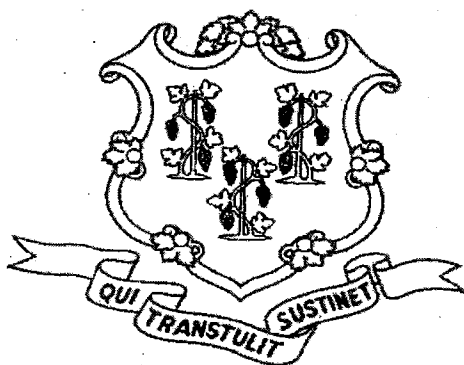


# State of Connecticut



## Annual Report of Long-Term Care Facility Cost Year 2017

Name of Facility (as licensed) 88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing	
Address (No. & Street, City, State, Zip Code) 88 Clark Lane, Waterford, CT 06385	
Type of Facility Chronic and Convalescent                      Rest Home with Nursing <input checked="" type="checkbox"/> Nursing Home only <input type="checkbox"/> Supervision only <input type="checkbox"/> (Specify) (CCNH)    (RHNS)	
Report for Year Beginning 7/1/2017	Report for Year Ending 9/30/2017

License Numbers:	CCNH 1048C	RHNS	(Specify)	Medicare Provider 07-5158
------------------	---------------	------	-----------	------------------------------

Medicaid Provider Numbers:	CCNH 10488	RHNS	ICF-IID
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**For Department Use Only**

Sequence Number Assigned	Signed and Notarized	Date Received	Sequence Number Assigned	Signed and Notarized	Date Received

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**General Information**

Name of Facility (as licensed)	License No.	Report for Year Ended	Page	of
88 Clark Operating, LLC d/b/a New London Sub-Acute	1048C	9/30/2017	1	37

**Administrator's/Owner's Certification**

MISREPRESENTATION OR FALSIFICATION OF ANY INFORMATION CONTAINED IN THIS COST REPORT MAY BE PUNISHABLE BY FINE AND/OR IMPRISONMENT UNDER STATE OR FEDERAL LAW.

I HEREBY CERTIFY that I have read the above statement and that I have examined the accompanying Cost Report and supporting schedules prepared for 88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing [facility name], for the cost report period beginning July 1, 2017 and ending September 30, 2017, and that to the best of my knowledge and belief, it is a true, correct, and complete statement prepared from the books and records of the provider(s) in accordance with applicable instructions.

I hereby certify that I have directed the preparation of the attached General Information and Questionnaires, Schedule of Resident Statistics, Statements of Reported Expenditures, Statements of Revenues and the related Balance Sheet of this Facility in accordance with the Reporting Requirements of the State of Connecticut for the year ended as specified above. {a}

I have read this Report and hereby certify that the information provided is true and correct to the best of my knowledge under the penalty of perjury. I also certify that all salary and non-salary expenses presented in this Report as a basis for securing reimbursement for Title XIX and/or other State assisted residents were incurred to provide resident care in this Facility. All supporting records for the expenses recorded have been retained as required by Connecticut law and will be made available to auditors upon request.

{a} Subject to Desk Audit Review

Signed (Administrator)		Date	Signed (Owner)		Date
Printed Name (Administrator) Carroll Skoglund			Printed Name (Owner) Shannon Mirlis		
Subscribed and Sworn to before me:	State of	Date	Signed (Notary Public)	Comm. Expires / /	
Address of Notary Public					

(Notary Seal)

State of Connecticut  
**Department of Social Services**  
 55 Farmington Avenue, Hartford, Connecticut 06105

<b>Data Required for Real Wage Adjustment</b>			Page 1A	of 37
Name of Facility 88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing		Period Covered:	From 7/1/2017	To 9/30/2017
Address of Facility 88 Clark Lane, Waterford, CT 06385				
Report Prepared By Marcum LLP		Phone Number 203-781-9600	Date 1/4/2018	
Item	Total	CCNH	RHNS	(Specify)
1. Dietary wages paid	\$			
2. Laundry wages paid	\$			
3. Housekeeping wages paid	\$			
4. Nursing wages paid	\$			
5. All other wages paid	\$			
6. <b>Total Wages Paid</b>	\$			
7. Total salaries paid	\$			
8. <b>Total Wages and Salaries Paid (As per page 10 of Report)</b>	\$			

Wages - Compensation computed on an hourly wage rate.

Salaries - Compensation computed on a weekly or other basis which does not generally vary, based on the number of hours worked.

**DO NOT include Fringe Benefit Costs.**

**General Information and Questionnaire**  
**Type of Facility - Organization Structure**

Phone No. of Facility 860-442-0471	Report for Year Ended 9/30/2017	Page 2	of 37
---------------------------------------	------------------------------------	-----------	----------

Name of Facility (as shown on license) 88 Clark Operating, LLC d/b/a New London Sub-Acute and N	Address (No. & Street, City, State, Zip) 88 Clark Lane, Waterford, CT 06385
--	--

License Numbers: 1048C	CCNH	RHNS	(Specify)	Medicare Provider No. 07-5158
---------------------------	------	------	-----------	----------------------------------

Type of Facility (Check appropriate box(es))			
<input checked="" type="checkbox"/> Chronic and Convalescent Nursing Home only (CCNH)	<input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS)	<input type="checkbox"/> (Specify)	

Type of Ownership (Check appropriate box)						
<input type="radio"/> Proprietorship	<input checked="" type="radio"/> LLC	<input type="radio"/> Partnership	<input type="radio"/> Profit Corp.	<input type="radio"/> Non-Profit Corp.	<input type="radio"/> Government	<input type="radio"/> Trust

If this facility opened or closed during report year provide:	Date Opened 7/1/2017	Date Closed
---	-------------------------	-------------

Has there been any change in ownership or operation during this report year?	<input checked="" type="radio"/> Yes	<input type="radio"/> No	If "Yes," explain fully.
---	--------------------------------------	--------------------------	--------------------------

Shannon Mirlis purchased the facility as of 7/1/2017.

