACY						11.00
12.00	01200	MEDICAL RECORDS & LIBRARY						12.00
13.00	01300	SOCIAL SERVICE						13.00
14.00	01400	NURSING AND ALLIED HEALTH EDUCATION						14.00
15.00	01500	PATIENT ACTIVITIES	382,118					15.00
INPATIENT ROUTINE SERVICE COST CENTERS								
30.00	03000	SKILLED NURSING FACILITY	382,118	23,230,205	0	23,230,205		30.00
31.00	03100	NURSING FACILITY	0	0	0	0		31.00
32.00	03200	ICF/IID	0	0	0	0		32.00
33.00	03300	OTHER LONG TERM CARE	0	0	0	0		33.00
ANCILLARY SERVICE COST CENTERS								
40.00	04000	RADIOLOGY	0	47,576	0	47,576		40.00
41.00	04100	LABORATORY	0	52,446	0	52,446		41.00
42.00	04200	INTRAVENOUS THERAPY	0	0	0	0		42.00
43.00	04300	OXYGEN (INHALATION) THERAPY	0	11,580	0	11,580		43.00
44.00	04400	PHYSICAL THERAPY	0	812,086	0	812,086		44.00
45.00	04500	OCCUPATIONAL THERAPY	0	698,269	0	698,269		45.00
46.00	04600	SPEECH PATHOLOGY	0	105,385	0	105,385		46.00
47.00	04700	ELECTROCARDIOLOGY	0	0	0	0		47.00
48.00	04800	MEDICAL SUPPLIES CHARGED TO PATIENTS	0	0	0	0		48.00
49.00	04900	DRUGS CHARGED TO PATIENTS	0	695,643	0	695,643		49.00
50.00	05000	DENTAL CARE - TITLE XIX ONLY	0	0	0	0		50.00
51.00	05100	SUPPORT SURFACES	0	0	0	0		51.00
OUTPATIENT SERVICE COST CENTERS								
60.00	06000	CLINIC	0	0	0	0		60.00
61.00	06100	RURAL HEALTH CLINIC	0	0	0	0		61.00
62.00	06200	FQHC						62.00
OTHER REIMBURSABLE COST CENTERS								
70.00	07000	HOME HEALTH AGENCY COST	0	0	0	0		70.00
71.00	07100	AMBULANCE	0	40,778	0	40,778		71.00
73.00	07300	CMHC	0	0	0	0		73.00
SPECIAL PURPOSE COST CENTERS								
80.00	08000	MALPRACTICE PREMIUMS & PAID LOSSES						80.00
81.00	08100	INTEREST EXPENSE						81.00
82.00	08200	UTILIZATION REVIEW - SNF						82.00
83.00	08300	HOSPICE	0	0	0	0		83.00
89.00		SUBTOTALS (sum of lines 1-84)	382,118	25,693,968	0	25,693,968		89.00
NONREIMBURSABLE COST CENTERS								
90.00	09000	GIFT, FLOWER, COFFEE SHOPS & CANTEEN	0	0	0	0		90.00
91.00	09100	BARBER AND BEAUTY SHOP	0	27,538	0	27,538		91.00
92.00	09200	PHYSICIANS PRIVATE OFFICES	0	36,664	0	36,664		92.00
93.00	09300	NONPAID WORKERS	0	0	0	0		93.00
94.00	09400	PATIENTS LAUNDRY	0	0	0	0		94.00
95.00	09500	BLANK	0	0	0	0		95.00
95.10	09510	DAY CARE	0	163,919	0	163,919		95.10
95.20	09520	WORKSHOP	0	268,828	0	268,828		95.20
95.30	09530	APARTMENTS	0	0	0	0		95.30
98.00		Cross Foot Adjustments	0	0	0	0		98.00
99.00		Negative Cost Centers	0	0	0	0		99.00
100.00		TOTAL	382,118	26,190,917	0	26,190,917		100.00

ALLOCATION OF CAPITAL RELATED COSTS

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023Worksheet B
Part II
Date/Time Prepared:
5/21/2024 10:41 am

Cost Center Description		Directly Assigned New Capital Related Costs	CAPITAL RELATED COSTS BLDGS & FIXTURES	Subtotal	EMPLOYEE BENEFITS	ADMINISTRATIVE & GENERAL	
		0	1.00	2A	3.00	4.00	
GENERAL SERVICE COST CENTERS							
1.00	00100	CAP REL COSTS - BLDGS & FIXTURES					1.00
3.00	00300	EMPLOYEE BENEFITS	51,560	51,560	51,560		3.00
4.00	00400	ADMINISTRATIVE & GENERAL	261,060	261,060	4,122	265,182	4.00
5.00	00500	PLANT OPERATION, MAINT. & REPAIRS	781,579	781,579	1,727	24,856	5.00
6.00	00600	LAUNDRY & LINEN SERVICE	111,518	111,518	5	5,062	6.00
7.00	00700	HOUSEKEEPING	20,894	20,894	2,471	7,109	7.00
8.00	00800	DIETARY	252,298	252,298	5,946	29,307	8.00
9.00	00900	NURSING ADMINISTRATION	0	0	6,256	17,208	9.00
10.00	01000	CENTRAL SERVICES & SUPPLY	0	0	0	3,761	10.00
11.00	01100	PHARMACY	0	0	0	0	11.00
12.00	01200	MEDICAL RECORDS & LIBRARY	0	0	0	0	12.00
13.00	01300	SOCIAL SERVICE	0	331,970	811	6,009	13.00
14.00	01400	NURSING AND ALLIED HEALTH EDUCATION	0	0	0	0	14.00
15.00	01500	PATIENT ACTIVITIES	0	0	1,362	3,869	15.00
INPATIENT ROUTINE SERVICE COST CENTERS							
30.00	03000	SKILLED NURSING FACILITY	3,048,359	3,048,359	28,860	143,026	30.00
31.00	03100	NURSING FACILITY	0	0	0	0	31.00
32.00	03200	ICF/IID	0	0	0	0	32.00
33.00	03300	OTHER LONG TERM CARE	0	0	0	0	33.00
ANCILLARY SERVICE COST CENTERS							
40.00	04000	RADIOLOGY	11,233	11,233	0	394	40.00
41.00	04100	LABORATORY	0	0	0	531	41.00
42.00	04200	INTRAVENOUS THERAPY	0	0	0	0	42.00
43.00	04300	OXYGEN (INHALATION) THERAPY	0	0	0	117	43.00
44.00	04400	PHYSICAL THERAPY	106,098	106,098	0	7,393	44.00
45.00	04500	OCCUPATIONAL THERAPY	0	0	0	7,070	45.00
46.00	04600	SPEECH PATHOLOGY	0	0	0	1,067	46.00
47.00	04700	ELECTROCARDIOLOGY	0	0	0	0	47.00
48.00	04800	MEDICAL SUPPLIES CHARGED TO PATIENTS	0	0	0	0	48.00
49.00	04900	DRUGS CHARGED TO PATIENTS	0	0	0	4,955	49.00
50.00	05000	DENTAL CARE - TITLE XIX ONLY	0	0	0	0	50.00
51.00	05100	SUPPORT SURFACES	0	0	0	0	51.00
OUTPATIENT SERVICE COST CENTERS							
60.00	06000	CLINIC	0	0	0	0	60.00
61.00	06100	RURAL HEALTH CLINIC	0	0	0	0	61.00
62.00	06200	FQHC	0	0	0	0	62.00
OTHER REIMBURSABLE COST CENTERS							
70.00	07000	HOME HEALTH AGENCY COST	0	0	0	0	70.00
71.00	07100	AMBULANCE	0	0	0	413	71.00
73.00	07300	CMHC	0	0	0	0	73.00
SPECIAL PURPOSE COST CENTERS							
80.00	08000	MALPRACTICE PREMIUMS & PAID LOSSES					80.00
81.00	08100	INTEREST EXPENSE					81.00
82.00	08200	UTILIZATION REVIEW - SNF					82.00
83.00	08300	HOSPICE	0	0	0	0	83.00
89.00		SUBTOTALS (sum of lines 1-84)	4,976,569	4,976,569	51,560	262,147	89.00
NONREIMBURSABLE COST CENTERS							
90.00	09000	GIFT, FLOWER, COFFEE SHOPS & CANTEEN	0	0	0	0	90.00
91.00	09100	BARBER AND BEAUTY SHOP	14,154	14,154	0	168	91.00
92.00	09200	PHYSICIANS PRIVATE OFFICES	18,844	18,844	0	224	92.00
93.00	09300	NONPAID WORKERS	0	0	0	0	93.00
94.00	09400	PATIENTS LAUNDRY	0	0	0	0	94.00
95.00	09500	BLANK	0	0	0	0	95.00
95.10	09510	DAY CARE	84,249	84,249	0	1,001	95.10
95.20	09520	WORKSHOP	138,169	138,169	0	1,642	95.20
95.30	09530	APARTMENTS	0	0	0	0	95.30
98.00		Cross Foot Adjustments	0	0	0	0	98.00
99.00		Negative Cost Centers	0	0	0	0	99.00
100.00		TOTAL	5,231,985	5,231,985	51,560	265,182	100.00

ALLOCATION OF CAPITAL RELATED COSTS

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023Worksheet B
Part II
Date/Time Prepared:
5/21/2024 10:41 am

Cost Center Description		PLANT OPERATION, MAINT. & REPAIRS	LAUNDRY & LINEN SERVICE	HOUSEKEEPING	DIETARY	NURSING ADMINISTRATION	
		5.00	6.00	7.00	8.00	9.00	
GENERAL SERVICE COST CENTERS							
1.00	00100	CAP REL COSTS - BLDGS & FIXTURES					1.00
3.00	00300	EMPLOYEE BENEFITS					3.00
4.00	00400	ADMINISTRATIVE & GENERAL					4.00
5.00	00500	PLANT OPERATION, MAINT. & REPAIRS	808,162				5.00
6.00	00600	LAUNDRY & LINEN SERVICE	21,781	138,366			6.00
7.00	00700	HOUSEKEEPING	4,081	0	34,555		7.00
8.00	00800	DIETARY	49,277	0	2,177	339,005	8.00
9.00	00900	NURSING ADMINISTRATION	0	0	0	23,464	9.00
10.00	01000	CENTRAL SERVICES & SUPPLY	0	0	0	0	10.00
11.00	01100	PHARMACY	0	0	0	0	11.00
12.00	01200	MEDICAL RECORDS & LIBRARY	0	0	0	0	12.00
13.00	01300	SOCIAL SERVICE	64,838	0	2,864	0	13.00
14.00	01400	NURSING AND ALLIED HEALTH EDUCATION	0	0	0	0	14.00
15.00	01500	PATIENT ACTIVITIES	0	0	0	0	15.00
INPATIENT ROUTINE SERVICE COST CENTERS							
30.00	03000	SKILLED NURSING FACILITY	595,384	138,366	26,298	339,005	30.00
31.00	03100	NURSING FACILITY	0	0	0	0	31.00
32.00	03200	ICF/IID	0	0	0	0	32.00
33.00	03300	OTHER LONG TERM CARE	0	0	0	0	33.00
ANCILLARY SERVICE COST CENTERS							
40.00	04000	RADIOLOGY	2,194	0	97	0	40.00
41.00	04100	LABORATORY	0	0	0	0	41.00
42.00	04200	INTRAVENOUS THERAPY	0	0	0	0	42.00
43.00	04300	OXYGEN (INHALATION) THERAPY	0	0	0	0	43.00
44.00	04400	PHYSICAL THERAPY	20,722	0	915	0	44.00
45.00	04500	OCCUPATIONAL THERAPY	0	0	0	0	45.00
46.00	04600	SPEECH PATHOLOGY	0	0	0	0	46.00
47.00	04700	ELECTROCARDIOLOGY	0	0	0	0	47.00
48.00	04800	MEDICAL SUPPLIES CHARGED TO PATIENTS	0	0	0	0	48.00
49.00	04900	DRUGS CHARGED TO PATIENTS	0	0	0	0	49.00
50.00	05000	DENTAL CARE - TITLE XIX ONLY	0	0	0	0	50.00
51.00	05100	SUPPORT SURFACES	0	0	0	0	51.00
OUTPATIENT SERVICE COST CENTERS							
60.00	06000	CLINIC	0	0	0	0	60.00
61.00	06100	RURAL HEALTH CLINIC	0	0	0	0	61.00
62.00	06200	FQHC	0	0	0	0	62.00
OTHER REIMBURSABLE COST CENTERS							
70.00	07000	HOME HEALTH AGENCY COST	0	0	0	0	70.00
71.00	07100	AMBULANCE	0	0	0	0	71.00
73.00	07300	CMHC	0	0	0	0	73.00
SPECIAL PURPOSE COST CENTERS							
80.00	08000	MALPRACTICE PREMIUMS & PAID LOSSES					80.00
81.00	08100	INTEREST EXPENSE					81.00
82.00	08200	UTILIZATION REVIEW - SNF					82.00
83.00	08300	HOSPICE	0	0	0	0	83.00
89.00		SUBTOTALS (sum of lines 1-84)	758,277	138,366	32,351	339,005	89.00
NONREIMBURSABLE COST CENTERS							
90.00	09000	GIFT, FLOWER, COFFEE SHOPS & CANTEEN	0	0	0	0	90.00
91.00	09100	BARBER AND BEAUTY SHOP	2,764	0	122	0	91.00
92.00	09200	PHYSICIANS PRIVATE OFFICES	3,680	0	163	0	92.00
93.00	09300	NONPAID WORKERS	0	0	0	0	93.00
94.00	09400	PATIENTS LAUNDRY	0	0	0	0	94.00
95.00	09500	BLANK	0	0	0	0	95.00
95.10	09510	DAY CARE	16,455	0	727	0	95.10
95.20	09520	WORKSHOP	26,986	0	1,192	0	95.20
95.30	09530	APARTMENTS	0	0	0	0	95.30
98.00		Cross Foot Adjustments					98.00
99.00		Negative Cost Centers	0	0	0	0	99.00
100.00		TOTAL	808,162	138,366	34,555	339,005	100.00

ALLOCATION OF CAPITAL RELATED COSTS

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023Worksheet B
Part II
Date/Time Prepared:
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Cost Center Description			CENTRAL SERVICES & SUPPLY	PHARMACY	MEDICAL RECORDS & LIBRARY	SOCIAL SERVICE	NURSING AND ALLIED HEALTH EDUCATION	
			10.00	11.00	12.00	13.00	14.00	
GENERAL SERVICE COST CENTERS								
1.00	00100	CAP REL COSTS - BLDGS & FIXTURES						1.00
3.00	00300	EMPLOYEE BENEFITS						3.00
4.00	00400	ADMINISTRATIVE & GENERAL						4.00
5.00	00500	PLANT OPERATION, MAINT. & REPAIRS						5.00
6.00	00600	LAUNDRY & LINEN SERVICE						6.00
7.00	00700	HOUSEKEEPING						7.00
8.00	00800	DIETARY						8.00
9.00	00900	NURSING ADMINISTRATION						9.00
10.00	01000	CENTRAL SERVICES & SUPPLY	3,761					10.00
11.00	01100	PHARMACY	0	0				11.00
12.00	01200	MEDICAL RECORDS & LIBRARY	0	0	0			12.00
13.00	01300	SOCIAL SERVICE	0	0	0	406,492		13.00
14.00	01400	NURSING AND ALLIED HEALTH EDUCATION	0	0	0	0	0	14.00
15.00	01500	PATIENT ACTIVITIES	0	0	0	0	0	15.00
INPATIENT ROUTINE SERVICE COST CENTERS								
30.00	03000	SKILLED NURSING FACILITY	1,673	0	0	406,492	0	30.00
31.00	03100	NURSING FACILITY	0	0	0	0	0	31.00
32.00	03200	ICF/IID	0	0	0	0	0	32.00
33.00	03300	OTHER LONG TERM CARE	0	0	0	0	0	33.00
ANCILLARY SERVICE COST CENTERS								
40.00	04000	RADIOLOGY	0	0	0	0	0	40.00
41.00	04100	LABORATORY	0	0	0	0	0	41.00
42.00	04200	INTRAVENOUS THERAPY	0	0	0	0	0	42.00
43.00	04300	OXYGEN (INHALATION) THERAPY	0	0	0	0	0	43.00
44.00	04400	PHYSICAL THERAPY	0	0	0	0	0	44.00
45.00	04500	OCCUPATIONAL THERAPY	0	0	0	0	0	45.00
46.00	04600	SPEECH PATHOLOGY	0	0	0	0	0	46.00
47.00	04700	ELECTROCARDIOLOGY	0	0	0	0	0	47.00
48.00	04800	MEDICAL SUPPLIES CHARGED TO PATIENTS	0	0	0	0	0	48.00
49.00	04900	DRUGS CHARGED TO PATIENTS	2,088	0	0	0	0	49.00
50.00	05000	DENTAL CARE - TITLE XIX ONLY	0	0	0	0	0	50.00
51.00	05100	SUPPORT SURFACES	0	0	0	0	0	51.00
OUTPATIENT SERVICE COST CENTERS								
60.00	06000	CLINIC	0	0	0	0	0	60.00
61.00	06100	RURAL HEALTH CLINIC	0	0	0	0	0	61.00
62.00	06200	FQHC						62.00
OTHER REIMBURSABLE COST CENTERS								
70.00	07000	HOME HEALTH AGENCY COST	0	0	0	0	0	70.00
71.00	07100	AMBULANCE	0	0	0	0	0	71.00
73.00	07300	CMHC	0	0	0	0	0	73.00
SPECIAL PURPOSE COST CENTERS								
80.00	08000	MALPRACTICE PREMIUMS & PAID LOSSES						80.00
81.00	08100	INTEREST EXPENSE						81.00
82.00	08200	UTILIZATION REVIEW - SNF						82.00
83.00	08300	HOSPICE	0	0	0	0	0	83.00
89.00		SUBTOTALS (sum of lines 1-84)	3,761	0	0	406,492	0	89.00
NONREIMBURSABLE COST CENTERS								
90.00	09000	GIFT, FLOWER, COFFEE SHOPS & CANTEEN	0	0	0	0	0	90.00
91.00	09100	BARBER AND BEAUTY SHOP	0	0	0	0	0	91.00
92.00	09200	PHYSICIANS PRIVATE OFFICES	0	0	0	0	0	92.00
93.00	09300	NONPAID WORKERS	0	0	0	0	0	93.00
94.00	09400	PATIENTS LAUNDRY	0	0	0	0	0	94.00
95.00	09500	BLANK	0	0	0	0	0	95.00
95.10	09510	DAY CARE	0	0	0	0	0	95.10
95.20	09520	WORKSHOP	0	0	0	0	0	95.20
95.30	09530	APARTMENTS	0	0	0	0	0	95.30
98.00		Cross Foot Adjustments	0	0	0	0	0	98.00
99.00		Negative Cost Centers	0	0	0	0	0	99.00
100.00		TOTAL	3,761	0	0	406,492	0	100.00