**Administrator**

Name of Administrator Carroll Skoglund	Nursing Home Administrator's License No.:	002017
---	---	--------

**Other Operators/Owners who are assistant administrators (full or part time) of this facility.**

Name	License No.:
N/A	



**General Information and Questionnaire**  
**Corporate Owners**

Name of Facility 88 Clark Operating, LLC d/b/a New London	License No. 1048C	Report for Year Ended 9/30/2017	Page 3A	of 37
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If this facility is owned or operated as a corporation, provide the following information:

Legal Name of Corporation	Business Address	State(s) in Which Incorporated

Name of Directors, Officers	Business Address	Title	No. Shares Held by Each
N/A			

Names of Stockholders Owning at Least 10% of Shares			
N/A			


**General Information and Questionnaire**  
**Individual Proprietorship**

Name of Facility	License No.	Report for Year Ended	Page	of
88 Clark Operating, LLC d/b/a New London Sub-A	1048C	9/30/2017	3B	37

If this facility is owned or operated as an individual proprietorship, provide the following information:

Owner(s) of Facility

N/A



## General Information and Questionnaire Related Parties\*

Name of Facility 88 Clark Operating, LLC d/b/a New London Sub-Acute	License No. 1048C	Report for Year Ended 9/30/2017	Page 4	of 37
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Are any individuals receiving compensation from the facility related through marriage, ability to control, ownership, family or business association?  Yes  No

If "Yes," provide the Name/Address and complete the information on Page 11 of the report.

Are any individuals or companies which provide goods or services, including the rental of property or the loaning of funds to this facility, related through family association, common ownership, control, or business association to any of the owners, operators, or officials of this facility?  Yes  No

If "Yes," provide the following information:

Name of Related Individual or Company	Business Address	Also Provides Goods/Services to Non-Related Parties		Description of Goods/Services Provided	Indicate Where Costs are Included in Annual Report Page # / Line #	Cost Reported	Actual Cost to the Related Party
		Yes	No				
88 Clark Lane Realty, LLC	88 Clark Lane, Waterford, CT 06385	<input type="radio"/>	<input checked="" type="radio"/>	Rent	Pg. 22 / Line 9	185,365	155,684
88 Clark Lane Realty, LLC	88 Clark Lane, Waterford, CT 06385	<input type="radio"/>	<input checked="" type="radio"/>	Real Estate Taxes	Pg. 22 / Line 10b	19,586	19,586
Regal Care Rehab	26 Firemens Memorial Drive, Suite 205, Pomona, NY 10970	<input type="radio"/>	<input checked="" type="radio"/>	Physical Therapy	Pg. 13 / Line B5a	65,303	65,303
Regal Care Rehab	205, Pomona, NY 10970	<input type="radio"/>	<input checked="" type="radio"/>	Speech Therapy	Pg. 13 / Line B9a	5,817	5,817
Regal Care Rehab	26 Firemens Memorial Drive, Suite 205, Pomona, NY 10970	<input type="radio"/>	<input checked="" type="radio"/>	Occupational Therapy	Pg. 13 / Line B10a	67,816	67,816
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				

\* Use additional sheets if necessary.

\*\* Provide the percentage amount of revenue received from non-related parties.

**General Information and Questionnaire**  
**Basis for Allocation of Costs**

Name of Facility 88 Clark Operating, LLC d/b/a New London Su	License No. 1048C	Report for Year Ended 9/30/2017	Page 5	of 37
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If the facility is licensed as CDH and/or RCH or provides AIDS or TBI services with special Medicaid rates, costs must be allocated to CCNH and RHNS as follows:

Item	Method of Allocation
Dietary	Number of meals served to residents
Laundry	Number of pounds processed
Housekeeping	Number of square feet serviced
Nursing	Number of hours of routine care provided by EACH employee classification, i.e., Director (or Charge Nurse), Registered Nurses, Licensed Practical Nurses, Aides and Attendants
Direct Resident Care Consultants	Number of hours of resident care provided by EACH specialist (See listing page 13)
Maintenance and operation of plant	Square feet
Property costs (depreciation)	Square feet
Employee health and welfare	Gross salaries
Management services	Appropriate cost center involved
All other General Administrative expenses	Total of Direct and Allocated Costs

The preparer of this report must answer the following questions applicable to the cost information provided.

1. In the preparation of this Report, were all costs allocated as required?       Yes     No      If "No," explain fully why such allocation was not made.

N/A

2. Explain the allocation of related company expenses and attach copy of appropriate supporting data.

N/A

3. Did the Facility appropriately allocate and self-disallow direct and indirect costs to non-nursing home cost centers? (e.g., Assisted Living, Home Health, Outpatient Services, Adult Day Care Services, etc.)

Yes     No      If "No," explain fully why such allocation was not made.

N/A

## General Information and Questionnaire Leases (Excluding Real Property)

**Operating Leases** - Include all long-term leases for motor vehicles and equipment that have not been capitalized. Short-term leases or as needed rentals should not be included in these amounts.

Name of Facility		License No.		Report for Year Ended	Page	of	
88 Clark Operating, LLC d/b/a New London Sub-Acute and		1048C		9/30/2017	6	37	
Name and Address of Lessor	Related * to Owners, Operators, Officers		Description of Items Leased	Date of Lease**	Term of Lease	Annual Amount of Lease	Amount Claimed
	Yes	No					
Nurse Rosie Products	<input type="radio"/>	<input checked="" type="radio"/>	Case of F3000 probe covers, Rosebud Vital Sign Carts with mounthed thermometers	10/28/16	36 Months	887	887
Pitney Bowes, Inc. 1 Elmcroft Road, Stamford, CT 06926	<input type="radio"/>	<input checked="" type="radio"/>	Postage Machine	09/29/09	Open Ended	225	225
	<input type="radio"/>	<input checked="" type="radio"/>					
	<input type="radio"/>	<input checked="" type="radio"/>					
	<input type="radio"/>	<input checked="" type="radio"/>					
	<input type="radio"/>	<input checked="" type="radio"/>					
	<input type="radio"/>	<input checked="" type="radio"/>					
	<input type="radio"/>	<input checked="" type="radio"/>					
	<input type="radio"/>	<input checked="" type="radio"/>					
	<input type="radio"/>	<input checked="" type="radio"/>					
	<input type="radio"/>	<input checked="" type="radio"/>					
<b>Is a Mileage Log Book Maintained for All Leased Vehicles ?</b>							<b>Total ***</b>
<input type="radio"/> Yes <input type="radio"/> No							1,112

\* Refer to Page 4 for definition of related. If "Yes," transaction should be reported on Page 4 also.  
 \*\* Attach copies of newly acquired leases.  
 \*\*\* Amount should agree to Page 22, Line 6c.

**LIFE SYSTEMS**  
 7320 Central Ave.  
 Savannah, GA 31406  
 Customer #AR61892

(912) 355-9494

Fax: 1-866-788-7691  
 Rep #JS/BJ

Addendum #2

**ADDENDUM TO LEASE AGREEMENT (LA)**

This Addendum is to be made part of the original Lease Agreement ("LA") between Life Systems (LS) and: New London Rehab and Care Center (User")

BILLING ADDRESS:

SHIPPING ADDRESS:

Name: New London Rehab and Care Center

Name SAME

Street: 88 Clark Lane

City: Waterford CT 06385

Telephone: (860)442-0471 Fax: (860)440-3574

Purchase Order Number (PO) \_\_\_\_\_

Tax Exempt?  Yes  No Certificate Number \_\_\_\_\_

The purpose of this addendum is to: replace and/or amend supply and equipment as identified in original "LA" Section (5) of the original "LA" agreement to be deleted and replaced with below

1. User to receive (1) case per year of F3000 probe covers at (\$75.00) per case
2. LS to ship (1) Rosebud Vital Sign Carts with mounted F3000 thermometers to User
3. Monthly equipment fee to be (\$316.00)

**Property Insurance and Taxes.** User agrees to procure and maintain property insurance from a qualified insurer for the value of the leased equipment, as above, to cover any loss as a result of physical damage to the equipment for the term of this TPA and any extensions, or for such period of time that the equipment is located on its premises or in its possession. User further understands that User is responsible for reporting and paying any applicable state or local property taxes relating to the leased equipment.

Term of addendum shall be (36) months from date addendum signed  
 Total equipment placed: (4) Rosebud Vital Sign Carts with mounted F3000 thermometer  
 Price Protection is for 12 months from date addendum signed

**AMENDED SHIPPING SCHEDULE AFTER ADDITIONS/DELETIONS FOR ADDENDUM**

Disposable Product	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
Filac 3000 PC (2000/case)			1									

Unless stated in this addendum, it is understood by both parties that the additions/deletions/ and or changes of this addendum does not change the terms and conditions of the prior Tech Pak agreement.

New London Rehab and Care Center

LIFE SYSTEMS, INC.

*Michael J. Pescatello*, LNHA 10/27/16  
 Authorized Signature Date

*Martie Booker* 10/28/16  
 Authorized Signature Date

Michael J. Pescatello LNHA  
 Printed Name Title

MARTIE BOOKER V.P.  
 Printed Name Title

**General Information and Questionnaire**  
**Accounting Basis**

Name of Facility 88 Clark Operating, LLC d/b/a Nev	License No. 1048C	Report for Year Ended 9/30/2017	Page 7	of 37
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The records of this facility for the period covered by this report were maintained on the following basis:

Accrual     Cash     Modified Cash

Is the accounting basis for this period the same as for the previous period?     Yes     No    If "No," explain.

N/A

**Independent Accounting Firm**

Name of Accounting Firm 1 Marcum LLP 2 3 4	Address (No. & Street, City, State, Zip Code) 555 Long Wharf Drive, New Haven, CT 06511
--	--

Services Provided by This Firm (*describe fully*)

1 Management advisory associated with acquisitions (Disallowed on Pg. 28)	\$ 924
2	\$
3	\$
4	\$
	<b>Charge for Services Provided</b>
	\$ 924

Are These Charges Reflected in the Expenditure Portion of This Report? If Yes, Specify Expense Classification and Line No.

Yes     No    Page 15, Line 1d

**Legal Services Information**

Name of Legal Firm or Independent Attorney 1 Murtha Cullina 2 Treasurer, State of Connecticut 3 4 5	Telephone Number 860-240-6000 860-702-3000
--	--

Address (*No. & Street, City, State, Zip Code*)

1 185 Asylum St Floor 29, Hartford, CT 06103
2 55 Elm Street, Hartford, CT 06106
3
4
5

Services Provided by This Firm (*describe fully*)

1 Licensing/General Health Care Regulatory (Disallowed \$2,604 on Pg. 28)	\$ 3,604
2 Probate court (Disallowd on Pg. 28)	\$ 225
3	\$
4	\$
5	\$
	<b>Charge for Services Provided</b>
	\$ 3,829

Are These Charges Reflected in the Expenditure Portion of This Report? If Yes, Specify Expense Classification and Line No.

Yes     No    Page 15, Line 1e

**Schedule of Resident Statistics**

Name of Facility 88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing	License No. 1048C		Report for Year Ended 9/30/2017				Page 8	of 37	
	Total All Levels	Total CCNH Level	Total RHNS Level	Period 10/1 Thru 6/30		Period 7/1 Thru 9/30			
				Total (Specify)	CCNH	RHNS (Specify)			Total
1. Certified Bed Capacity									
A. On last day of PREVIOUS report period									
B. On last day of THIS report period	120	120				120			
2. Number of Residents									
A. As of midnight of PREVIOUS report period									
B. As of midnight of THIS report period	110	110				110			
3. Total Number of Days Care Provided During Period									
A. Medicare	970	970				970			
B. Medicaid (Conn.)	7,594	7,594				7,594			
C. Medicaid (other states)									
D. Private Pay	692	692				692			
E. State SSI for RCH									
F. Other (Specify) HMO & Hospice	251	251				251			
G. Total Care Days During Period (3A thru F)	9,507	9,507				9,507			
4. Total Number of Days Not Included in Figures in 3G for Which Revenue Was Received for Reserved Beds									
A. Medicaid Bed Reserve Days									
B. Other Bed Reserve Days	10	10				10			
5. Total Resident Days (3G + 4A + 4B)	9,517	9,517				9,517			

Annual Report of Long-Term Care Facility

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Schedule of Resident Statistics (Cont'd)

Name of Facility 88 Clark Operating, LLC d/b/a New London	License No. 1048C	Report for Year Ended 9/30/2017	Page 9	of 37
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4. Were there any changes in the certified bed capacity during the report year?  Yes  No

If "YES", provide the following information:

Date of Change	Place of Change			Change in Beds						Capacity After Change			Reason for Change
	CCNH	RHNS	(Specify)	Lost			Gained			CCNH	RHNS	(Specify)	
	(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)	CCNH	RHNS	(Specify)	

5. If there was any change in certified bed capacity during the report year (as reported in item 4 above) provide the number of RESIDENT DAYS for 90 days following the change.