ALLOCATION OF CAPITAL RELATED COSTS

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023Worksheet B
Part II
Date/Time Prepared:
5/21/2024 10:41 am

Cost Center Description			OTHER GENERAL SERVICE	Subtotal	Post Step-Down Adjustments	Total		
			PATIENT ACTIVITIES					
			15.00					
GENERAL SERVICE COST CENTERS								
1.00	00100	CAP REL COSTS - BLDGS & FIXTURES						1.00
3.00	00300	EMPLOYEE BENEFITS						3.00
4.00	00400	ADMINISTRATIVE & GENERAL						4.00
5.00	00500	PLANT OPERATION, MAINT. & REPAIRS						5.00
6.00	00600	LAUNDRY & LINEN SERVICE						6.00
7.00	00700	HOUSEKEEPING						7.00
8.00	00800	DIETARY						8.00
9.00	00900	NURSING ADMINISTRATION						9.00
10.00	01000	CENTRAL SERVICES & SUPPLY						10.00
11.00	01100	PHARMACY						11.00
12.00	01200	MEDICAL RECORDS & LIBRARY						12.00
13.00	01300	SOCIAL SERVICE						13.00
14.00	01400	NURSING AND ALLIED HEALTH EDUCATION						14.00
15.00	01500	PATIENT ACTIVITIES	5,231					15.00
INPATIENT ROUTINE SERVICE COST CENTERS								
30.00	03000	SKILLED NURSING FACILITY	5,231	4,756,158	0	4,756,158		30.00
31.00	03100	NURSING FACILITY	0	0	0	0		31.00
32.00	03200	ICF/IID	0	0	0	0		32.00
33.00	03300	OTHER LONG TERM CARE	0	0	0	0		33.00
ANCILLARY SERVICE COST CENTERS								
40.00	04000	RADIOLOGY	0	13,918	0	13,918		40.00
41.00	04100	LABORATORY	0	531	0	531		41.00
42.00	04200	INTRAVENOUS THERAPY	0	0	0	0		42.00
43.00	04300	OXYGEN (INHALATION) THERAPY	0	117	0	117		43.00
44.00	04400	PHYSICAL THERAPY	0	135,128	0	135,128		44.00
45.00	04500	OCCUPATIONAL THERAPY	0	7,070	0	7,070		45.00
46.00	04600	SPEECH PATHOLOGY	0	1,067	0	1,067		46.00
47.00	04700	ELECTROCARDIOLOGY	0	0	0	0		47.00
48.00	04800	MEDICAL SUPPLIES CHARGED TO PATIENTS	0	0	0	0		48.00
49.00	04900	DRUGS CHARGED TO PATIENTS	0	7,043	0	7,043		49.00
50.00	05000	DENTAL CARE - TITLE XIX ONLY	0	0	0	0		50.00
51.00	05100	SUPPORT SURFACES	0	0	0	0		51.00
OUTPATIENT SERVICE COST CENTERS								
60.00	06000	CLINIC	0	0	0	0		60.00
61.00	06100	RURAL HEALTH CLINIC	0	0	0	0		61.00
62.00	06200	FQHC						62.00
OTHER REIMBURSABLE COST CENTERS								
70.00	07000	HOME HEALTH AGENCY COST	0	0	0	0		70.00
71.00	07100	AMBULANCE	0	413	0	413		71.00
73.00	07300	CMHC	0	0	0	0		73.00
SPECIAL PURPOSE COST CENTERS								
80.00	08000	MALPRACTICE PREMIUMS & PAID LOSSES						80.00
81.00	08100	INTEREST EXPENSE						81.00
82.00	08200	UTILIZATION REVIEW - SNF						82.00
83.00	08300	HOSPICE	0	0	0	0		83.00
89.00		SUBTOTALS (sum of lines 1-84)	5,231	4,921,445	0	4,921,445		89.00
NONREIMBURSABLE COST CENTERS								
90.00	09000	GIFT, FLOWER, COFFEE SHOPS & CANTEEN	0	0	0	0		90.00
91.00	09100	BARBER AND BEAUTY SHOP	0	17,208	0	17,208		91.00
92.00	09200	PHYSICIANS PRIVATE OFFICES	0	22,911	0	22,911		92.00
93.00	09300	NONPAID WORKERS	0	0	0	0		93.00
94.00	09400	PATIENTS LAUNDRY	0	0	0	0		94.00
95.00	09500	BLANK	0	0	0	0		95.00
95.10	09510	DAY CARE	0	102,432	0	102,432		95.10
95.20	09520	WORKSHOP	0	167,989	0	167,989		95.20
95.30	09530	APARTMENTS	0	0	0	0		95.30
98.00		Cross Foot Adjustments	0	0	0	0		98.00
99.00		Negative Cost Centers	0	0	0	0		99.00
100.00		TOTAL	5,231	5,231,985	0	5,231,985		100.00

COST ALLOCATION - STATISTICAL BASIS

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023

Worksheet B-1

Date/Time Prepared:
5/21/2024 10:41 am

Cost Center Description		CAPITAL RELATED COSTS	EMPLOYEE BENEFITS (GROSS SALARIES)	Reconciliation	ADMINISTRATIVE & GENERAL (ACCUM COST)	PLANT OPERATION, MAINT. & REPAIRS (SQUARE FEET)	
		BLDGS & FIXTURES (SQUARE FEET)					
		1.00	3.00	4A	4.00	5.00	
GENERAL SERVICE COST CENTERS							
1.00	00100	CAP REL COSTS - BLDGS & FIXTURES	186,304				1.00
3.00	00300	EMPLOYEE BENEFITS	1,836	9,054,943			3.00
4.00	00400	ADMINISTRATIVE & GENERAL	9,296	723,958	-3,880,719	22,310,198	4.00
5.00	00500	PLANT OPERATION, MAINT. & REPAIRS	27,831	303,382	0	2,091,178	5.00
6.00	00600	LAUNDRY & LINEN SERVICE	3,971	894	0	425,851	6.00
7.00	00700	HOUSEKEEPING	744	433,916	0	598,139	7.00
8.00	00800	DIETARY	8,984	1,044,193	0	2,465,666	8.00
9.00	00900	NURSING ADMINISTRATION	0	1,098,671	0	1,447,780	9.00
10.00	01000	CENTRAL SERVICES & SUPPLY	0	0	0	316,426	10.00
11.00	01100	PHARMACY	0	0	0	0	11.00
12.00	01200	MEDICAL RECORDS & LIBRARY	0	0	0	0	12.00
13.00	01300	SOCIAL SERVICE	11,821	142,382	0	505,554	13.00
14.00	01400	NURSING AND ALLIED HEALTH EDUCATION	0	0	0	0	14.00
15.00	01500	PATIENT ACTIVITIES	0	239,221	0	325,499	15.00
INPATIENT ROUTINE SERVICE COST CENTERS							
30.00	03000	SKILLED NURSING FACILITY	108,548	5,068,326	0	12,032,785	30.00
31.00	03100	NURSING FACILITY	0	0	0	0	31.00
32.00	03200	ICF/IID	0	0	0	0	32.00
33.00	03300	OTHER LONG TERM CARE	0	0	0	0	33.00
ANCILLARY SERVICE COST CENTERS							
40.00	04000	RADIOLOGY	400	0	0	33,142	40.00
41.00	04100	LABORATORY	0	0	0	44,675	41.00
42.00	04200	INTRAVENOUS THERAPY	0	0	0	0	42.00
43.00	04300	OXYGEN (INHALATION) THERAPY	0	0	0	9,864	43.00
44.00	04400	PHYSICAL THERAPY	3,778	0	0	622,015	44.00
45.00	04500	OCCUPATIONAL THERAPY	0	0	0	594,806	45.00
46.00	04600	SPEECH PATHOLOGY	0	0	0	89,770	46.00
47.00	04700	ELECTROCARDIOLOGY	0	0	0	0	47.00
48.00	04800	MEDICAL SUPPLIES CHARGED TO PATIENTS	0	0	0	0	48.00
49.00	04900	DRUGS CHARGED TO PATIENTS	0	0	0	416,896	49.00
50.00	05000	DENTAL CARE - TITLE XIX ONLY	0	0	0	0	50.00
51.00	05100	SUPPORT SURFACES	0	0	0	0	51.00
OUTPATIENT SERVICE COST CENTERS							
60.00	06000	CLINIC	0	0	0	0	60.00
61.00	06100	RURAL HEALTH CLINIC	0	0	0	0	61.00
62.00	06200	FQHC	0	0	0	0	62.00
OTHER REIMBURSABLE COST CENTERS							
70.00	07000	HOME HEALTH AGENCY COST	0	0	0	0	70.00
71.00	07100	AMBULANCE	0	0	0	34,736	71.00
73.00	07300	CMHC	0	0	0	0	73.00
SPECIAL PURPOSE COST CENTERS							
80.00	08000	MALPRACTICE PREMIUMS & PAID LOSSES					80.00
81.00	08100	INTEREST EXPENSE					81.00
82.00	08200	UTILIZATION REVIEW - SNF					82.00
83.00	08300	HOSPICE	0	0	0	0	83.00
89.00		SUBTOTALS (sum of lines 1-84)	177,209	9,054,943	-3,880,719	22,054,782	89.00
NONREIMBURSABLE COST CENTERS							
90.00	09000	GIFT, FLOWER, COFFEE SHOPS & CANTEEN	0	0	0	0	90.00
91.00	09100	BARBER AND BEAUTY SHOP	504	0	0	14,154	91.00
92.00	09200	PHYSICIANS PRIVATE OFFICES	671	0	0	18,844	92.00
93.00	09300	NONPAID WORKERS	0	0	0	0	93.00
94.00	09400	PATIENTS LAUNDRY	0	0	0	0	94.00
95.00	09500	BLANK	0	0	0	0	95.00
95.10	09510	DAY CARE	3,000	0	0	84,249	95.10
95.20	09520	WORKSHOP	4,920	0	0	138,169	95.20
95.30	09530	APARTMENTS	0	0	0	0	95.30
98.00		Cross Foot Adjustments					98.00
99.00		Negative Cost Centers					99.00
102.00		Cost to be allocated (per wkst. B, Part I)	5,231,985	1,850,755		3,880,719	2,454,926
103.00		Unit cost multiplier (wkst. B, Part I)	28.083052	0.204392		0.173944	16.661527
104.00		Cost to be allocated (per wkst. B, Part II)		51,560		265,182	808,162
105.00		Unit cost multiplier (wkst. B, Part II)		0.005694		0.011886	5.484977

COST ALLOCATION - STATISTICAL BASIS

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023

Worksheet B-1

Date/Time Prepared:
5/21/2024 10:41 am

Cost Center Description			LAUNDRY & LINEN SERVICE (PATIENT DAYS)	HOUSEKEEPING (SQUARE FEET)	DIETARY (MEALS SERVED)	NURSING ADMINISTRATION (DIRECT NURSING)	CENTRAL SERVICES & SUPPLY (COSTED REQUIS)	
			6.00	7.00	8.00	9.00	10.00	
GENERAL SERVICE COST CENTERS								
1.00	00100	CAP REL COSTS - BLDGS & FIXTURES						1.00
3.00	00300	EMPLOYEE BENEFITS						3.00
4.00	00400	ADMINISTRATIVE & GENERAL						4.00
5.00	00500	PLANT OPERATION, MAINT. & REPAIRS						5.00
6.00	00600	LAUNDRY & LINEN SERVICE	68,313					6.00
7.00	00700	HOUSEKEEPING	0	142,626				7.00
8.00	00800	DIETARY	0	8,984	204,939			8.00
9.00	00900	NURSING ADMINISTRATION	0	0	0	314,671		9.00
10.00	01000	CENTRAL SERVICES & SUPPLY	0	0	0	0	750,922	10.00
11.00	01100	PHARMACY	0	0	0	0	0	11.00
12.00	01200	MEDICAL RECORDS & LIBRARY	0	0	0	0	0	12.00
13.00	01300	SOCIAL SERVICE	0	11,821	0	0	0	13.00
14.00	01400	NURSING AND ALLIED HEALTH EDUCATION	0	0	0	0	0	14.00
15.00	01500	PATIENT ACTIVITIES	0	0	0	0	0	15.00
INPATIENT ROUTINE SERVICE COST CENTERS								
30.00	03000	SKILLED NURSING FACILITY	68,313	108,548	204,939	314,671	334,026	30.00
31.00	03100	NURSING FACILITY	0	0	0	0	0	31.00
32.00	03200	ICF/ID	0	0	0	0	0	32.00
33.00	03300	OTHER LONG TERM CARE	0	0	0	0	0	33.00
ANCILLARY SERVICE COST CENTERS								
40.00	04000	RADIOLOGY	0	400	0	0	0	40.00
41.00	04100	LABORATORY	0	0	0	0	0	41.00
42.00	04200	INTRAVENOUS THERAPY	0	0	0	0	0	42.00
43.00	04300	OXYGEN (INHALATION) THERAPY	0	0	0	0	0	43.00
44.00	04400	PHYSICAL THERAPY	0	3,778	0	0	0	44.00
45.00	04500	OCCUPATIONAL THERAPY	0	0	0	0	0	45.00
46.00	04600	SPEECH PATHOLOGY	0	0	0	0	0	46.00
47.00	04700	ELECTROCARDIOLOGY	0	0	0	0	0	47.00
48.00	04800	MEDICAL SUPPLIES CHARGED TO PATIENTS	0	0	0	0	0	48.00
49.00	04900	DRUGS CHARGED TO PATIENTS	0	0	0	0	416,896	49.00
50.00	05000	DENTAL CARE - TITLE XIX ONLY	0	0	0	0	0	50.00
51.00	05100	SUPPORT SURFACES	0	0	0	0	0	51.00
OUTPATIENT SERVICE COST CENTERS								
60.00	06000	CLINIC	0	0	0	0	0	60.00
61.00	06100	RURAL HEALTH CLINIC	0	0	0	0	0	61.00
62.00	06200	FQHC	0	0	0	0	0	62.00
OTHER REIMBURSABLE COST CENTERS								
70.00	07000	HOME HEALTH AGENCY COST	0	0	0	0	0	70.00
71.00	07100	AMBULANCE	0	0	0	0	0	71.00
73.00	07300	CMHC	0	0	0	0	0	73.00
SPECIAL PURPOSE COST CENTERS								
80.00	08000	MALPRACTICE PREMIUMS & PAID LOSSES						80.00
81.00	08100	INTEREST EXPENSE						81.00
82.00	08200	UTILIZATION REVIEW - SNF						82.00
83.00	08300	HOSPICE	0	0	0	0	0	83.00
89.00		SUBTOTALS (sum of lines 1-84)	68,313	133,531	204,939	314,671	750,922	89.00
NONREIMBURSABLE COST CENTERS								
90.00	09000	GIFT, FLOWER, COFFEE SHOPS & CANTEEN	0	0	0	0	0	90.00
91.00	09100	BARBER AND BEAUTY SHOP	0	504	0	0	0	91.00
92.00	09200	PHYSICIANS PRIVATE OFFICES	0	671	0	0	0	92.00
93.00	09300	NONPAID WORKERS	0	0	0	0	0	93.00
94.00	09400	PATIENTS LAUNDRY	0	0	0	0	0	94.00
95.00	09500	BLANK	0	0	0	0	0	95.00
95.10	09510	DAY CARE	0	3,000	0	0	0	95.10
95.20	09520	WORKSHOP	0	4,920	0	0	0	95.20
95.30	09530	APARTMENTS	0	0	0	0	0	95.30
98.00		Cross Foot Adjustments						98.00
99.00		Negative Cost Centers						99.00
102.00		Cost to be allocated (per wkst. B, Part I)	566,088	714,578	3,089,252	1,699,613	371,466	102.00
103.00		Unit cost multiplier (wkst. B, Part I)	8.286680	5.010152	15.074007	5.401238	0.494680	103.00
104.00		Cost to be allocated (per wkst. B, Part II)	138,366	34,555	339,005	23,464	3,761	104.00
105.00		Unit cost multiplier (wkst. B, Part II)	2.025471	0.242277	1.654175	0.074567	0.005009	105.00

COST ALLOCATION - STATISTICAL BASIS

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023

Worksheet B-1

Date/Time Prepared:
5/21/2024 10:41 am

Cost Center Description		PHARMACY (COSTED REQUIS)	MEDICAL RECORDS & LIBRARY (TIME SPENT)	SOCIAL SERVICE (PATIENT DAYS)	NURSING AND ALLIED HEALTH EDUCATION (ASSIGNED TIME)	OTHER GENERAL SERVICE PATIENT ACTIVITIES (PATIENT DAYS)	
		11.00	12.00	13.00	14.00	15.00	
GENERAL SERVICE COST CENTERS							
1.00	00100	CAP REL COSTS - BLDGS & FIXTURES					1.00
3.00	00300	EMPLOYEE BENEFITS					3.00
4.00	00400	ADMINISTRATIVE & GENERAL					4.00
5.00	00500	PLANT OPERATION, MAINT. & REPAIRS					5.00
6.00	00600	LAUNDRY & LINEN SERVICE					6.00
7.00	00700	HOUSEKEEPING					7.00
8.00	00800	DIETARY					8.00
9.00	00900	NURSING ADMINISTRATION					9.00
10.00	01000	CENTRAL SERVICES & SUPPLY					10.00
11.00	01100	PHARMACY	0				11.00
12.00	01200	MEDICAL RECORDS & LIBRARY	0	0			12.00
13.00	01300	SOCIAL SERVICE	0	0	68,313		13.00
14.00	01400	NURSING AND ALLIED HEALTH EDUCATION	0	0	0	0	14.00
15.00	01500	PATIENT ACTIVITIES	0	0	0	68,313	15.00
INPATIENT ROUTINE SERVICE COST CENTERS							
30.00	03000	SKILLED NURSING FACILITY	0	0	68,313	0	30.00
31.00	03100	NURSING FACILITY	0	0	0	0	31.00
32.00	03200	ICF/IID	0	0	0	0	32.00
33.00	03300	OTHER LONG TERM CARE	0	0	0	0	33.00
ANCILLARY SERVICE COST CENTERS							
40.00	04000	RADIOLOGY	0	0	0	0	40.00
41.00	04100	LABORATORY	0	0	0	0	41.00
42.00	04200	INTRAVENOUS THERAPY	0	0	0	0	42.00
43.00	04300	OXYGEN (INHALATION) THERAPY	0	0	0	0	43.00
44.00	04400	PHYSICAL THERAPY	0	0	0	0	44.00
45.00	04500	OCCUPATIONAL THERAPY	0	0	0	0	45.00
46.00	04600	SPEECH PATHOLOGY	0	0	0	0	46.00
47.00	04700	ELECTROCARDIOLOGY	0	0	0	0	47.00
48.00	04800	MEDICAL SUPPLIES CHARGED TO PATIENTS	0	0	0	0	48.00
49.00	04900	DRUGS CHARGED TO PATIENTS	0	0	0	0	49.00
50.00	05000	DENTAL CARE - TITLE XIX ONLY	0	0	0	0	50.00
51.00	05100	SUPPORT SURFACES	0	0	0	0	51.00
OUTPATIENT SERVICE COST CENTERS							
60.00	06000	CLINIC		0	0	0	60.00
61.00	06100	RURAL HEALTH CLINIC	0	0	0	0	61.00
62.00	06200	FQHC					62.00
OTHER REIMBURSABLE COST CENTERS							
70.00	07000	HOME HEALTH AGENCY COST	0	0	0	0	70.00
71.00	07100	AMBULANCE	0	0	0	0	71.00
73.00	07300	CMHC	0	0	0	0	73.00
SPECIAL PURPOSE COST CENTERS							
80.00	08000	MALPRACTICE PREMIUMS & PAID LOSSES					80.00
81.00	08100	INTEREST EXPENSE					81.00
82.00	08200	UTILIZATION REVIEW - SNF					82.00
83.00	08300	HOSPICE	0	0	0	0	83.00
89.00		SUBTOTALS (sum of lines 1-84)	0	0	68,313	0	89.00
NONREIMBURSABLE COST CENTERS							
90.00	09000	GIFT, FLOWER, COFFEE SHOPS & CANTEEN	0	0	0	0	90.00
91.00	09100	BARBER AND BEAUTY SHOP	0	0	0	0	91.00
92.00	09200	PHYSICIANS PRIVATE OFFICES	0	0	0	0	92.00
93.00	09300	NONPAID WORKERS	0	0	0	0	93.00
94.00	09400	PATIENTS LAUNDRY	0	0	0	0	94.00
95.00	09500	BLANK	0	0	0	0	95.00
95.10	09510	DAY CARE	0	0	0	0	95.10
95.20	09520	WORKSHOP	0	0	0	0	95.20
95.30	09530	APARTMENTS	0	0	0	0	95.30
98.00		Cross Foot Adjustments					98.00
99.00		Negative Cost Centers					99.00
102.00		Cost to be allocated (per wkst. B, Part I)	0	0	849,673	0	382,118
103.00		Unit cost multiplier (wkst. B, Part I)	0.000000	0.000000	12.437940	0.000000	5.593635
104.00		Cost to be allocated (per wkst. B, Part II)	0	0	406,492	0	5,231
105.00		Unit cost multiplier (wkst. B, Part II)	0.000000	0.000000	5.950434	0.000000	0.076574

RATIO OF COST TO CHARGES FOR ANCILLARY AND OUTPATIENT COST CENTERS

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023

Worksheet C

Date/Time Prepared:
5/21/2024 10:41 am

Cost Center Description			Total (from Wkst. B, Pt I, col. 18)	Total Charges	Ratio (col. 1 divided by col. 2)	
			1.00	2.00	3.00	
ANCILLARY SERVICE COST CENTERS						
40.00	04000	RADIOLOGY	47,576	5,484	8.675419	40.00
41.00	04100	LABORATORY	52,446	33,663	1.557972	41.00
42.00	04200	INTRAVENOUS THERAPY	0	0	0.000000	42.00
43.00	04300	OXYGEN (INHALATION) THERAPY	11,580	0	0.000000	43.00
44.00	04400	PHYSICAL THERAPY	812,086	747,494	1.086411	44.00
45.00	04500	OCCUPATIONAL THERAPY	698,269	938,772	0.743811	45.00
46.00	04600	SPEECH PATHOLOGY	105,385	244,964	0.430206	46.00
47.00	04700	ELECTROCARDIOLOGY	0	0	0.000000	47.00
48.00	04800	MEDICAL SUPPLIES CHARGED TO PATIENTS	0	0	0.000000	48.00
49.00	04900	DRUGS CHARGED TO PATIENTS	695,643	244,806	2.841609	49.00
50.00	05000	DENTAL CARE - TITLE XIX ONLY	0	0	0.000000	50.00
51.00	05100	SUPPORT SURFACES	0	0	0.000000	51.00
OUTPATIENT SERVICE COST CENTERS						
60.00	06000	CLINIC	0	0	0.000000	60.00
61.00	06100	RURAL HEALTH CLINIC				61.00
62.00	06200	FQHC				62.00
71.00	07100	AMBULANCE	40,778	0	0.000000	71.00
100.00		Total	2,463,763	2,215,183		100.00

APPORTIONMENT OF ANCILLARY AND OUTPATIENT COSTS				Provider No.: 315021		Period: From 01/01/2023 To 12/31/2023		Worksheet D Part I Date/Time Prepared: 5/21/2024 10:41 am					
				Title XVIII (1)		Skilled Nursing Facility		PPS					
				Health Care Program Charges		Health Care Program Cost							
				Ratio of Cost to Charges (Fr. Wkst. C Column 3)		Part A		Part B		Part A (col. 1 x col. 2)		Part B (col. 1 x col. 3)	
				1.00		2.00		3.00		4.00		5.00	
PART I - CALCULATION OF ANCILLARY AND OUTPATIENT COST													
ANCILLARY SERVICE COST CENTERS													
40.00	04000	RADIOLOGY	8.675419	5,422	0	47,038	0	40.00					
41.00	04100	LABORATORY	1.557972	26,133	0	40,714	0	41.00					
42.00	04200	INTRAVENOUS THERAPY	0.000000	0	0	0	0	42.00					
43.00	04300	OXYGEN (INHALATION) THERAPY	0.000000	0	0	0	0	43.00					
44.00	04400	PHYSICAL THERAPY	1.086411	433,973	0	471,473	0	44.00					
45.00	04500	OCCUPATIONAL THERAPY	0.743811	487,130	0	362,333	0	45.00					
46.00	04600	SPEECH PATHOLOGY	0.430206	145,936	0	62,783	0	46.00					
47.00	04700	ELECTROCARDIOLOGY	0.000000	0	0	0	0	47.00					
48.00	04800	MEDICAL SUPPLIES CHARGED TO PATIENTS	0.000000	0	0	0	0	48.00					
49.00	04900	DRUGS CHARGED TO PATIENTS	2.841609	199,928	0	568,117	0	49.00					
50.00	05000	DENTAL CARE - TITLE XIX ONLY	0.000000	0	0	0	0	50.00					
51.00	05100	SUPPORT SURFACES	0.000000	0	0	0	0	51.00					
OUTPATIENT SERVICE COST CENTERS													
60.00	06000	CLINIC	0.000000	0	0	0	0	60.00					
61.00	06100	RURAL HEALTH CLINIC						61.00					
62.00	06200	FQHC						62.00					
71.00	07100	AMBULANCE (2)	0.000000		0		0	71.00					
100.00		Total (Sum of lines 40 - 71)		1,298,522	0	1,552,458	0	100.00					

(1) For title V and XIX use columns 1, 2, and 4 only.

(2) Line 71 columns 2 and 4 are for titles V and XIX. No amounts should be entered here for title XVIII.

APPORTIONMENT OF ANCILLARY AND OUTPATIENT COSTS				Provider No.: 315021	Period: From 01/01/2023 To 12/31/2023	Worksheet D Parts II-III Date/Time Prepared: 5/21/2024 10:41 am
				Title XVIII	Skilled Nursing Facility	PPS
Cost Center Description						1.00
PART II - APPORTIONMENT OF VACCINE COST						
1.00		Drugs charged to patients - ratio of cost to charges (From Worksheet C, column 3, line 49)				2.841609
2.00		Program vaccine charges (From your records, or the PS&R)				1,020
3.00		Program costs (Line 1 x line 2) (Title XVIII, PPS providers, transfer this amount to worksheet E, Part I, line 18)				2,898
Cost Center Description		Total Cost (From Wkst. B, Part I, Col. 18)	Nursing & Allied Health (From Wkst. B, Part I, Col. 14)	Ratio of Nursing & Allied Health Costs to Total Costs - Part A (Col. 2 / Col. 1)	Program Part A Cost (From Wkst. D Part I, Col. 4)	Part A Nursing & Allied Health Costs for Pass Through (Col. 3 x Col. 4)
		1.00	2.00	3.00	4.00	5.00
PART III - CALCULATION OF PASS THROUGH COSTS FOR NURSING & ALLIED HEALTH						
ANCILLARY SERVICE COST CENTERS						
40.00	04000	RADIOLOGY	47,576	0	0.000000	47,038
41.00	04100	LABORATORY	52,446	0	0.000000	40,714
42.00	04200	INTRAVENOUS THERAPY	0	0	0.000000	0
43.00	04300	OXYGEN (INHALATION) THERAPY	11,580	0	0.000000	0
44.00	04400	PHYSICAL THERAPY	812,086	0	0.000000	471,473
45.00	04500	OCCUPATIONAL THERAPY	698,269	0	0.000000	362,333
46.00	04600	SPEECH PATHOLOGY	105,385	0	0.000000	62,783
47.00	04700	ELECTROCARDIOLOGY	0	0	0.000000	0
48.00	04800	MEDICAL SUPPLIES CHARGED TO PATIENTS	0	0	0.000000	0
49.00	04900	DRUGS CHARGED TO PATIENTS	695,643	0	0.000000	568,117
50.00	05000	DENTAL CARE - TITLE XIX ONLY	0	0	0.000000	0
51.00	05100	SUPPORT SURFACES	0	0	0.000000	0
100.00		Total (Sum of lines 40 - 52)	2,422,985	0		1,552,458

COMPUTATION OF INPATIENT ROUTINE COSTS		Provider No.: 315021	Period: From 01/01/2023 To 12/31/2023	Worksheet D-1 Parts I-II Date/Time Prepared: 5/21/2024 10:41 am
		Title XVIII	Skilled Nursing Facility	PPS
			1.00	
PART I CALCULATION OF INPATIENT ROUTINE COSTS				
INPATIENT DAYS				
1.00	Inpatient days including private room days		68,313	1.00
2.00	Private room days		0	2.00
3.00	Inpatient days including private room days applicable to the Program		10,877	3.00
4.00	Medically necessary private room days applicable to the Program		0	4.00
5.00	Total general inpatient routine service cost		23,230,205	5.00
PRIVATE ROOM DIFFERENTIAL ADJUSTMENT				
6.00	General inpatient routine service charges		26,552,048	6.00
7.00	General inpatient routine service cost/charge ratio (Line 5 divided by line 6)		0.874893	7.00
8.00	Enter private room charges from your records		0	8.00
9.00	Average private room per diem charge (Private room charges line 8 divided by private room days, line 2)		0.00	9.00
10.00	Enter semi-private room charges from your records		0	10.00
11.00	Average semi-private room per diem charge (Semi-private room charges line 10, divided by semi-private room days)		0.00	11.00
12.00	Average per diem private room charge differential (Line 9 minus line 11)		0.00	12.00
13.00	Average per diem private room cost differential (Line 7 times line 12)		0.00	13.00
14.00	Private room cost differential adjustment (Line 2 times line 13)		0	14.00
15.00	General inpatient routine service cost net of private room cost differential (Line 5 minus line 14)		23,230,205	15.00
PROGRAM INPATIENT ROUTINE SERVICE COSTS				
16.00	Adjusted general inpatient service cost per diem (Line 15 divided by line 1)		340.06	16.00
17.00	Program routine service cost (Line 3 times line 16)		3,698,833	17.00
18.00	Medically necessary private room cost applicable to program (line 4 times line 13)		0	18.00
19.00	Total program general inpatient routine service cost (Line 17 plus line 18)		3,698,833	19.00
20.00	Capital related cost allocated to inpatient routine service costs (From Wkst. B, Part II column 18, line 30 for SNF; line 31 for NF, or line 32 for ICF/IID)		4,756,158	20.00
21.00	Per diem capital related costs (Line 20 divided by line 1)		69.62	21.00
22.00	Program capital related cost (Line 3 times line 21)		757,257	22.00
23.00	Inpatient routine service cost (Line 19 minus line 22)		2,941,576	23.00
24.00	Aggregate charges to beneficiaries for excess costs (From provider records)		0	24.00
25.00	Total program routine service costs for comparison to the cost limitation (Line 23 minus line 24)		2,941,576	25.00
26.00	Enter the per diem limitation (1)			26.00
27.00	Inpatient routine service cost limitation (Line 3 times the per diem limitation line 26) (1)			27.00
28.00	Reimbursable inpatient routine service costs (Line 22 plus the lesser of line 25 or line 27) (Transfer to Worksheet E, Part II, line 4) (See instructions)			28.00
(1) Lines 26 and 27 are not applicable for title XVIII, but may be used for title V and or title XIX				
			1.00	
PART II CALCULATION OF INPATIENT NURSING & ALLIED HEALTH COSTS FOR PPS PASS-THROUGH				
1.00	Total SNF inpatient days		68,313	1.00
2.00	Program inpatient days (see instructions)		10,877	2.00
3.00	Total nursing & allied health costs. (see instructions)(Do not complete for titles V or XIX)		0	3.00
4.00	Nursing & allied health ratio. (line 2 divided by line 1)		0.159223	4.00
5.00	Program nursing & allied health costs for pass-through. (line 3 times line 4)		0	5.00