Change in Resident Days	CCNH	RHNS	(Specify)
1st change			
2nd change			
3rd change			
4th change			

6. Number of Residents and Rates on September 30 of Cost Year

Item	Medicare		Medicaid		Self-Pay			Other State Assisted	
	CCNH	RHNS	CCNH	RHNS	CCNH	RHNS	(Specify)	R.C.H.	ICF-MR
No. of Residents	10		88		12				
Per Diem Rate									
a. One bed rm.	Var		192.58		395.00				
b. Two bed rms.	Var		192.58		375.00				
c. Three or more bed rms.									

7. Total Number of Physical Therapy Treatments

	TOTAL	CCNH	RHNS	(Specify)
A. Medicare - Part B	344	344		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments	63	63		
2. Restorative Treatments	564	564		
C. Other	2,657	2,657		
D. Total Physical Therapy Treatments	3,628	3,628		
8. Total Number of Speech Therapy Treatments				
A. Medicare - Part B	72	72		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments	5	5		
2. Restorative Treatments	46	46		
C. Other	61	61		
D. Total Speech Therapy Treatments	184	184		
9. Total Number of Occupational Therapy Treatments				
A. Medicare - Part B	448	448		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments	78	78		
2. Restorative Treatments	703	703		
C. Other	2,627	2,627		
D. Total Occupational Therapy Treatments	3,856	3,856		

### Report of Expenditures - Salaries & Wages

Name of Facility	License No.	Report for Year Ended	Page	of		
88 Clark Operating, LLC d/b/a New London Sub-Acute and	1048C	9/30/2017	10	37		
Are time records maintained by all individuals receiving compensation? <input checked="" type="radio"/> Yes <input type="radio"/> No						
Total Cost and Hours						
Item	CCNH	Hours	RHNS	Hours	(Specify)	Hours
<b>A. Salaries and Wages*</b>						
1. Operators/Owners (Complete also Sec. I of Schedule A1)						
2. Administrator(s) (Complete also Sec. III of Schedule A1)	26,641	520				
3. Assistant Administrator (Complete also Sec. IV of Schedule A1)						
4. Other Administrative Salaries (telephone operator, clerks, receptionists, etc.)	20,562	1,096				
5. Dietary Service						
a. Head Dietitian						
b. Food Service Supervisor	15,449	520				
c. Dietary Workers	58,839	4,852				
6. Housekeeping Service						
a. Head Housekeeper						
b. Other Housekeeping Workers	38,096	3,458				
7. Repairs & Maintenance Services						
a. Engineer or Chief of Maintenance	15,557	520				
b. Other Maintenance Workers	8,635	615				
8. Laundry Service						
a. Supervisor						
b. Other Laundry Workers						
9. Barber and Beautician Services						
10. Protective Services						
11. Accounting Services						
a. Head Accountant						
b. Other Accountants						
12. Professional Care of Residents						
a. Directors and Assistant Director of Nurses	51,764	1,040				
b. RN						
1. Direct Care	138,576	3,379				
2. Administrative**	51,393	1,874				
c. LPN						
1. Direct Care	252,994	9,051				
2. Administrative**						
d. Aides and Attendants	327,105	20,296				
e. Physical Therapists						
f. Speech Therapists						
g. Occupational Therapists						
h. Recreation Workers	30,084	1,932				
i. Physicians						
1. Medical Director						
2. Utilization Review						
3. Resident Care***						
4. Other (Specify)						
j. Dentists						
k. Pharmacists						
l. Podiatrists						
m. Social Workers/Case Management	18,249	562				
n. Marketing						
o. Other (Specify) See Attached Schedule	35,340	1,031				
<i>A-13. Total Salary Expenditures</i>	1,089,284	50,746				

\* Do not include in this section any expenditures paid to persons who receive a fee for services rendered or who are paid on a contract basis.  
 \*\* Administrative - costs and hours associated with the following positions: MDS Coordinator, Inservice Training Coordinator and Infection Control Nurse. Such costs shall be included in the direct care category for the purposes of rate setting.  
 \*\*\* This item is not reimbursable to facility. For Title 19 residents, doctors should bill DSS directly. Also, any costs for Title 18 and/or other private pay residents must be removed on Page 28.



Schedule of Other Salaries and Wages (Page 10)

Position	CCNH		RHNS		(Specify)	
	\$	Hours	\$	Hours	\$	Hours
	-					
Medical Records	\$ 8,366	409				
Admissiona	26,974	622				
<b>Total</b>	<b>\$ 35,340</b>	<b>1,031</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>

Schedule of Other Fees (Page 13)

Service	CCNH		RHNS		(Specify)	
	\$	Hours	\$	Hours	\$	Hours
	-					
Independent Nurse Consultant	\$ 14,520	132				
IV Insertion Nurse	360	No Hours				
<b>Total</b>	<b>\$ 14,880</b>	<b>132</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>

**Schedule A1 - Salary Information for Operators/Owners; Administrators,  
 Assistant Administrators and Other Related Parties\***

Name of Facility	License No.		Report for Year Ended		Page	of			
	88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing	1048C	9/30/2017	11			37		
Name	Salary Paid		Fringe Benefits and/or Other Payments (describe fully)	Full Description of Services Rendered	Total Hours Worked	Line Where Claimed on Page 10	Name and Address of All Other Employment**	Total Hours Worked	Compensation Received
	CCNH	RHNS (Specify)							
<b>Section I - Operators/Owners</b>									
<b>Section II - Other related parties of Operators/Owners employed in and paid by facility (EXCEPT those who may be the Administrator or Assistant Administrators who are identified on Page 12).</b>									

\* No allowance for salaries will be considered unless full information is provided. Use additional sheets if required.  
 \*\* Include all employment worked during the cost year.

State of Connecticut  
**Annual Report of Long-Term Care Facility**  
 CSP-12 Rev. 10/2005

**Schedule A1 - Salary Information for Operators/Owners; Administrators,  
 Assistant Administrators and Other Related Parties\***

Name of Facility (as licensed)		License No.		Report for Year Ended		Page	of		
88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing		1048C		9/30/2017		12	37		
Name	Salary Paid		Fringe Benefits and/or Other Payments (describe fully)	Full Description of Services Rendered	Total Hours Worked	Line Where Claimed on Page 10	Name and Address of All Other Employment**	Total Hours Worked	Compensation Received
	CCNH	RHNS (Specify)							
<b>Section III - Administrators***</b>									
Carroll Skoglung	26,641		Non discrim	Administrator	520	A2			
<b>Section IV - Assistant Administrators</b>									

\*No allowance for salaries will be considered unless full information is provided. Use additional sheets if required.