CALCULATION OF REIMBURSEMENT SETTLEMENT FOR TITLE XVIII		Provider No.: 315021	Period: From 01/01/2023 To 12/31/2023	Worksheet E Part I Date/Time Prepared: 5/21/2024 10:41 am
		Title XVIII	Skilled Nursing Facility	PPS
				1.00
PART A - INPATIENT SERVICE PPS PROVIDER COMPUTATION OF REIMBURSEMENT				
1.00	Inpatient PPS amount (See Instructions)		8,747,193	1.00
2.00	Nursing and Allied Health Education Activities (pass through payments)		0	2.00
3.00	Subtotal (Sum of lines 1 and 2)		8,747,193	3.00
4.00	Primary payor amounts		0	4.00
5.00	Coinsurance		1,499,800	5.00
6.00	Allowable bad debts (From your records)		923,415	6.00
7.00	Allowable Bad debts for dual eligible beneficiaries (See instructions)		685,934	7.00
8.00	Adjusted reimbursable bad debts. (See instructions)		600,220	8.00
9.00	Recovery of bad debts - for statistical records only		0	9.00
10.00	Utilization review		0	10.00
11.00	Subtotal (See instructions)		7,847,613	11.00
12.00	Interim payments (See instructions)		7,102,445	12.00
13.00	Tentative adjustment		0	13.00
14.00	OTHER adjustment (See instructions)		0	14.00
14.50	Demonstration payment adjustment amount before sequestration		0	14.50
14.55	Demonstration payment adjustment amount after sequestration		0	14.55
14.75	Sequestration for non-claims based amounts (see instructions)		12,004	14.75
14.99	Sequestration amount (see instructions)		144,948	14.99
15.00	Balance due provider/program (see Instructions)		588,216	15.00
16.00	Protested amounts (Nonallowable cost report items in accordance with CMS Pub. 15-2, section 115.2)		0	16.00
PART B - ANCILLARY SERVICE COMPUTATION OF REIMBURSEMENT LESSER OF COST OR CHARGES - TITLE XVIII ONLY				
17.00	Ancillary services Part B		0	17.00
18.00	Vaccine cost (From Wkst D, Part II, line 3)		2,898	18.00
19.00	Total reasonable costs (Sum of lines 17 and 18)		2,898	19.00
20.00	Medicare Part B ancillary charges (See instructions)		1,020	20.00
21.00	Cost of covered services (Lesser of line 19 or line 20)		1,020	21.00
22.00	Primary payor amounts		0	22.00
23.00	Coinsurance and deductibles		0	23.00
24.00	Allowable bad debts (From your records)		0	24.00
24.01	Allowable Bad debts for dual eligible beneficiaries (see instructions)		0	24.01
24.02	Adjusted reimbursable bad debts (see instructions)		0	24.02
25.00	Subtotal (Sum of lines 21 and 24, minus lines 22 and 23)		1,020	25.00
26.00	Interim payments (See instructions)		850	26.00
27.00	Tentative adjustment		0	27.00
28.00	Other Adjustments (See instructions) Specify		0	28.00
28.50	Demonstration payment adjustment amount before sequestration		0	28.50
28.55	Demonstration payment adjustment amount after sequestration		0	28.55
28.99	Sequestration amount (see instructions)		20	28.99
29.00	Balance due provider/program (see instructions)		150	29.00
30.00	Protested amounts (Nonallowable cost report items) in accordance with CMS Pub.15-2, section 115.2		0	30.00

ANALYSIS OF PAYMENTS TO PROVIDERS FOR SERVICES RENDERED

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023

Worksheet E-1

Date/Time Prepared:
5/21/2024 10:41 am

Title XVIII

Skilled Nursing
Facility

PPS

		Inpatient Part A		Part B		
		mm/dd/yyyy	Amount	mm/dd/yyyy	Amount	
		1.00	2.00	3.00	4.00	
1.00	Total interim payments paid to provider					1.00
2.00	Interim payments payable on individual bills, either submitted or to be submitted to the contractor for services rendered in the cost reporting period. If none, enter zero		7,102,445		850	2.00
3.00	List separately each retroactive lump sum adjustment amount based on subsequent revision of the interim rate for the cost reporting period. Also show date of each payment. If none, write "NONE" or enter a zero. (1)		0		0	3.00
Program to Provider						
3.01	ADJUSTMENTS TO PROVIDER		0		0	3.01
3.02			0		0	3.02
3.03			0		0	3.03
3.04			0		0	3.04
3.05			0		0	3.05
Provider to Program						
3.50	ADJUSTMENTS TO PROGRAM		0		0	3.50
3.51			0		0	3.51
3.52			0		0	3.52
3.53			0		0	3.53
3.54			0		0	3.54
3.99	Subtotal (Sum of lines 3.01 - 3.49 minus sum of lines 3.50 - 3.98)		0		0	3.99
4.00	Total interim payments (sum of lines 1, 2, and 3.99) (Transfer to wkst. E, Part I line 12 for Part A, and line 26 for Part B)		7,102,445		850	4.00
TO BE COMPLETED BY CONTRACTOR						
5.00	List separately each tentative settlement payment after desk review. Also show date of each payment. If none, write "NONE" or enter a zero. (1)					5.00
Program to Provider						
5.01	TENTATIVE TO PROVIDER		0		0	5.01
5.02			0		0	5.02
5.03			0		0	5.03
Provider to Program						
5.50	TENTATIVE TO PROGRAM		0		0	5.50
5.51			0		0	5.51
5.52			0		0	5.52
5.99	Subtotal (Sum of lines 5.01 - 5.49 minus sum of lines 5.50 - 5.98)		0		0	5.99
6.00	Determined net settlement amount (balance due) based on the cost report. (1)					6.00
6.01	PROGRAM TO PROVIDER		588,216		150	6.01
6.02	PROVIDER TO PROGRAM		0		0	6.02
7.00	Total Medicare program liability (see instructions)		7,690,661		1,000	7.00
			Contractor Name		Contractor Number	
			1.00		2.00	
8.00	Name of Contractor					8.00

(1) On lines 3, 5, and 6, where an amount is due provider to program, show the amount and date on which the provider agrees to the amount of repayment even though total repayment is not accomplished until a later date.

BALANCE SHEET (If you are nonproprietary and do not maintain fund-type accounting records, complete the "General Fund" column only)

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023

Worksheet G

Date/Time Prepared:
5/21/2024 10:41 am

		General Fund	Specific Purpose Fund	Endowment Fund	Plant Fund	
		1.00	2.00	3.00	4.00	
Assets						
CURRENT ASSETS						
1.00	Cash on hand and in banks	18,427	0	0	0	1.00
2.00	Temporary investments	0	0	0	0	2.00
3.00	Notes receivable	0	0	0	0	3.00
4.00	Accounts receivable	5,083,658	0	0	0	4.00
5.00	Other receivables	501,723	0	0	0	5.00
6.00	Less: allowances for uncollectible notes and accounts receivable	-280,098	0	0	0	6.00
7.00	Inventory	0	0	0	0	7.00
8.00	Prepaid expenses	144,960	0	0	0	8.00
9.00	Other current assets	69,019	0	0	0	9.00
10.00	Due from other funds	0	0	0	0	10.00
11.00	TOTAL CURRENT ASSETS (Sum of lines 1 - 10)	5,537,689	0	0	0	11.00
FIXED ASSETS						
12.00	Land	0	0	0	0	12.00
13.00	Land improvements	0	0	0	0	13.00
14.00	Less: Accumulated depreciation	0	0	0	0	14.00
15.00	Buildings	0	0	0	0	15.00
16.00	Less Accumulated depreciation	0	0	0	0	16.00
17.00	Leasehold improvements	307,669	0	0	0	17.00
18.00	Less: Accumulated Amortization	-24,921	0	0	0	18.00
19.00	Fixed equipment	0	0	0	0	19.00
20.00	Less: Accumulated depreciation	0	0	0	0	20.00
21.00	Automobiles and trucks	0	0	0	0	21.00
22.00	Less: Accumulated depreciation	0	0	0	0	22.00
23.00	Major movable equipment	172,206	0	0	0	23.00
24.00	Less: Accumulated depreciation	-45,965	0	0	0	24.00
25.00	Minor equipment - Depreciable	0	0	0	0	25.00
26.00	Minor equipment nondepreciable	0	0	0	0	26.00
27.00	Other fixed assets	0	0	0	0	27.00
28.00	TOTAL FIXED ASSETS (Sum of lines 12 - 27)	408,989	0	0	0	28.00
OTHER ASSETS						
29.00	Investments	0	0	0	0	29.00
30.00	Deposits on leases	423,430	0	0	0	30.00
31.00	Due from owners/officers	-676,525	0	0	0	31.00
32.00	Other assets	0	0	0	0	32.00
33.00	TOTAL OTHER ASSETS (Sum of lines 29 - 32)	-253,095	0	0	0	33.00
34.00	TOTAL ASSETS (Sum of lines 11, 28, and 33)	5,693,583	0	0	0	34.00
Liabilities and Fund Balances						
CURRENT LIABILITIES						
35.00	Accounts payable	1,373,780	0	0	0	35.00
36.00	Salaries, wages, and fees payable	499,398	0	0	0	36.00
37.00	Payroll taxes payable	28,724	0	0	0	37.00
38.00	Notes & loans payable (Short term)	2,469,675	0	0	0	38.00
39.00	Deferred income	734,556	0	0	0	39.00
40.00	Accelerated payments	0	0	0	0	40.00
41.00	Due to other funds	0	0	0	0	41.00
42.00	Other current liabilities	1,675,440	0	0	0	42.00
43.00	TOTAL CURRENT LIABILITIES (Sum of lines 35 - 42)	6,781,573	0	0	0	43.00
LONG TERM LIABILITIES						
44.00	Mortgage payable	0	0	0	0	44.00
45.00	Notes payable	0	0	0	0	45.00
46.00	Unsecured loans	0	0	0	0	46.00
47.00	Loans from owners:	0	0	0	0	47.00
48.00	Other long term liabilities	278,956	0	0	0	48.00
49.00	OTHER (SPECIFY)	0	0	0	0	49.00
50.00	TOTAL LONG TERM LIABILITIES (Sum of lines 44 - 49)	278,956	0	0	0	50.00
51.00	TOTAL LIABILITIES (Sum of lines 43 and 50)	7,060,529	0	0	0	51.00
CAPITAL ACCOUNTS						
52.00	General fund balance	-1,366,946	0	0	0	52.00
53.00	Specific purpose fund	0	0	0	0	53.00
54.00	Donor created - endowment fund balance - restricted	0	0	0	0	54.00
55.00	Donor created - endowment fund balance - unrestricted	0	0	0	0	55.00
56.00	Governing body created - endowment fund balance	0	0	0	0	56.00
57.00	Plant fund balance - invested in plant	0	0	0	0	57.00
58.00	Plant fund balance - reserve for plant improvement, replacement, and expansion	0	0	0	0	58.00
59.00	TOTAL FUND BALANCES (Sum of lines 52 thru 58)	-1,366,946	0	0	0	59.00
60.00	TOTAL LIABILITIES AND FUND BALANCES (Sum of lines 51 and 59)	5,693,583	0	0	0	60.00

STATEMENT OF CHANGES IN FUND BALANCES

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023

Worksheet G-1

Date/Time Prepared:
5/21/2024 10:41 am

		General Fund		Special Purpose Fund		Endowment Fund	
		1.00	2.00	3.00	4.00	5.00	
1.00	Fund balances at beginning of period		398,584		0		1.00
2.00	Net income (loss) (from Wkst. G-3, line 31)		-90,092				2.00
3.00	Total (sum of line 1 and line 2)		308,492		0		3.00
4.00	Additions (credit adjustments)						4.00
5.00	ROUNDING	2		0		0	5.00
6.00		0		0		0	6.00
7.00		0		0		0	7.00
8.00		0		0		0	8.00
9.00		0		0		0	9.00
10.00	Total additions (sum of line 5 - 9)		2		0		10.00
11.00	Subtotal (line 3 plus line 10)		308,494		0		11.00
12.00	Deductions (debit adjustments)						12.00
13.00	RETURN OF CAPITAL	1,675,440		0		0	13.00
14.00		0		0		0	14.00
15.00		0		0		0	15.00
16.00		0		0		0	16.00
17.00		0		0		0	17.00
18.00	Total deductions (sum of lines 13 - 17)		1,675,440		0		18.00
19.00	Fund balance at end of period per balance sheet (Line 11 - line 18)		-1,366,946		0		19.00
		Endowment Fund		Plant Fund			
		6.00	7.00	8.00			
1.00	Fund balances at beginning of period	0		0			1.00
2.00	Net income (loss) (from Wkst. G-3, line 31)						2.00
3.00	Total (sum of line 1 and line 2)	0		0			3.00
4.00	Additions (credit adjustments)						4.00
5.00	ROUNDING		0				5.00
6.00			0				6.00
7.00			0				7.00
8.00			0				8.00
9.00			0				9.00
10.00	Total additions (sum of line 5 - 9)	0		0			10.00
11.00	Subtotal (line 3 plus line 10)	0		0			11.00
12.00	Deductions (debit adjustments)						12.00
13.00	RETURN OF CAPITAL		0				13.00
14.00			0				14.00
15.00			0				15.00
16.00			0				16.00
17.00			0				17.00
18.00	Total deductions (sum of lines 13 - 17)	0		0			18.00
19.00	Fund balance at end of period per balance sheet (Line 11 - line 18)	0		0			19.00

STATEMENT OF PATIENT REVENUES AND OPERATING EXPENSES

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023Worksheet G-2
Parts I-II
Date/Time Prepared:
5/21/2024 10:41 am

Cost Center Description		Inpatient	Outpatient	Total	
		1.00	2.00	3.00	
PART I - PATIENT REVENUES					
General Inpatient Routine Care Services					
1.00	SKILLED NURSING FACILITY	26,552,048		26,552,048	1.00
2.00	NURSING FACILITY	0		0	2.00
3.00	ICF/IID	0		0	3.00
4.00	OTHER LONG TERM CARE	0		0	4.00
5.00	Total general inpatient care services (Sum of lines 1 - 4)	26,552,048		26,552,048	5.00
All Other Care Services					
6.00	ANCILLARY SERVICES	2,215,184	0	2,215,184	6.00
7.00	CLINIC		0	0	7.00
8.00	HOME HEALTH AGENCY COST		0	0	8.00
9.00	AMBULANCE		0	0	9.00
10.00	RURAL HEALTH CLINIC		0	0	10.00
10.10	FQHC		0	0	10.10
11.00	CMHC		0	0	11.00
12.00	HOSPICE	0	0	0	12.00
13.00	ROUTINE CHARGES / BED HOLD	129,483	0	129,483	13.00
14.00	Total Patient Revenues (Sum of lines 5 - 13) (Transfer column 3 to worksheet G-3, Line 1)	28,896,715	0	28,896,715	14.00
Cost Center Description			1.00	2.00	
PART II - OPERATING EXPENSES					
1.00	Operating Expenses (Per worksheet A, Col. 3, Line 100)			27,149,419	1.00
2.00	Add (Specify)		0		2.00
3.00			0		3.00
4.00			0		4.00
5.00			0		5.00
6.00			0		6.00
7.00			0		7.00
8.00	Total Additions (Sum of lines 2 - 7)			0	8.00
9.00	Deduct (Specify)		0		9.00
10.00			0		10.00
11.00			0		11.00
12.00			0		12.00
13.00			0		13.00
14.00	Total Deductions (Sum of lines 9 - 13)			0	14.00
15.00	Total Operating Expenses (Sum of lines 1 and 8, minus line 14)			27,149,419	15.00

STATEMENT OF PATIENT REVENUES AND OPERATING EXPENSES

Provider No.: 315021

Period:
From 01/01/2023
To 12/31/2023

Worksheet G-3

Date/Time Prepared:
5/21/2024 10:41 am

		1.00	
1.00	Total patient revenues (From wkst. G-2, Part I, col. 3, line 14)	28,896,715	1.00
2.00	Less: contractual allowances and discounts on patients accounts	1,933,595	2.00
3.00	Net patient revenues (Line 1 minus line 2)	26,963,120	3.00
4.00	Less: total operating expenses (From Worksheet G-2, Part II, line 15)	27,149,419	4.00
5.00	Net income from service to patients (Line 3 minus 4)	-186,299	5.00
Other income:			
6.00	Contributions, donations, bequests, etc	0	6.00
7.00	Income from investments	24,781	7.00
8.00	Revenues from communications (Telephone and Internet service)	0	8.00
9.00	Revenue from television and radio service	0	9.00
10.00	Purchase discounts	0	10.00
11.00	Rebates and refunds of expenses	0	11.00
12.00	Parking lot receipts	0	12.00
13.00	Revenue from laundry and linen service	0	13.00
14.00	Revenue from meals sold to employees and guests	1,424	14.00
15.00	Revenue from rental of living quarters	0	15.00
16.00	Revenue from sale of medical and surgical supplies to other than patients	0	16.00
17.00	Revenue from sale of drugs to other than patients	0	17.00
18.00	Revenue from sale of medical records and abstracts	457	18.00
19.00	Tuition (fees, sale of textbooks, uniforms, etc.)	0	19.00
20.00	Revenue from gifts, flower, coffee shops, canteen	0	20.00
21.00	Rental of vending machines	0	21.00
22.00	Rental of skilled nursing space	0	22.00
23.00	Governmental appropriations	0	23.00
24.00	NON PATIENT REVENUE	69,545	24.00
24.50	COVID-19 PHE Funding	0	24.50
25.00	Total other income (Sum of lines 6 - 24)	96,207	25.00
26.00	Total (Line 5 plus line 25)	-90,092	26.00
27.00	Other expenses (specify)	0	27.00
28.00		0	28.00
29.00		0	29.00
30.00	Total other expenses (Sum of lines 27 - 29)	0	30.00
31.00	Net income (or loss) for the period (Line 26 minus line 30)	-90,092	31.00

**CRANFORD SNF LLC, RIVERS EDGE SNF LLC,
CINNAMINSON NURSING LLC,
MYSTIC MEADOWS SNF LLC,
MAYWOOD SNF OPERATIONS LLC,
AND HAZEL STREET OPERATIONS, LLC**

COMBINED FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION

DECEMBER 31, 2023



Combined Financial Statements and Supplementary Information

**CRANFORD SNF LLC, RIVERS EDGE SNF LLC,
CINNAMINSON NURSING LLC, MYSTIC MEADOWS SNF LLC,
MAYWOOD SNF OPERATIONS LLC, AND HAZEL STREET OPERATIONS LLC**

DECEMBER 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Members of
Cranford SNF LLC, Rivers Edge SNF LLC,
Cinnaminson Nursing LLC, Mystic Meadows SNF LLC,
Maywood SNF Operations LLC, Hazel Street Operations, LLC,

Opinion

We have audited the accompanying combined financial statements of Cranford SNF LLC, Rivers Edge SNF LLC, Cinnaminson Nursing LLC, Mystic Meadows SNF LLC, Maywood SNF Operations LLC, and Hazel Street Operations, LLC, (New Jersey limited liability companies and collectively, the "Company" or "Companies"), which comprise the combined balance sheet as of December 31, 2023, and the related combined statements of income, changes in members' equity, and cash flows for the year then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Companies as of December 31, 2023, and the results of their operations and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Combined Financial Statements section of our report. We are required to be independent of the Companies and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Companies' ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Companies' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Companies' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Pease Bell CPAs, LLC

Cleveland, Ohio
August 19, 2025

**CRANFORD SNF LLC, RIVERS EDGE SNF LLC,
CINNAMINSON NURSING LLC, MYSTIC MEADOWS SNF LLC,
MAYWOOD SNF OPERATIONS LLC, AND HAZEL STREET OPERATIONS LLC**

COMBINED BALANCE SHEET

DECEMBER 31, 2023

ASSETS

CURRENT ASSETS

Cash	\$ 3,399,522
Resident trust funds	241,643
Resident accounts receivable, net of allowance for credit losses of \$2,041,662	15,959,827
Other receivables	2,288,363
Prepaid expenses and other current assets	<u>1,944,834</u>

TOTAL CURRENT ASSETS 23,834,189

PROPERTY AND EQUIPMENT, NET 3,501,562

OTHER ASSETS

Deposits	60,935
Escrow deposits	520,815
Advances receivable - affiliates	8,134,005
Advances receivable - members	173,733
Operating lease right-of-use assets, net	<u>98,959,058</u>

TOTAL OTHER ASSETS 107,848,546

\$ 135,184,297

See notes to combined financial statements.

**CRANFORD SNF LLC, RIVERS EDGE SNF LLC,
CINNAMINSON NURSING LLC, MYSTIC MEADOWS SNF LLC,
MAYWOOD SNF OPERATIONS LLC, AND HAZEL STREET OPERATIONS LLC**

COMBINED BALANCE SHEET

DECEMBER 31, 2023

LIABILITIES AND MEMBERS' EQUITY

CURRENT LIABILITIES

Lines of credit	\$ 3,545,425
Resident trust funds liability	241,143
Current maturities of operating lease liabilities	9,873,746
Current maturities of note payable - Paycheck Protection Program	101,455
Accounts payable	4,042,548
Accrued payroll and related costs	2,891,649
Accrued expenses	1,390,325
Accounts payable - related parties	388,984

TOTAL CURRENT LIABILITIES 22,475,275

LONG-TERM LIABILITIES

Operating lease liabilities, net of current maturities	90,982,932
Advances payable - affiliates	4,139,856
Advances payable - members	12,792
Note payable - Paycheck Protection Program, net of current maturities	34,048
Security deposit liability	278,956

TOTAL LONG-TERM LIABILITIES 95,448,584

TOTAL LIABILITIES 117,923,859

MEMBERS' EQUITY

17,260,438

\$ 135,184,297

See notes to combined financial statements.

**CRANFORD SNF LLC, RIVERS EDGE SNF LLC,
CINNAMINSON NURSING LLC, MYSTIC MEADOWS SNF LLC,
MAYWOOD SNF OPERATIONS LLC, AND HAZEL STREET OPERATIONS LLC**

COMBINED STATEMENT OF INCOME

YEAR ENDED DECEMBER 31, 2023

REVENUES

Net resident service revenues	\$ 107,627,178
Other revenue	310,827
Lease revenue	200,840

TOTAL REVENUES	108,138,845
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OPERATING EXPENSES

Nursing	39,407,901
Lease expense - facilities	15,222,330
General and administrative	14,939,592
Ancillary services	7,656,660
Dietary	7,852,073
Management fee	5,680,458
Housekeeping and laundry	3,640,627
Bed tax assessment	3,380,016
Provision for expected credit losses	1,729,636
Facility Maintenance	1,800,629
Activities	1,336,688
Social services	762,632
Depreciation and amortization	448,076
Employee Retention Credit	(3,906,649)

TOTAL OPERATING EXPENSES	99,950,669
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INCOME FROM OPERATIONS	8,188,176
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OTHER INCOME (EXPENSE)

Interest income	331,579
Interest expense	(437,325)
Other expense	(30,415)

TOTAL OTHER INCOME (EXPENSE), NET	(136,161)
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NET INCOME	\$ 8,052,015
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See notes to combined financial statements.

**CRANFORD SNF LLC, RIVERS EDGE SNF LLC,
CINNAMINSON NURSING LLC, MYSTIC MEADOWS SNF LLC,
MAYWOOD SNF OPERATIONS LLC, AND HAZEL STREET OPERATIONS LLC**

COMBINED STATEMENT OF CHANGES IN MEMBERS' EQUITY

YEAR ENDED DECEMBER 31, 2023

BALANCE - DECEMBER 31, 2022	\$ 20,114,928
Net income	8,052,015
Distributions	<u>(10,906,505)</u>
BALANCE - DECEMBER 31, 2023	<u><u>\$ 17,260,438</u></u>

See notes to combined financial statements.

**CRANFORD SNF LLC, RIVERS EDGE SNF LLC,
CINNAMINSON NURSING LLC, MYSTIC MEADOWS SNF LLC,
MAYWOOD SNF OPERATIONS LLC, AND HAZEL STREET OPERATIONS LLC**

COMBINED STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Net income	\$ 8,052,015
Adjustments to reconcile net income to net cash and restricted cash provided by operating activities:	
Depreciation and amortization	448,076
Provision for expected credit losses	1,729,636
Changes in operating assets and liabilities:	
Resident accounts receivable	(167,316)
Other receivables	(583,342)
Prepaid expenses and other current assets	(1,528,169)
Deposits	(23,513)
Operating lease right-of-use assets and liabilities, net	283,237
Resident trust funds liability	(3,071)
Accounts payable	3,585,168
Accounts payable - related parties	117,526
Accrued expenses	(1,114,216)
Accrued payroll and related costs	400,405
Security deposits liability	(352,460)

**NET CASH AND RESTRICTED CASH PROVIDED BY
OPERATING ACTIVITIES**

10,843,976

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of property and equipment	(1,218,962)
Advances to affiliates	(7,210,878)

**NET CASH AND RESTRICTED CASH USED IN
INVESTING ACTIVITIES**

(8,429,840)

CASH FLOWS FROM FINANCING ACTIVITIES

Net repayments on lines of credit	(951,818)
Net repayments of note payable - Paycheck Protection Program	(100,435)
Net repayments on advances - members	(648)
Advances from members	3,342,322
Advances from affiliates	4,139,856
Member distributions	(10,906,505)

**NET CASH AND RESTRICTED CASH USED IN
FINANCING ACTIVITIES**

(4,477,228)

NET DECREASE IN CASH AND RESTRICTED CASH

(2,063,092)

CASH AND RESTRICTED CASH AT BEGINNING OF YEAR

6,225,072

CASH AND RESTRICTED CASH AT END OF YEAR

\$ 4,161,980

See notes to combined financial statements.

**CRANFORD SNF LLC, RIVERS EDGE SNF LLC, CINNAMINSON NURSING LLC,
MYSTIC MEADOWS SNF LLC, MAYWOOD SNF OPERATIONS LLC,
AND HAZEL STREET OPERATIONS, LLC,**

NOTES TO COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of entities: Cranford SNF LLC, Rivers Edge SNF LLC, Cinnaminson Nursing LLC, Mystic Meadows SNF LLC, Maywood SNF Operations LLC, and Hazel Street Operations, LLC (collectively, the “Company” or the “Companies”) are registered to do business in the state of New Jersey. The Companies operate six skilled nursing facilities (the “Facilities”) located in the state of New Jersey with a combined capacity of 912 beds as detailed below.

<u>Legal Name of Entity</u>	<u>DBA Name of Entity</u>	<u>Facility Location</u>	<u>Licensed Beds</u>
Cranford SNF LLC	Birchwood Rehabilitation and Healthcare Center	Cranford, NJ	200
Rivers Edge SNF LLC	Waterfront Rehabilitation and Healthcare Center	Raritan, NJ	138
Cinnaminson Nursing LLC	Wynwood Rehabilitation and Healthcare Center	Cinnaminson, NJ	114
Mystic Meadows SNF LLC	Mystic Meadows Rehabilitation and Nursing Center	Little Egg Harbor Twp, NJ	130
Maywood SNF Operations LLC	Atlas Rehabilitation and Healthcare at Maywood	Maywood, NJ	120
Hazel Street Operations LLC	Atlas Healthcare at Daughters of Miriam	Clifton, NJ	210

Transfer of operations: On various dates during the years 2020 through 2022, the Companies assumed the Facilities’ operating licenses, Medicare and Medicaid provider numbers and agreements, and certain other Facility contracts from unrelated former operators of the Facilities. No value was assigned to these intangible assets. The Companies, at their sole discretion, hired the existing employees and commenced operations as of the date of transfer. Also, subsequent to the transfer of operations, certain accounts receivable of the Companies were collected by the former operators and certain receivables of the former operators were collected by the Companies. The net amount due to the Companies from the former operators is \$1,204,997 at December 31, 2023 and is reported within other receivables in the accompanying combined balance sheet.

Basis of presentation: The accompanying combined financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

Principles of combination: The accompanying combined financial statements include the accounts of the Companies, which are affiliated through common ownership. All significant transactions between the Companies have been eliminated in the combination.

Limited liability companies: As limited liability companies, no member, director, manager, agent, or employee of the Companies are personally liable for the debts, obligations, or liabilities of the Companies whether arising in contract, tort, or otherwise, or for the acts or omissions of any other member, director, manager, agent, or employee of the Companies, unless the individual has signed a specific personal guarantee.

Variable interest entities: The Company follows Financial Accounting Standards Board (“FASB”) Accounting Standards Update (“ASU”) No. 2018-17 “*Targeted Improvements to Related Party Guidance for Variable Interest Entities*”, which allows a private company to elect, under certain circumstances, not to consolidate certain variable interest entities. Accordingly, the Company does not consolidate its affiliated lessors and its management companies, which are commonly-controlled entities that own/lease several of the skilled nursing facilities land and buildings to the Company (see Note 5) and manage the operations of the Facilities (see Note 6), respectively.

Cranford SNF LLC, Rivers Edge SNF LLC, and Mystic Meadows SNF LLC lease their facilities from unrelated lessors (see Note 5).

Concentrations of credit risk: Financial instruments that potentially subject the Company to credit risk consist of cash deposits and accounts receivable. Cash deposits are maintained with high-quality financial institutions and the composition and maturities of temporary cash and investments, if any, are regularly monitored by management. The Company controls credit risk associated with accounts receivable through its monitoring procedures and by establishing an allowance for credit losses when considered necessary.

The Company’s operations are located in New Jersey and are economically dependent on the residents living in that geographic area. See Note 9 regarding concentrations in resident service revenues and resident accounts receivable.

Cash and cash equivalents: The Company considers all highly-liquid investments with an initial maturity of three months or less to be cash equivalents. As of December 31, 2023, there were no cash equivalents held. Cash, which consists of checking and savings accounts at various financial institutions, may exceed the federal insurance limit from time to time; however, management does not believe that the Company is exposed to any substantial risk.

Resident funds held in trust: Resident trust funds consist of funds held in trust for residents’ personal needs. These funds are maintained in cash accounts separate from the Companies’ operating cash accounts and a corresponding liability is recorded in current liabilities in the accompanying combined balance sheet. These restricted cash accounts are included in cash and restricted cash in the accompanying combined statement of cash flows.

Escrow deposits: The Companies' escrow deposits consist of capital expenditure, real estate tax and insurance reserves which are held and maintained by the unaffiliated lessors (see Note 5) on behalf of the Companies. These reserves are maintained at an amount considered by the Company to be adequate and in compliance with the lease agreements. Use of the reserves is restricted as defined in the lease agreements. These restricted cash reserves are included in cash and restricted cash in the accompanying combined statement of cash flows.

Resident accounts receivable: Resident accounts receivable represent amounts due from payors for amounts billed for resident services provided. The Company provides an allowance for credit losses that is estimated utilizing current accounts receivable aging reports, historical collections data and other factors. In addition, the Company monitors collections and payments from payors and maintains an allowance based upon applying an expected credit loss rate to receivables based on the historical loss rate from similar payors adjusted for current conditions, including any specific payor collection issues identified, and forecasts of economic conditions. Management monitors these factors and determines the estimated provision for credit losses. Historical credit losses have generally resulted from uncollectible private balances, some uncollectible coinsurance and deductibles, and other factors. Receivables that are deemed to be uncollectible are written-off. The allowance for credit losses is assessed by management, with changes in estimated losses being recorded in the combined statement of income in the period identified. It is reasonably possible that the Company's estimate of the allowance for credit losses will change in the near term. At December 31, 2023, the allowance for credit losses totaled \$2,041,662 which management believes is adequate.

Management believes that the historical loss information it has compiled is a reasonable basis on which to determine the expected credit losses for receivables because the composition of receivables as of December 31, 2023 is consistent with that used in developing the historical credit-loss percentages (i.e., the similar risk characteristics of its payors and its credit policies has not changed significantly over time). Changes to the historical loss rate have not been material to the combined financial statements. Management developed its estimate based on its analysis of historical losses and assessment of future expected losses.

The following table provides a reconciliation of the changes in the allowance for credit losses for 2023:

Allowance for credit losses – beginning of year	\$	544,500
Additional provision for expected credit losses		1,729,636
Write-offs of receivables		<u>(232,474)</u>
Allowance for credit losses – end of year	\$	<u>2,041,662</u>

Net resident service revenues: Net resident service revenues and the corresponding accounts receivable, are reported on an accrual basis as services are performed at their estimated net realizable amounts from residents, third-party payors, and others for services rendered.