\*\* Include all other employment worked during the cost year.

\*\*\* If more than one Administrator is reported, include dates of employment for each.

**B. Report of Expenditures - Professional Fees**

Name of Facility	License No.	Report for Year Ended	Page	of		
88 Clark Operating, LLC d/b/a New London Sub-A	1048C	9/30/2017	13	37		
<b>Total Cost and Hours</b>						
Item	CCNH	Hours	RHNS	Hours	(Specify)	Hours
<b>*B. Direct care consultants paid on a fee for service basis in lieu of salary (For all such services complete Schedule B1)</b>						
1. Dietitian						
2. Dentist						
3. Pharmacist						
4. Podiatrist						
5. Physical Therapy						
a. Resident Care	65,303	907				
b. Other						
6. Social Worker						
7. Recreation Worker						
8. Physicians						
a. Medical Director (entire facility)	15,000	168				
b. Utilization Review (Title 18 and 19 only) monthly meeting						
c. Resident Care**						
d. Administrative Services facility						
1. Infection Control Committee (Quarterly meetings)						
2. Pharmaceutical Committee (Quarterly meetings)						
3. Staff Development Committee (Once annually)						
e. Other (Specify)						
9. Speech Therapist						
a. Resident Care	5,817	46				
b. Other						
10. Occupational Therapist						
a. Resident Care	67,816	964				
b. Other						
11. Nurses and aides and attendants						
a. RN						
1. Direct Care						
2. Administrative***						
b. LPN						
1. Direct Care						
2. Administrative***						
c. Aides						
d. Other						
12. Other (Specify) See Attached Schedule	14,880	132				
<b>B-13 Total Fees Paid in Lieu of Salaries</b>	<b>168,816</b>	<b>2,217</b>				

\* Do not include in this section management consultants or services which must be reported on Page 16 item M-12 and supported by required information, Page 17.

\*\* This item is not reimbursable to facility. For Title 19 residents, doctors should bill DSS directly. Also, any costs for Title 18 and/or other private pay residents must be removed on Page 28.

\*\*\* Administrative - costs and hours associated with the following positions: MDS Coordinator, Inservice Training Coordinator and Infection Control Nurse. Such costs shall be included in the direct care category for the purposes of rate setting.

**Report of Expenditures**  
**Schedule B1 - Information Required for Individual(s) Paid on Fee for Service Basis\***

Name of Facility 88 Clark Operating, LLC d/b/a New London Sub-Acute		License No. 1048C		Report for Year Ended 9/30/2017	Page 14	of 37
Name & Address of Individual	Full Explanation of Service	Related** to Owners, Operators, Officers		Explanation of Relationship		
		Yes	No			
Regal Care Rehab, 26 Firemens Memorial Drive, Suite 205, Pomona, NY 10970	Physical, Occupational, and Speech Therapy	<input checked="" type="radio"/>	<input type="radio"/>	Common Ownership		
Uconn Health, PO Box 660, Hartford, CT 06142-0660	Medical Director	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Joseph Allesandro, PO Box 6, Promfret Center, CT 06259	Medical Director	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Andrea Gutierrez, 272 Allen Hill Rd, Brooklyn, CT 06234	Medical Director	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Deborah A Hardy, 187 George Wood Road, Somers, CT 06071	Independent Nurse Consultant	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Medwiz Solutions, LLC, 167 Route 304, Bardonia, NY 10954	IV Insertion Nurse	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
		<input type="radio"/>	<input type="radio"/>			
		<input type="radio"/>	<input type="radio"/>			
		<input type="radio"/>	<input type="radio"/>			
		<input type="radio"/>	<input type="radio"/>			
		<input type="radio"/>	<input type="radio"/>			
		<input type="radio"/>	<input type="radio"/>			
		<input type="radio"/>	<input type="radio"/>			
		<input type="radio"/>	<input type="radio"/>			
		<input type="radio"/>	<input type="radio"/>			
		<input type="radio"/>	<input type="radio"/>			
		<input type="radio"/>	<input type="radio"/>			
		<input type="radio"/>	<input type="radio"/>			
		<input type="radio"/>	<input type="radio"/>			
		<input type="radio"/>	<input type="radio"/>			
		<input type="radio"/>	<input type="radio"/>			
		<input type="radio"/>	<input type="radio"/>			

\* Use additional sheets if necessary.  
 \*\* Refer to Page 4 for definition of related.

### C. Expenditures Other Than Salaries - Administrative and General

Name of Facility	License No.	Report for Year Ended	Page	of
88 Clark Operating, LLC d/b/a New London Sub	1048C	9/30/2017	15	37
Item	Total	CCNH	RHNS	(Specify)
<b>1. Administrative and General</b>				
<b>a. Employee Health &amp; Welfare Benefits</b>				
1. Workmen's Compensation	\$ 35,131	35,131		
2. Disability Insurance	\$			
3. Unemployment Insurance	\$			
4. Social Security (F.I.C.A.)	\$ 121,239	121,239		
5. Health Insurance	\$ 93,344	93,344		
6. Life Insurance (employees only) (not-owners and not-operators)	\$			
7. Pensions (Non-Discriminatory) (not-owners and not-operators)	\$			
8. Uniform Allowance	\$			
9. Other ( <i>Specify</i> ) See Attached Schedule	\$ 1,157	1,157		
<b>b. Personal Retirement Plans, Pensions, and        Profit Sharing Plans for Owners and        Operators (Discriminatory)*</b>	\$			
<b>c. Bad Debts*</b>	\$ 23,718	23,718		
<b>d. Accounting and Auditing</b>	\$ 924	924		
<b>e. Legal (<i>Services should be fully described on Page 7</i>)</b>	\$ 3,829	3,829		
<b>f. Insurance on Lives of Owners and        Operators (<i>Specify</i>)*</b>	\$			
<b>g. Office Supplies</b>	\$ 5,518	5,518		
<b>h. Telephone and Cellular Phones</b>				
1. Telephone & Pagers	\$ 2,315	2,315		
2. Cellular Phones	\$ 400	400		
<b>i. Appraisal (<i>Specify purpose and        attach copy</i>)*</b>	\$			
<b>j. Corporation Business Taxes (<i>franchise tax</i>)</b>	\$			
<b>k. Other Taxes (<i>Not related to property - See Page 22</i>)</b>				
1. Income*	\$			
2. Other ( <i>Specify</i> ) See Attached Schedule	\$			
3. Resident Day User Fee	\$ 179,721	179,721		
<b>Subtotal</b>	\$ 467,296	467,296		

\* Facility should self-disallow the expense on Page 28 of the Cost Report.