The Company records revenues for inpatient services and the related receivables in the accounting records at the Company's established billing rates in the period the related services are rendered. The provision for contractual adjustments, which represents the difference between the established billing rates and predetermined reimbursement rates, is deducted from gross revenues to determine net revenues. These predetermined reimbursement rates may be based on a provider's actual costs subject to program ceilings and other limitations or on established rates based on acuity and services provided as determined by the federal and state-funded programs. Services provided to Medicare beneficiaries are based on clinical, diagnostic, and other factors. Services provided to Medicaid beneficiaries are paid at determined rates per day. The Company is exposed to the risk of changes in Medicare and Medicaid reimbursement rates.

Amounts earned under federal and state programs with respect to nursing home patients are subject to review by the third-party payors which may result in retroactive adjustments. In the opinion of management, adequate provision has been made for any adjustments that may result from such reviews. Retroactive adjustments, if any, are recorded when objectively determinable, generally within three years of the close of a reimbursement year depending upon the timing of appeals and third-party settlement reviews or audits, and final settlements are reported in operations in the year of settlement.

The Company records revenues for rehabilitation services and other ancillary services and the related receivables at the time services or products are provided or delivered to the customer. Upon delivery of services or products, the Company has no additional performance obligation to the customer.

The Company follows Accounting Standards Codification ("ASC") 606 for all contracts. The amount of revenue recognized reflects the consideration to which the Company expects to be entitled to receive in exchange for these services. ASC 606 requires companies to exercise judgment and recognize revenue in accordance with the standard's core principle by applying the following five steps:

Step 1: Identify the contract with a customer.

Step 2: Identify the performance obligations in the contract.

Step 3: Determine the transaction price.

Step 4: Allocate the transaction price to the performance obligations in the contract.

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

Performance obligations are promises made in a contract to transfer a distinct good or service to the customer. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. The Company has concluded that its contracts with patients and residents represent a bundle of distinct services that are substantially the same, with the same pattern of transfer to the customer. Accordingly, the promise to provide quality care is accounted for as a single performance obligation with revenue recognized at a point-in-time as services are provided.

The Company performs analyses using the application of the portfolio approach as a practical expedient to group patient contracts with similar characteristics, such that revenue for a given portfolio would not be materially different than if it were evaluated on a contract-by-contract basis. These analyses incorporated consideration of reimbursements at varying rates from Medicaid, Medicare, Managed Care, Hospice, Veterans Affairs, and Private Pay for services provided. It was determined that the contracts are not materially different within the following groups: Medicaid, Medicare, Managed Care, Hospice, Veterans Affairs, and Private Pay.

In order to determine the transaction price, the Company estimates the amount of variable consideration at the beginning of the contract using the expected value method. The estimates consider (i) payor type, (ii) historical payment trends, (iii) the maturity of the portfolio, and (iv) geographic payment trends throughout a class of similar payors. The Company typically enters into agreements with third-party payors that provide for payments at amounts different from the established billing charges. These arrangement terms provide for subsequent settlement and cash flows that may occur well after the service is provided. The Company adjusts the estimates of variable consideration such that it is probable that a significant reversal of previously recognized revenue will not occur throughout the life of the contract. Changes in the Company's expectation of the amount it will receive from the patient or third-party payors will be recorded in revenue unless there is a specific event that suggests the patient or third-party payor no longer has the ability and intent to pay the amount due and, therefore, the changes in its estimate of variable consideration better represent an impairment, or credit loss. These estimates are re-assessed each reporting period, and any amounts allocated to a satisfied performance obligation are recognized as revenue or a reduction of revenue in the period in which the transaction price changes. The Company satisfies its performance obligation by providing quality of care services to its patients and residents on a daily basis until termination of the contract. The performance obligation is recognized on a daily basis, for which the services are provided. For these contracts, the Company has the right to consideration from the customer in an amount that directly corresponds with the value to the customer of the Company's performance to date. Therefore, the Company recognizes revenue based on the amount billable to the customer in accordance with the practical expedient in ASC 606-10-55-18. Additionally, because the Company applied ASC 606 using certain practical expedients, the Company elected not to disclose the aggregate amount of the transaction price for unsatisfied, or partially unsatisfied, performance obligations for all contracts with an original expected length of one year or less.

Disaggregation of Revenues and Accounts Receivable

The Company disaggregates revenue from contracts with customers by payor type. The Company notes that disaggregation of revenue into these categories achieves the disclosure objectives to depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. The payment terms and conditions within the Company's revenue-generating contracts vary by contract type and payor source. Payments are generally received within 30 to 90 days after billing.

Property and equipment: Property and equipment owned by the Company is stated at cost. Maintenance and repairs are expensed, while expenditures for renewals which prolong the lives of the assets are capitalized. For financial reporting purposes, depreciation and amortization of property and equipment is provided for by using the straight-line method based on the estimated service lives of the assets as follows:

Leasehold improvements	10 years
Furniture, fixtures, and equipment	5-7 years

The cost of assets sold or retired and the related amounts of accumulated depreciation and amortization are removed from the accounts in the year of disposal. Any resulting profit or loss is reflected in current operations.

As described in Note 5, the Companies lease the nursing home Facilities, and most of the furniture and equipment needed to operate the Facilities, from various lessors, some of which are related to the Companies through common ownership and some of which are unrelated.

Construction-in-process is stated at cost, which includes the cost of construction and other direct costs attributable to the construction. No provision for depreciation is made on construction-in-progress until such time as the relevant assets are completed and placed into service.

Leasehold improvements associated with facilities leased from unrelated lessors are amortized using the straight-line method over the shorter of the remaining lease term, including renewal options that we are reasonably certain to exercise, or the estimated useful life of the improvement. Leasehold improvements associated with facilities leased from related lessors are amortized using the straight-line method over the useful life of the improvements as determined by the common control group, regardless of the lease term.

Impairment of long-lived assets: The Company assesses the impairment of long-lived assets whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. The Company assesses the fair value of the assets based on the undiscounted future cash flow that the assets are expected to generate and recognizes an impairment loss when estimated undiscounted future cash flow expected to result from the use of the asset plus net proceeds expected from disposition of the asset, if any, are less than the carrying amount of the asset. When the Company identifies an impairment, it reduces the carrying amount of the asset to its estimated fair value based on a discounted cash flow approach or, when available and appropriate, to comparable market values. Based on the Company's evaluation there is no impairment of these assets at December 31, 2023.

Compensated absences: Employees of the Company are entitled to paid vacation days depending on job classification, length of service, and hours worked. At December 31, 2023 the total amount accrued for compensated absences was \$730,050 and is included in accrued payroll and related costs in the accompanying combined balance sheet.

Security deposit liability: The former operator of the Hazel Street Operations, LLC's Facility collected refundable security deposits from residents upon occupancy. Hazel Street Operations, LLC assumed this liability when operations transferred in 2022. Hazel Street Operations, LLC has discontinued the practice of collecting security deposits from residents upon occupancy and refunds previously collected security deposits when a resident leaves the Facility.

Advertising costs: The Company expenses advertising costs as incurred. Advertising costs for 2023 totaled approximately \$387,465 and are included in general and administrative expenses in the combined statement of income.

Employee Retention Credit: The Coronavirus Aid, Relief, and Economic Security ("CARES") Act along with the Relief Act of 2021 and the American Rescue Plan Act of 2021 provide an Employee Retention Credit ("ERC"), which is a refundable tax credit against certain employment taxes. Eligible employers can qualify for a credit of up to \$7,000 quarterly per employee. The tax credit is equal to 70% of qualified wages paid to employees during the first three quarters in 2021, capped at \$10,000 of qualified wages per employee per quarter. To be eligible, the Company must (i) have had operations fully or partially suspended because of a shut-down order from a governmental authority related to the COVID-19 pandemic, or (ii) have had gross receipts decline by more than 20% in a calendar quarter, when compared to the same quarter in 2019.

During 2023, Cranford SNF LLC, Rivers Edge SNF LLC and Mystic Meadows SNF LLC determined that they qualified for ERC for the first three quarters of 2021 totaling \$3,906,649, which is recognized as a reduction of operating expenses in the accompanying combined statement of income. The Company received the full amount of the credit in 2023 along with approximately \$190,000 of interest related to delays in ERC payments which is reported within interest income in the accompanying combined statement of income.

Laws and regulations concerning government programs, including the ERC, are complex and subject to varying interpretations. Claims made under the CARES Act may also be subject to retroactive audit and review. There can be no assurance that regulatory authorities will not challenge the Company's claim to the ERC, and it is not possible to determine the impact (if any) this would have upon the Company's combined financial statements.

Income taxes: The Company is taxed under provisions of the Internal Revenue Code which provide for the Company's net income or loss to be included in the individual tax returns of the members for federal tax purposes. Accordingly, no provision for federal taxes has been recorded in the accompanying combined financial statements. Local income taxes are accrued at statutory rates, as applicable.

The Company pays income taxes at the entity level on taxable income in the state of New Jersey per the state's Pass-Through Entity Tax ("PTET") regulations. PTET election removes certain state and local income tax deduction limitations related to the members personal federal income taxes. The Company has determined these payments are made exclusively on behalf of the members and therefore the Company includes the payments within member distributions. Accordingly, no provision for state taxes has been recorded in the accompanying combined financial statements. PTET payments included in member distributions totaled approximately \$567,940 in 2023.

Member distributions: In accordance with the Companies' operating agreements, the Companies generally make distributions to fund the members' respective income tax liabilities resulting from the taxable income from the Companies. Other discretionary distributions may also be made.

Recording of insured claims: When applicable, the Company records anticipated insurance claims liabilities and related insurance recoveries for medical malpractice claims and similar contingent liabilities in the accompanying combined balance sheet on a gross basis. Any estimated insurance recovery provided under the existing policy is reflected as a receivable on the same basis as the liability, subject to the need for a valuation allowance for uncollectible accounts. No such receivables or liabilities have been recorded as of December 31, 2023.

Use of estimates: The preparation of combined financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. The most significant estimates relate to variable consideration for net resident service revenue recognition, assessing the expected credit losses of resident accounts receivable, legal and professional liabilities and receivables for related insurance recoveries, depreciation, asset valuations and useful lives. These estimates may be adjusted as more current information becomes available, and any adjustments could be material.

Combined statement of cash flows: Interest paid during 2023 totaled \$437,325.

The following table provides a reconciliation of cash and restricted cash reported within the combined balance sheet that sum to the total of the same such amounts shown on the combined statement of cash flows.

Cash	\$ 3,399,522
Restricted cash – resident trust funds	241,643
Escrow deposits	<u>520,815</u>
Total cash and restricted cash	
shown in statement of cash flows	<u>\$ 4,161,980</u>

Leases: The Company determines whether an agreement contains a lease at inception based on the Company's right to obtain substantially all of the economic benefits from the use of the identified asset and its right to direct the use of the identified asset. Operating leases are included in operating lease right-of-use ("ROU") assets, current maturities of operating lease liabilities, and long-term operating lease liabilities in the accompanying combined balance sheet. Finance leases, when applicable, are included in property and equipment, current maturities of finance lease liability, and long-term finance lease liability in the accompanying combined balance sheet.

ROU assets represent the Company's right to use an underlying asset for the lease term and operating lease liabilities represent its obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. Lease payments are discounted using the rate implicit in the lease or, if not readily available, the Company's incremental borrowing rate based on information available at lease commencement. The incremental borrowing rate for a lease is the rate of interest the Company would have to pay on a collateralized basis to borrow an amount equal to the lease payments for the asset under similar terms. The operating lease ROU assets are increased by any prepaid lease payments and initial direct costs and reduced by any lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise such options. Variable lease payments that depend on an index or a rate are included in the determination of ROU assets and lease liabilities using the index or rate at the lease commencement date. Variable lease payments that do not depend on an index or rate or resulting from changes in an index or rate subsequent to the lease commencement date, are recorded as lease expense in the period in which the obligation for the payment is incurred. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term and is included in operating expenses in the accompanying combined statement of income. For finance leases, the lessee recognizes interest expense and amortization of the ROU asset. The Company's leases do not contain any residual value guarantees or material restrictive covenants.

The Company elected the short-term lease practical expedient, which allows the Company to not record an operating lease ROU asset and operating lease liability for any lease with a term of twelve months or less at lease commencement, and also elected the single component practical expedient for all asset classes, which allows the Company to include both lease and non-lease components associated with a lease as a single lease component when determining the value of the operating lease ROU asset and operating lease liability.

Recently adopted accounting standards: In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-13, "*Measurement of Credit Losses on Financial Instruments*", which significantly changed how entities measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the current expected credit loss model ("CECL"). Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Company that are subject to this standard are resident accounts receivable.

Effective January 1, 2023, the Company adopted the standard using the modified retrospective approach. The adoption did not have a material impact on the Company's financial statements and primarily resulted in new and enhanced disclosures only.

In March 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2023-01, *Leases (Topic 842): Common Control Arrangements*. The ASU is effective for fiscal years beginning after December 15, 2023, although early adoption is permitted. The Company did not early adopt the ASU.

This ASU modifies the guidance for related party arrangements between entities under common control (“common control arrangements”), introducing a practical expedient for private companies. The expedient allows these entities to use the written terms and conditions of a common control arrangement to determine whether a lease exists and, if so, to classify and account for that lease without evaluating the legal enforceability of the terms and conditions required under ASC Topic 842. This practical expedient may be adopted on a prospective basis for all new or modified arrangements from the adoption date or retrospectively to the beginning of the period in which the entity first applied ASC 842.

In addition to the practical expedient, the ASU amends the guidance in ASC 842 related to accounting for leasehold improvements under common control arrangements. The ASU requires that leasehold improvements be amortized by the lessee over the useful life of the leasehold improvements as determined by the common control group, regardless of the lease term, provided the lessee controls the use of the underlying leased asset. If the lessee no longer controls the use of the underlying asset, the ASU requires that the leasehold improvements be accounted for as a transfer of equity between the lessee and the lessor. This amendment may be adopted on a prospective basis for all new and existing leasehold improvements as of the adoption date, or retrospectively to the beginning of the period in which the entity first applied ASC 842.

The Company adopted both provisions of this ASU effective January 1, 2024, applying them retrospectively to January 1, 2022, the date the Company first applied ASC 842. There was no cumulative effect on members’ equity as a result of the adoption. The adoption of the ASU did not result in a change to the Company’s lease accounting policy or leasehold improvement amortization policy. See Note 6 for further disclosures regarding the Company’s lease arrangements.

Subsequent events: In preparing these combined financial statements, management has evaluated events and transactions for potential recognition or disclosure through August 19, 2025, the date the combined financial statements were available to be issued.

NOTE 2 – PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2023 consists of the following:

Leasehold improvements	\$	2,659,311
Furniture, fixtures, and equipment		<u>1,295,737</u>
		3,955,048
Less - accumulated depreciation and amortization		<u>814,749</u>
		3,140,299
Construction-in-process		<u>361,263</u>
	\$	<u><u>3,501,562</u></u>

Depreciation and amortization expense totaled \$448,076 in 2023.

Construction-in-process consists of costs incurred for various Facilities improvements by the Company. These projects have not yet been completed and placed into service as of December 31, 2023. No provision for depreciation is recorded on construction-in-process until such time as the relevant assets are completed and placed in service.

NOTE 3 – REVOLVING LINES OF CREDIT

Cranford SNF LLC and Rivers Edge SNF LLC have available a \$4,500,000 bank demand revolving line of credit under which they may borrow, subject to certain borrowing base limitations. The line of credit matures in May 2027. Borrowings under the line bear interest at the greater of the Prime Rate (8.50% at December 31, 2023) plus 2.0%; or 5.50%. The interest rate at December 31, 2023 is 10.50%. The outstanding balance on the line of credit is \$1,075,000 at December 31, 2023. Borrowings are collateralized by substantially all assets of Cranford SNF LLC and Rivers Edge SNF LLC and are guaranteed by their members. The loan agreement contains certain restrictions and financial covenants with which the Company was in compliance with at December 31, 2023.

Cinnaminson Nursing LLC has a \$2,000,000 revolving line of credit agreement with a financial institution under which it may borrow, subject to certain borrowing base limitations. The line of credit matures in July 2026. Borrowings under the line bear interest at the one-month Secured Overnight Financing Rate (5.35% at December 31, 2023), subject to a minimum rate of 1.25%, plus an applicable base rate margin of 4.25%. The interest rate at December 31, 2023 was 9.60%. The outstanding balance on the line of credit at December 31, 2023 is \$750. Cinnaminson Nursing LLC is assessed a monthly unused line fee equal to the borrowing commitment less the average outstanding daily balance during the previous month multiplied by .03%. In addition, Cinnaminson Nursing LLC is charged a collateral management fee equal to the average outstanding daily balance during the previous month multiplied by .04%. The line of credit is secured by the assets of Cinnaminson Nursing LLC and is guaranteed by the member of Cinnaminson Nursing LLC.