(Carry Subtotals forward to next page)

**\*\*\* DO NOT Include Holiday Parties / Awards / Gifts to Staff**

88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing  
 9/30/2017

Attachment Page 15

**Schedule of Other Employee Benefits**

Description	CCNH	RHNS	(Specify)
	-		
Background Checks	\$ 872		
Employee Physicals	285		
<b>Total</b>	<b>\$ 1,157</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule of Other Taxes**

Description	CCNH	RHNS	(Specify)
	-		
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## C. Expenditures Other Than Salaries (cont'd) - Administrative and General

Name of Facility	License No.	Report for Year Ended	Page	of
88 Clark Operating, LLC d/b/a New London Sub-Acu	1048C	9/30/2017	16	37
Item	Total	CCNH	RHNS	(Specify)
<b>Subtotals Brought Forward:</b>	467,296	467,296		
<b>l. Travel and Entertainment</b>				
1. Resident Travel and Entertainment	\$ 24	24		
2. Holiday Parties for Staff	\$ 54	54		
3. Gifts to Staff and Residents	\$ 682	682		
4. Employee Travel	\$ 1,478	1,478		
5. Education Expenses Related to Seminars and Conventions	\$			
6. Automobile Expense ( <i>not purchase or depreciation</i> )	\$			
7. Other ( <i>Specify</i> ) See Attached Schedule	\$			
<b>m. Other Administrative and General Expenses</b>				
1. Advertising Help Wanted ( <i>all such expenses</i> )	\$			
2. Advertising Telephone Directory ( <i>all such expenses</i> )***	\$			
3. Advertising Other ( <i>Specify</i> )*** See Attached Schedule	\$ 2,275	2,275		
4. Fund-Raising***	\$			
5. Medical Records	\$			
6. Barber and Beauty Supplies (if this service is supplied directly and not by contract or fee for service)***	\$			
7. Postage	\$ 1,036	1,036		
* 8. Dues and Membership Fees to Professional Associations ( <i>Specify</i> ) See Attached Schedule	\$			
8a. Dues to Chamber of Commerce & Other Non-Allowable Org.***	\$			
9. Subscriptions	\$			
10. Contributions*** See Attached Schedule	\$			
11. Services Provided by Contract ( <i>Specify and Complete Schedule C-2, Page 21 for each firm or individual</i> )	\$ 54,917	54,917		
12. Administrative Management Services**	\$			
13. Other ( <i>Specify</i> ) See Attached Schedule	\$ 35,093	35,093		
<b>C-14 Total Administrative &amp; General Expenditures</b>	\$ 562,855	562,855		

\* Do not include Subscriptions, which should go in item 9.

\*\* Schedule C-1, Page 17 must be fully completed or this expenditure will not be allowed.

\*\*\* Facility should self-disallow the expense on Page 28 of the Cost Report.



Schedule of Other Travel and Entertainment

Description	CCNH	RHNS	(Specify)
	-		
<b>Total Other Travel and Entertainment</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Schedule of Other Advertising

Description	CCNH	RHNS	(Specify)
	-		
Marketing and Advertising	\$ 2,275		
<b>Total Other Advertising</b>	<b>\$ 2,275</b>	<b>\$ -</b>	<b>\$ -</b>

Schedule of Dues

Description	CCNH	RHNS	(Specify)
	-		
<b>Total Dues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Schedule of Contributions

Description	CCNH	RHNS	(Specify)
	-		
<b>Total Contributions</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Schedule of Other Administrative and General

Description	CCNH	RHNS	(Specify)
	-		
Late Fees	\$ 1,653		
Routine Bank Fees	381		
Startup Costs	32,664		
Employee Food	395		
<b>Total Other Administrative and General</b>	<b>\$ 35,093</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule C-1 - Management Services\***

Name of Facility 88 Clark Operating, LLC d/b/a New Lond	License No. 1048C	Report for Year Ended 9/30/2017	Page of 17   37
Name & Address of Individual or Company Supplying Service	Cost of Management Service	Full Description of Mgmt. Service Provided	Indicate Where Costs are Included in Annual Report Page #/Line #
N/A			

\* In addition to management fees reported on page 16, line m12 include any additional management company charges or allocations of home office overhead costs reported elsewhere in the Annual Report.

**C. Expenditures Other Than Salaries (cont'd) - Dietary Basis for Allocation of Costs (See Note on Page 5)**

Name of Facility	License No.	Report for Year Ended	Page	of
88 Clark Operating, LLC d/b/a New London Sub-Acut	1048C	9/30/2017	18	37
Item	Total	CCNH	RHNS	(Specify)
2. Dietary				
a. In-House Preparation & Service				
1. Raw Food	\$ 69,477	69,477		
2. Non-Food Supplies	\$ 5,633	5,633		
3. Other (Specify) _____	\$			
b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21)	\$			
c. Management Services**	\$			
d. Other (Specify) _____	\$			
<b>2E. Total Dietary Expenditures (2a + b + c + d)</b>	<b>\$ 75,110</b>	<b>75,110</b>		
2F. Dietary Questionnaire	Total	CCNH	RHNS	(Specify)
G. Resident Meals: Total no. of meals served per day:*				
H. Is cost of employee meals included in 2E? <input type="radio"/> Yes <input checked="" type="radio"/> No				
I. Did you receive revenue from employees? <input type="radio"/> Yes <input checked="" type="radio"/> No                      If yes, specify amt.				
J. Where is the revenue received reported in the Cost Report? (Page/Line Item)				
K. Is cost of meals provided to persons other than employees or residents (i.e., Board Members, Guests) included in 2E? <input type="radio"/> Yes <input checked="" type="radio"/> No                      If yes, specify cost.				
L. Is any revenue collected from these people? <input type="radio"/> Yes <input checked="" type="radio"/> No                      If yes, specify amt.				
M. Where is the revenue received reported in the Cost Report? (Page/Line Item)				
N. Is cost of food (other than meals, e.g., snacks at monthly staff meetings, board meetings) provided to employees included in 2E? <input type="radio"/> Yes <input checked="" type="radio"/> No                      If yes, specify cost.				
O. Is any revenue collected from employees? <input type="radio"/> Yes <input checked="" type="radio"/> No                      If yes, specify amt.				
P. Where is the revenue received reported in the Cost Report? (Page/Line Item)				

\* Count each tray served to a resident at meal time, but do not count liquids or other "between meal" snacks.  
 \*\* Schedule C-1, Page 17 must be fully completed or this expenditure will not be allowed.