The agreement contains certain restrictions and financial covenants related to operations for which Cinnaminson Nursing LLC was not in compliance with at December 31, 2023; however, management obtained a waiver from the lender for this violation.

Maywood SNF Operations LLC has a \$1,500,000 revolving line of credit agreement with a financial institution under which it may borrow, subject to certain borrowing base limitations. The line of credit matures in December 2026. The maturity date may be extended for an additional two years. Borrowings under the line bear interest at the one-month Secured Overnight Financing Rate (5.35% at December 31, 2023), plus an applicable base rate margin of 3.00%. The interest rate at December 31, 2023 was 8.35%. Maywood SNF Operations LLC was not drawn on the line of credit at December 31, 2023. The line of credit is secured by the assets of Maywood SNF Operations LLC and is guaranteed by the members of Maywood SNF Operations LLC.

The agreement contains certain restrictions and financial covenants related to operations with which Maywood SNF Operations LLC was in compliance at December 31, 2023.

Hazel Street Operations LLC had an agreement for a \$2,500,000 line of credit which was scheduled to mature in November 2024. In September 2024, Hazel Street Operations, LLC fully repaid the line of credit and entered into a new line of credit agreement with another financial institution with a total availability of \$1,500,000. Borrowings under the original line of credit incurred interest at the greater of the Prime Rate (8.50% at December 31, 2023) plus 1.75% or 5.50%. The rate in effect at December 31, 2023 was 10.25%. The outstanding balance on the line of credit was \$2,469,675 at December 31, 2023. Borrowings were collateralized by substantially all assets of Hazel Street Operations, LLC and were guaranteed by the members of the Hazel Street Operations, LLC.

The loan agreement contained certain restrictions and financial covenants with which Hazel Street Operations LLC was in compliance at December 31, 2023.

The new line of credit matures on September 6, 2025 and bears interest at the greater of the adjusted one-month Secured Overnight Financing Rate or 0.25%; plus 3.25%.

NOTE 4 – NOTES PAYABLE

Note payable – Paycheck Protection Program: During 2020, Cinnaminson Nursing LLC received loan proceeds in the amount of \$865,330 under the Small Business Administration’s Paycheck Protection Program (the “Program”) pursuant to the CARES Act, which was signed into law on March 27, 2020. Under the Program, all or a portion of the loan and accrued interest may be forgiven in accordance with the Program requirements. There are no payments of interest or principal amortization due on the loan until a final determination is made that any portion of the loan will not be forgiven. Any amounts not forgiven under the Program will be payable in equal installments of principal plus any interest owed.

During 2021, the Company applied for and received partial forgiveness of the loan. During 2022, the Company began making principal and interest payments on the unforgiven portion of the loan, which totaled \$246,442. The loan matures in April 2025 and bears interest at 1% annually. The balance of the loan is \$135,503 at December 31, 2023. Interest expense in 2023 was \$1,582. Principal payments in 2024 and 2025 are \$101,455 and \$34,048, respectively.

Maywood SNF Operations LLC mortgage note payable: Maywood SNF Operations LLC and its affiliated lessor, Maywood SNF Realty LLC, entered into a mortgage loan in December 2023 to refinance the mortgage note used to finance the lessor's purchase of the Facility in 2020. The total mortgage note commitment is \$41,000,000. The loan is carried on the financial statements of the lessor and, as of December 31, 2023, had an outstanding balance of \$41,000,000. As of December 31, 2023, Maywood SNF Operations LLC does not have an outstanding balance on the mortgage loan payable. However, as a co-borrower, Maywood SNF Operations LLC is contingently liable as a guarantor with respect to the mortgage indebtedness of the lessor. Should the lessor be in default on its debt payments, Maywood SNF Operations LLC may be obligated to perform under the guarantee by primarily making the required payments, including late fees and penalties. The mortgage note matures in December 2026 and contains an option for two 1-year renewals.

A portion of the mortgage note payable (\$36,000,000) is subject to SOFR interest rate swap agreements (the "swap portion"). Interest only payments at the swap interest rate of 7.18% on \$18,000,000 and 7.28% on the other \$18,000,000 are due monthly through maturity. The non-swap portion of the mortgage note payable bears interest at the Secured Overnight Financing Rate ("SOFR"), as defined in the mortgage loan payable agreement, plus a margin of 3.10%. The interest rate at December 31, 2023 was 8.45%. The note agreement requires monthly interest only payments through the note's maturity date at which time the remaining interest and principal balance are due. Borrowings are collateralized by substantially all the assets of Maywood SNF Operations LLC and Maywood SNF Realty LLC and are guaranteed by certain members of the Company. The mortgage note agreement contains certain restrictions and financial covenants. As of December 31, 2023, Maywood SNF Operations LLC is in compliance with these restrictions and financial covenants.

NOTE 5 – OPERATING LEASES

Cranford SNF LLC and Rivers Edge SNF LLC: Cranford SNF LLC and Rivers Edge SNF LLC lease the skilled nursing facilities, and substantially all the furniture and equipment needed to operate the facilities, via a master leasing arrangement with an unrelated lessor. The individual Facility leases are accounted for as operating leases with an initial twenty-year lease term and collectively expire in 2041. The combined monthly base lease payments ranged from \$304,500 to \$309,067 in 2023. The base lease payments increase 1.5% on the commencement date anniversary until the lease expires. Prepaid lease payments totaled \$149,338 at December 31, 2023 which is included in prepaid expenses and other current assets in the accompanying combined balance sheet.

The following table summarizes the components of the lease expense recognized for the year ended December 31, 2023:

Operating lease expense	\$ 4,162,260
Variable lease expense	<u>-</u>
Total operating lease expense	<u>\$ 4,162,260</u>

The lease is on a triple net basis; therefore, Cranford SNF LLC and Rivers Edge SNF LLC are responsible for all expenses related to the insurance and real estate taxes incurred on the property. Repairs and maintenance and utilities are also paid by Cranford SNF LLC and Rivers Edge SNF LLC.

Renewal options are included in the calculation of the right-to-use asset and lease liability only if they are reasonably certain of exercise. Future minimum lease payments under noncancelable leases with initial or remaining lease terms in excess of one year as of December 31, 2023 are as follows:

Year ending December 31,	Amount
2024	\$ 3,745,900
2025	3,802,088
2026	3,859,116
2027	3,917,004
2028	3,975,756
Thereafter	<u>54,218,812</u>
Total minimum lease payments	73,518,676
Less: imputed interest	<u>27,799,655</u>
Present value of minimum lease payments	<u>\$ 45,719,021</u>

The following table presents other supplemental lease information at December 31, 2023:

Cash paid for amounts included in the measurement of lease liabilities	\$ 3,690,536
Weighted average remaining lease term (years)	17.33
Weighted average discount rate	5.75%

The lease agreement contains certain restrictions, financial reporting requirements and financial ratio covenants. As of December 31, 2023, Cranford SNF LLC and Rivers Edge SNF LLC were in compliance with the financial covenants.

As part of the transfer of operations agreement, Cranford SNF LLC has assumed an agreement to lease a portion of its Facility to an unrelated third party. The agreement expires in August 2027 and requires annual lease payments of \$200,840 and certain additional charges for maintenance and janitorial services. Lease revenue totaled \$200,840 in 2023.

Cinnaminson Nursing LLC: Cinnaminson Nursing LLC leases the Facility from Spectrum Propco Realty LLC, a related entity. The lease is accounted for as an operating lease and expires in June 2030. The lease contains three ten-year renewal options. As of December 31, 2023, the monthly lease payment was \$200,000 through the expiration date. As disclosed in Note 12, beginning November 2024, the monthly lease payment is decreased to \$165,000 through the expiration date. Prepaid lease payments totaled \$212,689 at December 31, 2023 and are included in prepaid expenses and other current assets in the accompanying combined balance sheet.

The following table summarizes the components of the lease expense recognized for the year ended December 31, 2023:

Operating lease expense	\$ 2,400,000
Variable lease expense	<u>-</u>
Total operating lease expense	<u>\$ 2,400,000</u>

The lease is on a triple net basis; therefore, Cinnaminson Nursing LLC is responsible for all expenses related to the insurance and real estate taxes incurred on the property. Repairs and maintenance and utilities are also paid by Cinnaminson Nursing LLC.

Renewal options are included in the calculation of the right-to-use asset and lease liability only if they are reasonably certain of exercise. Future minimum lease payments under noncancelable leases with initial or remaining lease terms in excess of one year as of December 31, 2023 (and not considering the November 2024 amendment as described above) are as follows:

Year ending December 31,	Amount
2024	\$ 2,400,000
2025	2,400,000
2026	2,400,000
2027	2,400,000
2028	2,400,000
Thereafter	<u>3,600,000</u>
Total minimum lease payments	15,600,000
Less: imputed interest	<u>2,448,837</u>
Present value of minimum lease payments	<u>\$ 13,151,163</u>

The following table presents other supplemental lease information at December 31, 2023:

Cash paid for amounts included in the measurement of lease liabilities	\$ 2,400,000
Weighted average remaining lease term (years)	6.5
Weighted average discount rate	5.50%

Maywood SNF Operations LLC: Maywood SNF Operations LLC leases the Facility from Maywood SNF Realty LLC, a related entity. The lease is accounted for as an operating lease and expires in December 2030. The lease contains three ten-year renewal options. The monthly lease payment was \$240,000 through November 2023 at which point the lease was amended to increase the monthly lease payment to \$300,000 through the expiration date. Maywood SNF Operations LLC is subject to additional lease payments under certain circumstances defined in the agreement. Prepaid lease payments totaled \$274,839 at December 31, 2023 and are included in prepaid expenses and other current assets in the accompanying combined balance sheet.

The following table summarizes the components of the lease expense recognized for the year ended December 31, 2023:

Operating lease expense	\$ 2,940,000
Variable lease expense	<u>185,554</u>
Total operating lease expense	<u>\$ 3,125,554</u>

The lease is on a triple net basis; therefore, Maywood SNF Operations LLC is responsible for all expenses related to the insurance and real estate taxes incurred on the property. Repairs and maintenance and utilities are also paid by Maywood SNF Operations LLC.

Renewal options are included in the calculation of the right-to-use asset and lease liability only if they are reasonably certain of exercise. Future minimum lease payments under noncancelable leases with initial or remaining lease terms in excess of one year as of December 31, 2023 are as follows:

Year ending December 31,	Amount
2024	\$ 3,600,000
2025	3,600,000
2026	3,600,000
2027	3,600,000
2028	3,600,000
Thereafter	<u>7,200,000</u>
Total minimum lease payments	25,200,000
Less: imputed interest	<u>4,227,550</u>
Present value of minimum lease payments	<u>\$ 20,972,450</u>

The following table presents other supplemental lease information at December 31, 2023:

Cash paid for amounts included in the measurement of lease liabilities	\$ 2,940,000
Weighted average remaining lease term (years)	7.00
Weighted average discount rate	5.50%

Hazel Street Operations LLC: Hazel Street Operations LLC leases the Facility from 155 Hazel Street LLC, a related entity. The lease is accounted for as an operating lease and expires in June 2027. The monthly lease payment is \$300,000 for the first year of the lease and increases by 3% from the previous year on each lease commencement anniversary date. Prepaid lease payments totaled \$530,195 at December 31, 2023 and are included in prepaid expenses and other current assets in the accompanying combined balance sheet.

The following table summarizes the components of the lease expense recognized for the year ended December 31, 2023:

Operating lease expense	\$ 3,759,913
Variable lease expense	<u>-</u>
Total operating lease expense	<u>\$ 3,759,913</u>

The lease is on a triple net basis; therefore, Hazel Street Operations LLC is responsible for all expenses related to the insurance and real estate taxes incurred on the property. Repairs and maintenance and utilities are also paid by Hazel Street Operations LLC.

Renewal options are included in the calculation of the right-to-use asset and lease liability only if they are reasonably certain of exercise. Future minimum lease payments under noncancelable leases with initial or remaining lease terms in excess of one year as of December 31, 2023 are as follows:

Year ending December 31,	Amount
2024	\$ 3,766,092
2025	3,879,074
2026	3,995,449
2027	<u>1,935,877</u>
Total minimum lease payments	13,576,492
Less: imputed interest	<u>1,411,871</u>
Present value of minimum lease payments	<u><u>\$ 12,164,621</u></u>

The following table presents other supplemental lease information at December 31, 2023:

Cash paid for amounts included in the measurement of lease liabilities	\$ 3,656,400
Weighted average remaining lease term (years)	3.5
Weighted average discount rate	6.50%

Mystic Meadows SNF LLC: Mystic Meadows SNF LLC leases the Facility from an unrelated lessor. The lease is accounted for as an operating lease and expires in April 2029. The monthly lease payment is \$150,000 for the first year of the lease and increases by 1.5% from the previous year on each lease commencement anniversary date. There were no prepaid lease payments at December 31, 2023.

The following table summarizes the components of the lease expense recognized for the year ended December 31, 2023:

Operating lease expense	\$ 1,774,603
Variable lease expense	<u>-</u>
Total operating lease expense	<u><u>\$ 1,774,603</u></u>

The lease is on a triple net basis; therefore, Mystic Meadows SNF LLC is responsible for all expenses related to the insurance and real estate taxes incurred on the property. Repairs and maintenance and utilities are also paid by Mystic Meadows SNF LLC.

Renewal options are included in the calculation of the right-to-use asset and lease liability only if they are reasonably certain of exercise. Future minimum lease payments under noncancelable leases with initial or remaining lease terms in excess of one year as of December 31, 2023 are as follows:

Year ending December 31,	Amount
2024	\$ 1,872,949
2025	1,901,043
2026	1,929,559
2027	1,958,502
2028	1,987,880
Thereafter	<u>665,907</u>
Total minimum lease payments	10,315,840
Less: imputed interest	<u>1,425,204</u>
Present value of minimum lease payments	<u>\$ 8,890,636</u>

The following table presents other supplemental lease information at December 31, 2023:

Cash paid for amounts included in the measurement of lease liabilities	\$ 1,845,270
Weighted average remaining lease term (years)	5.33
Weighted average discount rate	5.75%

The Company does not have any material leases that have been signed but have yet to commence as of December 31, 2023.

NOTE 6 – RELATED PARTY TRANSACTIONS

Advances receivable - affiliates: The Company has made advances to various entities affiliated with the Company through common ownership in order to accommodate certain cash flow needs of the affiliated entities. The advances are non-interest bearing and totaled \$8,134,005 as of December 31, 2023. These amounts are classified as advances receivable - affiliates in the accompanying combined balance sheet. Management does not expect to fully collect the balance within twelve months of the balance sheet date; therefore, these amounts advanced to affiliates have been classified as a long-term asset in the accompanying combined balance sheet.

Advances payable - affiliates: The Company has received cash advances from various entities affiliated with the Company through common ownership in order to accommodate certain cash flow needs of the Company. The advances are non-interest bearing and totaled \$4,139,856 as of December 31, 2023. Management does not expect to fully repay the balance within twelve months of the balance sheet date; therefore, these advances from affiliates have been classified as a non-current liability in the accompanying combined balance sheet.

Advances receivable - members: The Company has made cash advances to certain members of the Company. The advances are non-interest bearing and totaled \$173,733 as of December 31, 2023. Management does not expect to fully collect the balance within twelve months of the balance sheet date; therefore, these advances to members have been classified as a non-current asset in the accompanying combined balance sheet.

Advances payable - members: The Company has received cash from certain members of the Company in order to accommodate certain cash flow needs of the Company. The advances are non-interest bearing and totaled \$12,792 as of December 31, 2023. Management does not expect to fully repay the balance within twelve months of the balance sheet date; therefore, these advances from members have been classified as a non-current liability in the accompanying combined balance sheet.

Management fees: The Companies have agreements to purchase management services from entities related to the Companies through common ownership. Under the terms of the agreements, the Companies are generally required to pay 5% of revenues in exchange for the management services and to reimburse the management companies for the actual cost of managerial services. Management fees incurred and reimbursed costs under these agreements totaled \$5,680,458 in 2023. Management fees payable totaled \$388,984 at December 31, 2023 and are presented as accounts payable – related parties in the accompanying combined balance sheet.

As described in Note 1, the Companies do not consolidate the financial statements of the management companies. The Companies' exposure to loss represents the potential loss of assets by the Companies relating to the non-consolidated management companies. As of December 31, 2023, the Companies' maximum exposure to loss related to the management companies is not significant.

Facility leases: As described in Note 5, some of the Companies lease their facilities from entities related through common ownership. As described in Note 1, the Companies do not consolidate the financial statements of these related lessors. The Companies' exposure to loss represents the potential loss of assets by the Companies relating to the non-consolidated lessors. As of December 31, 2023, the Companies' maximum exposure to loss related to those lessors is not significant.