**C. Expenditures Other Than Salaries (cont'd) - Laundry Basis for Allocation of Costs  
(See Note on Page 5)**

Name of Facility 88 Clark Operating, LLC d/b/a New London Sub-Acute		License No. 1048C	Report for Year Ended 9/30/2017	Page 19	of 37
Item		Total	CCNH	RHNS	(Specify)
3. Laundry					
a. In-House Processing*		Lbs.			
1. Bed linens, cubicle curtains, draperies, gowns and other resident care items washed, ironed, and/or processed.***		Amt. \$			
2. Employee items including uniforms, gowns, etc. washed, ironed and/or processed.***		Lbs.			
		Amt. \$			
3. Personal clothing of residents washed, ironed, and/or processed.***		Lbs.			
		Amt. \$			
4. Repair and/or purchase of linens.***		Lbs.			
		Amt. \$			
b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21)		\$			
c. Management Services**		\$			
d. Other (Specify) Laundry Supplies		\$	123	123	
3E. Total Laundry Expenditures (3a + b + c + d)		\$	123	123	
3F. Laundry Questionnaire					
G.	Is cost of employee laundry included in 3E?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.	
H.	Did you receive revenue from employees?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.	
I.	Where is the revenue received reported in the Cost Report?	(Page/Line Item)			
J.	Is Cost of laundry provided to persons other than employees or residents included in 3E?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.	
K.	Did you receive revenue from these people?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.	
L.	Where is the revenue received reported in the Cost Report?	(Page/Line Item)			

\* Do not include salaries from page 10 as part of dollar values recorded in 1, 2, 3, and 4.  
All allocations should add to total recorded in 3E.

\*\* Schedule C-1, Page 17 must be fully completed or this expenditure will not be allowed.

\*\*\* Pounds of Laundry only required for multi-level facilities.

**C. Expenditures Other Than Salaries (cont'd) - Housekeeping and Resident Care  
Basis for Allocation of Costs (See Note on Page 5)**

Name of Facility		License No.	Report for Year Ended		Page	of
88 Clark Operating, LLC d/b/a New London Su		1048C	9/30/2017		20	37
Item			Total	CCNH	RHNS	(Specify)
4.	Housekeeping	Sq. Ft. Serviced by Personnel				
a.	In-House Care					
1.	Supplies - Cleaning ( <i>Mops, pails, brooms, etc.</i> )	Amt. \$	5,637	5,637		
b.	Purchased Services ( <i>by contract other than through Management Services</i> ) ( <i>Complete Schedule C-2 att. Page 21</i> )	Sq. Ft. Serviced by Personnel				
		Amt. \$				
c.	Management Services*		\$			
d.	Other ( <i>Specify</i> )		\$			
4E.	<b>Total Housekeeping Expenditures</b> (4a + b + c + d)		\$ 5,637	5,637		
5.	Resident Care (Supplies)**					
a.	Prescription Drugs***					
1.	Own Pharmacy		\$			
2.	Purchased from MedWiz		\$ 53,423	53,423		
b.	Medicine Cabinet Drugs		\$ 1,790	1,790		
c.	Medical and Therapeutic Supplies		\$ 37,209	37,209		
d.	Ambulance/Limousine***		\$			
e.	Oxygen					
1.	For Emergency Use		\$			
2.	Other***		\$ 524	524		
f.	X-rays and Related Radiological Procedures***		\$ 855	855		
g.	Dental ( <i>Not dentists who should be included under salaries or fees</i> )		\$			
h.	Laboratory***		\$ 3,197	3,197		
i.	Recreation		\$ 4,061	4,061		
j.	Other ( <i>Specify</i> )**** See Attached Schedule		\$ 13,080	13,080		
5K.	<b>Total Resident Care Expenditures</b> (5a - 5j)		\$ 114,139	114,139		

\* Schedule C-1, Page 17 must be fully completed or this expenditure will not be allowed.

\*\* Do not include any fees to professional staff, these should be reported on Page 13, or, if paid on salary basis, on Page 10.

\*\*\* Facility should self-disallow the expense on Page 29 of the Cost Report.

\*\*\*\* ICFMR's should provide a detailed schedule of all Day Program Costs.

**Schedule of Other Resident Care**

Description	CCNH	RHNS	(Specify)
	-		
Wound Vac & Other Non-Allowable Equipment Rentals	\$ 6,641		
Data Processing	6,439		
<b>Total Other Resident Care</b>	<b>\$ 13,080</b>	<b>\$ -</b>	<b>\$ -</b>

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**Report of Expenditures  
 Schedule C-2 - Individuals or Firms Providing Services by Contract \***

Name of Facility		License No.		Report for Year Ended		Page of				
88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing		1048C		9/30/2017		21   37				
Name of Individual or Company	Address	Related ** to Owners, Operators, Officers		Explanation of Relationship	Full Explanation of Service Provided*	CCNH	RHNS	(Specify)	Pg	Line
		Yes	No							
LTC Consulting Services	7 Randolph Rd, Howell, NJ 07731	O	O	N/A	Billing and Fiscal Services	43,200			16	M11
Quiet Korner Health & Wellness	Promret Center, CT 06259	O	O	N/A	Oversees Maintenance Projects	5,880			22	6f
Life Safety Services	908 S 8th St, Louisville, KY 40203	O	O	N/A	Fire Stop Survey	3,512			22	6f
Caretech Group	1123 McDonald Ave, Brooklyn NY 11230	O	O	N/A	Purchasing	4,200			16	m11
CWPM	PO Box 415 Plainville, Ct 06062	O	O	N/A	Garbage	5,345			22	6f
		O	O							
		O	O							
		O	O							
		O	O							
		O	O							
		O	O							
		O	O							
		O	O							
		O	O							

\* List all contracted services over \$10,000. Use additional sheets if necessary.  
 \*\* Refer to Page 4 for definition of related.  
 \*\*\* Please cross-reference amount to the appropriate page in the Annual Report (Pages 16, 18, 19, 20 or 22).