NOTE 7 – COMMITMENTS AND CONTINGENCIES

Legal actions and claims: The Company, at times, may be party to various legal actions and claims arising in the ordinary course of its business. The Company's management believes that the ultimate disposition of these matters will not have a material adverse effect on the Company's combined financial position or results of operations.

Professional liability insurance: The Companies have general and professional liability insurance policies ("GL/PL"), with coverage on a claims-made basis. The GL/PL coverage, on a per facility basis, has a limit of \$1,000,000 per occurrence and a \$3,000,000 annual aggregate. These policies are renewed annually.

There is currently no pending medical malpractice litigation against the Company, nor is management aware of any medical malpractice claims, either asserted or unasserted, that would exceed the policy limits. Based on a review of historical claims experience, management has determined that no liability is necessary at December 31, 2023. As such, the Company has not recorded anticipated insurance claims liabilities and related insurance recoveries for medical malpractice claims and similar contingent liabilities as of year-end. The cost of this insurance policy represents the Company's costs for premiums and any claims for the year, which is charged to operations as a current expense.

Self-insured health care plan: The Company self-insures its employer provided health care insurance. The Company has entered into an agreement with an unrelated third-party broker to administer its self-insured plan. Claims in excess of certain limits are covered by a stop-loss policy. Monthly premiums paid by the Company per employee, as determined by the broker, are based on historical data and are expected to partially cover all claims both incurred and reported during a typical year and claims incurred but not yet reported, in addition to all costs associated with administering the Plan. The Company records an estimated accrual, when appropriate, if the Company has determined that claims incurred will exceed the amount of premiums paid or reflects a prepaid health insurance premium asset when premiums paid are determined to exceed the total estimate of claims for the year. The administrator of the plan then adjusts the subsequent year per employee premium taking into account any estimated over or underpayment into the insurance claims fund. At December 31, 2023, the Company recorded an accrued liability of \$620,721 to account for claims incurred but not reported as of December 31, 2023. The related liability is included in accrued payroll and related costs in the accompanying combined balance sheet.

Collective bargaining agreements: At December 31, 2023, a significant portion of the Company's Facilities labor force is covered by collective bargaining agreements.

NOTE 8 – EMPLOYEE BENEFIT PLAN

Except for Cinnaminson Nursing LLC and Maywood SNF Operations LLC, as of December 31, 2023, the Company sponsors a 401(k) profit-sharing plan covering substantially all employees of the Company. Participants may elect to defer a portion of their annual compensation by contributing to the 401(k) plan, subject to plan provisions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. In accordance with the plan agreement, the Company may make discretionary matching contributions. Employer contribution expense totaled \$10,193 in 2023 and is reported within general and administrative expense in the accompanying combined statement of income.

As disclosed in Note 12, effective January 1, 2024, Cinnaminson Nursing LLC and Maywood SNF Operations LLC were added as participating employers to the Company's 401(k) profit-sharing plan.

NOTE 9 – CONCENTRATIONS

Medicare and Medicaid: Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. All of the Company's 912 beds are designated for care of patients in New Jersey's Medicaid program.

The following table summarizes net resident service revenues with customers by payor source for 2023:

Medicare	\$ 37,193,950	34.6%
Medicaid	50,802,269	47.2%
Managed Medicare	6,469,550	6.0%
Private Pay	9,003,772	8.4%
Other	<u>4,157,637</u>	<u>3.8%</u>
Total	<u>\$ 107,627,178</u>	<u>100.0%</u>

The Company grants credit, without collateral, to its patients, most of whom are local residents and insured under third-party payor agreements. Receivables from residents and third-party payors at December 31, 2023 are summarized in the following table:

Medicare	\$ 4,181,913	26.2%
Medicaid	5,898,486	37.0%
Managed Medicare	2,940,667	18.4%
Private Pay	4,276,891	26.8%
Other	<u>703,532</u>	<u>4.4%</u>
	18,001,489	112.8%
Less: allowance for credit losses	<u>2,041,662</u>	<u>12.8%</u>
Total	<u>\$ 15,959,827</u>	<u>100.0%</u>

The Company's future profitable operation is largely dependent on the laws and regulations governing the Medicare and Medicaid programs. The Company does not expect any changes in the near term in the laws and regulations governing the Medicare and Medicaid programs that could unfavorably impact the Company's results of operations. The Company believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegation of potential wrongdoing. While no such regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs.

Medicare Reimbursement

For Medicare reimbursement, the Patient Driven Payment Model (PDPM) is used under the Skilled Nursing Facility (SNF) Prospective Payment System (PPS) for classifying SNF residents in a covered Medicare Part A stay. Under PDPM, payments are derived primarily from resident characteristics. The model separately identifies and adjusts five different case-mix components for the varied needs and characteristics of a resident's care and then combines these with a non-case-mix component to determine the full SNF PPS Per Diem rate for that resident. Every patient gets classified into one case-mix group in each of the five components. Based on that case-mix group and their associated case-mix index, each component then contributes to the total Per Diem payment.

New Jersey Medicaid Reimbursement

The Medicaid reimbursement system for nursing facilities in the State of New Jersey (the "State") is a managed care reimbursement model. Under this model, the State provides funding to managed care organizations ("MCOs") to coordinate all healthcare services, including long-term care services, for Medicaid beneficiaries. In turn, the MCOs will reimburse nursing facilities for services rendered to Medicaid beneficiaries admitted to nursing facilities. The reimbursement received by the nursing facilities is negotiated between the MCOs and the nursing facilities.

The Centers for Medicare and Medicaid Services (“CMS”) approved a State Plan implementing a provider assessment (the “Assessment”) charged to the state’s nursing homes. The Assessment requires all nonexempt New Jersey nursing homes to pay a fee to the Department of Health and Social Services (“DHSS”) based upon all non-Medicare days. Assessment fees were applied to each non-Medicare census day at a rate of \$14.67 per day. Assessment fees are paid on a quarterly basis. Assessment fees totaled \$3,380,016 in 2023 and are included in operating expenses in the accompanying combined statement of income. Assessment fees payable totaled \$863,050 at December 31, 2023 and are included in accounts payable and accrued expenses in the accompanying combined balance sheet.

NOTE 10 – MEMBERS’ EQUITY

The Companies have one class of membership units, for which the respective rights, preferences, and privileges are defined in the operating agreements, except for Hazel Street Operations, LLC.

Under the terms of Hazel Street Operations, LLC’s Operating Agreement, distributions are allocated to the Members in the following priorities:

- First, to Group A Members, pro rata, in an amount equal to the accrued but unpaid Preferred Return (which is defined in the Operating Agreement as an amount equal to a 12% per annum, non-compounded, cumulative return on the Class A Members’ Class A unreturned capital contribution balance); then
- Second, to Group A and B members, pro rata, in accordance with their respective membership interests.

Hazel Street Operations, LLC did not pay any distributions in 2023.

Profits and losses are allocated pro rata to Group A and Group B members after consideration of certain special allocation provisions.

NOTE 11 – UNION SETTLEMENT

The union associated with the workforce of Rivers Edge SNF LLC and Cranford SNF LLC filed a claim in July 2020 against the former operators demanding certain vacation pay it believes is owed to employees covered by the collective bargaining agreement. As a result of subsequent litigation, the former operator has agreed to remit payment for unpaid vacation wages through September 2020. A calculation of the amount owed was not completed as of April 30, 2021, the date operations transferred. As part of the operations transfer agreement, (i) Rivers Edge SNF LLC and Cranford SNF LLC agreed to remit payment for the claims amount (once calculated) and (ii) the former operator paid Rivers Edge SNF LLC and Cranford SNF LLC \$900,000. If the total claim plus legal fees is less than \$900,000, Rivers Edge SNF LLC and Cranford SNF LLC will reimburse the net amount to the former operator. If the total claim plus legal fees is more than the \$900,000, Rivers Edge SNF LLC and Cranford SNF LLC will incur the additional expense. Rivers Edge SNF LLC and Cranford SNF LLC paid approximately \$311,000 of claims during 2023. Rivers Edge SNF LLC and Cranford SNF LLC and its legal counsel estimate the \$354,610 of remaining potential claims liability reported within accrued expenses in the accompanying combined balance sheet at December 21, 2023 is an accurate estimate of anticipated remaining claims plus legal fees. As such, no reduction of liability or additional liability has been recorded in 2023. Rivers Edge SNF LLC and Cranford SNF LLC paid approximately \$38,000 of claims during 2024.

NOTE 12 – SUBSEQUENT EVENTS

401(k) profit-sharing plan: Effective January 1, 2024, Cinnaminson Nursing LLC and Maywood SNF Operations LLC were added as participating employers to the Company's 401(k) profit-sharing plan covering substantially all employees of the Company. Participants may elect to defer a portion of their annual compensation by contributing to the 401(k) plan, subject to plan provisions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. Employer contributions are solely at the discretion of the Company's management.

Hazel Street Operations LLC mortgage note payable: Hazel Street Operations LLC and its affiliated lessor entered into a mortgage loan in September 2024 to refinance the mortgage note used to finance the lessor's purchase of the Facility in 2022. The total mortgage note commitment is \$39,000,000. The loan is carried on the financial statements of the lessor and currently has an outstanding balance of \$39,000,000. Hazel Street Operations LLC does not have an outstanding balance on the mortgage loan payable. However, as a co-borrower, Hazel Street Operations LLC is contingently liable as a guarantor with respect to the mortgage indebtedness of the lessor. Should the lessor be in default on its debt payments, Hazel Street Operations LLC may be obligated to perform under the guarantee by primarily making the required payments, including late fees and penalties. The mortgage note matures in September 2027 and contains an option for one 1-year renewal. The mortgage note payable bears interest at the greater of the adjusted one-month Secured Overnight Financing Rate or 0.25% plus 3.25%. The note agreement requires monthly interest payments for the first year and monthly principal plus interest payments (based on a 25-year amortization schedule) through the note's maturity date at which time the remaining interest and principal balance are due. Borrowings are collateralized by substantially all the assets of Hazel Street Operations LLC and the affiliated lessor and are guaranteed by the members of the Company. The mortgage note agreement contains certain restrictions and financial covenants.

Cinnaminson Nursing LLC operating lease: As disclosed in Note 5, effective November 1, 2024, Cinnaminson Nursing LLC amended its lease with its related party lessor to reduce the monthly lease payment from \$200,000 to \$165,000 for the remainder of the lease term.



Pease Bell CPAs, LLC
peasebell.com

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Members of
Cranford SNF LLC, Rivers Edge SNF LLC,
Cinnaminson Nursing LLC, Mystic Meadows SNF LLC,
Maywood SNF Operations LLC and Hazel Street Operations, LLC,

We have audited the combined financial statements of Cranford SNF LLC, Rivers Edge SNF LLC, Cinnaminson Nursing LLC, Mystic Meadows SNF LLC, Maywood SNF Operations LLC, and Hazel Street Operations, LLC (collectively, the "Company" or the "Companies") as of and for the year ended December 31, 2023, and our report thereon dated August 19, 2025, which expressed an unmodified opinion on those combined financial statements, appears on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplementary information included in the accompanying combining schedules on pages 30 through 33 is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Pease Bell CPAs, LLC

Cleveland, Ohio
August 19, 2025

**CRANFORD SNF LLC, RIVERS EDGE SNF LLC,
CINNAMINSON NURSING LLC, MYSTIC MEADOWS SNF LLC,
MAYWOOD SNF OPERATIONS LLC, AND HAZEL STREET OPERATIONS LLC**

COMBINING BALANCE SHEET

DECEMBER 31, 2023

ASSETS

		Hazel Street Operations, LLC	Eliminations	Total
CURRENT ASSETS				
Cash		\$ 18,426	\$ -	\$ 3,399,522
Resident trust funds		69,019	-	241,643
Resident accounts receivable, net		4,069,004	-	15,959,827
Other receivables		516,650	-	2,288,363
Prepaid expenses and other current assets		669,905	-	1,944,834
TOTAL CURRENT ASSETS		5,343,004		23,834,189
PROPERTY AND EQUIPMENT, NET		404,572	-	3,501,562
OTHER ASSETS				
Deposits		47,721	-	60,935
Escrow deposits		-	-	520,815
Advances receivable - affiliates		564,952	(3,445,368)	8,134,005
Advances receivable - members		-	-	173,733
Operating lease right-of-use assets, net		11,747,825	-	98,959,058
TOTAL OTHER ASSETS		12,360,498	(3,445,368)	107,848,546
		<u>\$ 18,108,074</u>	<u>\$ (3,445,368)</u>	<u>\$ 135,184,297</u>

See independent auditor's report on supplementary information.

**CRANFORD SNF LLC, RIVERS EDGE SNF LLC,
CINNAMINSON NURSING LLC, MYSTIC MEADOWS SNF LLC,
MAYWOOD SNF OPERATIONS LLC, AND HAZEL STREET OPERATIONS LLC**

COMBINING BALANCE SHEET

DECEMBER 31, 2023

LIABILITIES AND MEMBERS' EQUITY (DEFICIT)

	Hazel Street Operations, LLC	Eliminations	Total
CURRENT LIABILITIES			
Lines of credit	\$ 2,469,675	\$ -	\$ 3,545,425
Resident trust funds liability	69,019	-	241,143
Current maturities of operating lease liabilities	3,085,744	-	9,873,746
Current maturities of note payable - Paycheck Protection Program	-	-	101,455
Accounts payable	1,554,586	-	4,042,548
Accrued payroll and related costs	748,347	-	2,891,649
Accrued expenses	132,198	-	1,390,325
Accounts payable - related parties	109,033	-	388,984
TOTAL CURRENT LIABILITIES	8,168,602	-	22,475,275
LONG-TERM LIABILITIES			
Operating lease liabilities, net of current maturities	9,078,877	-	90,982,932
Advances payable - affiliates	1,027,983	(3,445,368)	4,139,856
Advances payable - members	-	-	12,792
Note payable - Paycheck Protection Program, net of current maturities	-	-	34,048
Security deposit liability	278,956	-	278,956
TOTAL LONG-TERM LIABILITIES	10,385,816	(3,445,368)	95,448,584
TOTAL LIABILITIES	18,554,418	(3,445,368)	117,923,859
MEMBERS' EQUITY (DEFICIT)	(446,344)	-	17,260,438
	\$ 18,108,074	\$ (3,445,368)	\$ 135,184,297

See independent auditor's report on supplementary information.

**CRANFORD SNF LLC, RIVERS EDGE SNF LLC,
CINNAMINSON NURSING LLC, MYSTIC MEADOWS SNF LLC,
MAYWOOD SNF OPERATIONS LLC, AND HAZEL STREET OPERATIONS LLC**

COMBINING STATEMENT OF INCOME

YEAR ENDED DECEMBER 31, 2023

	Hazel Street Operations, LLC	Total
REVENUES		
Net resident service revenues	\$ 26,551,459	\$107,627,178
Other revenue	134,183	310,827
Lease revenue	-	200,840
TOTAL REVENUES	26,685,642	108,138,845
OPERATING EXPENSES		
Nursing	10,681,101	39,407,901
Lease expense - facilities	3,759,913	15,222,330
General and administrative	3,259,131	14,939,592
Ancillary services	1,845,573	7,656,660
Dietary	2,250,204	7,852,073
Management fee	1,353,140	5,680,458
Housekeeping and laundry	887,916	3,640,627
Bed tax assessment	799,354	3,380,016
Provision for expected credit losses	55,000	1,729,636
Facility Maintenance	638,537	1,800,629
Activities	318,145	1,336,688
Social services	172,385	762,632
Depreciation and amortization	53,142	448,076
Employee Retention Credit	-	(3,906,649)
TOTAL OPERATING EXPENSES	26,073,541	99,950,669
INCOME FROM OPERATIONS	612,101	8,188,176
OTHER INCOME (EXPENSE)		
Interest income	24,781	331,579
Interest expense	(247,364)	(437,325)
Other expense	-	(30,415)
TOTAL OTHER INCOME (EXPENSE), NET	(222,583)	(136,161)
NET INCOME (LOSS)	<u>\$ 389,518</u>	<u>\$ 8,052,015</u>

See independent auditor's report on supplementary information.

**CRANFORD SNF LLC, RIVERS EDGE SNF LLC,
CINNAMINSON NURSING LLC, MYSTIC MEADOWS SNF LLC,
MAYWOOD SNF OPERATIONS LLC, AND HAZEL STREET OPERATIONS LLC**

COMBINING STATISTICAL INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2023

	Hazel Street Operations, LLC	Combined
RESIDENT DAYS		
Medicaid	47,126	188,504
Medicare	11,024	46,930
HMO	3,256	14,603
Private	6,355	26,394
Hospice	1,199	11,572
Veterans	-	1,488
TOTAL RESIDENT DAYS	68,960	289,491
TOTAL AVAILABLE DAYS	76,650	332,880
OCCUPANCY	90%	87%

See independent auditor's report on supplementary information.