**C. Expenditures Other Than Salaries (cont'd) - Maintenance and Property**

Name of Facility	License No.	Report for Year Ended			Page	of
88 Clark Operating, LLC d/b/a New London S	1048C	9/30/2017			22	37
Item	Total	CCNH	RHNS	(Specify)		
6. Maintenance & Operation of Plant						
a. Repairs & Maintenance	\$ 4,931	4,931				
b. Heat	\$ 6,464	6,464				
c. Light & Power	\$ 22,625	22,625				
d. Water	\$					
e. Equipment Lease ( <i>Provide detail on page 6</i> )	\$ 1,112	1,112				
f. Other ( <i>itemize</i> )	\$ 23,711	23,711				
See Attached Schedule						
<b>6g. Total Maint. &amp; Operating Expense (6a - 6f)</b>	<b>\$ 58,843</b>	<b>58,843</b>				
7. Depreciation ( <i>complete schedule page 23*</i> )						
a. Land Improvements	\$					
b. Building & Building Improvements	\$ 22,201	22,201				
c. Non-Movable Equipment	\$					
d. Movable Equipment	\$ 4,835	4,835				
<b>*7e. Total Depreciation Costs (7a + b + c + d)</b>	<b>\$ 27,036</b>	<b>27,036</b>				
8. Amortization ( <i>Complete att. Schedule Page 24*</i> )						
a. Organization Expense	\$ 7,667	7,667				
b. Mortgage Expense	\$					
c. Leasehold Improvements	\$					
d. Other ( <i>Specify</i> )	\$					
<b>*8e. Total Amortization Costs (8a + b + c + d)</b>	<b>\$ 7,667</b>	<b>7,667</b>				
9. Rental payments on leased real property less real estate taxes included in item 10b	\$ 185,365	185,365				
10. Property Taxes						
a. Real estate taxes paid by owner	\$					
b. Real estate taxes paid by lessor	\$ 19,586	19,586				
c. Personal property taxes	\$ 5,481	5,481				
<b>11. Total Property Expenses (7e + 8e + 9 + 10)</b>	<b>\$ 245,135</b>	<b>245,135</b>				

\* Amounts entered in these items must agree with detail on Schedule for Depreciation and Amortization Page 23 and Page 24.



**Schedule of Other Repairs and Maintenance**

Description	CCNH	RHNS	(Specify)
	-		
Supplies	\$ 4,581		
Sanitation & Incineration	5,345		
Extermination	908		
Landscaping	2,483		
Fire Drill	420		
Contracted Service	9,974		
<b>Total Other Repairs and Maintenance</b>	<b>\$ 23,711</b>	<b>\$ -</b>	<b>\$ -</b>

### Depreciation Schedule

Name of Facility 88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing		License No. 1048C		Report for Year Ended 9/30/2017				Page 23	of 37		
Property Item	Historical Cost Exclusive of Land	Less Salvage Value	Cost to Be Depreciated	Accumulated Depreciation to Beginning of Year's Operations	Method of Computing Depreciation	Useful Life	Depreciation for This Year	Totals			
<b>A. Land Improvements</b>											
1. Acquired prior to this report period	26,130		26,130	26,130	S/L	Various					
2. Disposals (attach schedule)											
3. Acquired during this report period (attach schedule)											
<b>A-4. Subtotal</b>											
<b>B. Building and Building Improvements</b>											
1. Acquired prior to this report period	2,359,078		2,359,078	2,002,977	S/L	Various	22,201				
2. Disposals (attach schedule)											
3. Acquired during this report period (attach schedule)											
<b>B-4. Subtotal</b>								22,201			
<b>C. Non-Movable Equipment</b>											
1. Acquired prior to this report period	92,905		92,905	92,905	S/L	Various					
2. Disposals (attach schedule)											
3. Acquired during this report period (attach schedule)											
<b>C-4. Subtotal</b>											
<b>D. Movable Equipment</b>											
1. Motor Vehicles (Specify name, model and year of each vehicle)	Is a mileage logbook maintained?	Date of Acquisition		Historical Cost Exclusive of Land	Less Salvage Value	Cost to Be Depreciated	Accumulated Depreciation to Beginning of Year's Operations	Method of Computing Depreciation	Useful Life	Depreciation for This Year	Totals
		Yes	No								
a.											
b.											
c.											
d.											
2. Movable Equipment											
a. Acquired prior to this report period				1,414,094		1,414,094	1,367,013	S/L	Various	4,788	
b. Disposals (attach schedule)											
c. Acquired during this report period (attach schedule)				940		940		S/L	Various	47	
<b>D-3. Subtotal</b>											4,835
<b>E. Total Depreciation</b>											27,036

**NOTE: Fixed assets have been rolled forward from prior operator for reimbursement purposes.**

88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing  
9/30/2017

Schedule of Land Improvements Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
<b>Additions:</b>				
<b>Total additions for Land Improvements</b>		\$ -		\$ - *
<b>Deletions:</b>				
<b>Total deletions for Land Improvements</b>		\$ -		\$ - **

\*Ties to Page 23, Line A3

\*\*Ties to Page 23, Line A2

Schedule of Building Improvements Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
<b>Additions:</b>				
<b>Total additions for Building Improvements</b>		\$ -		\$ - *
<b>Deletions:</b>				
<b>Total deletions for Building Improvements</b>		\$ -		\$ - **

\*Ties to Page 23, Line B3

\*\*Ties to Page 23, Line B2

Schedule of Non-Movable Equipment Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
<b>Additions:</b>				
<b>Total additions for Non-Movable Equipment</b>		\$ -		\$ - *
<b>Deletions:</b>				
<b>Total deletions for Non-Movable Equipment</b>		\$ -		\$ - **

\*Ties to Page 23, Line C3

\*\*Ties to Page 23, Line C2

## Schedule of Movable Equipment Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
<b>Additions:</b>				
8/30/2017	Kitchen Equipment	\$ 884	5	\$ 44
8/30/2017	Kitchen Equipment-Sales Use Tax	56	5	3
<b>Total additions for Movable Equipment</b>		<b>\$ 940</b>		<b>\$ 47 *</b>
<b>Deletions:</b>				
<b>Total deletions for Movable Equipment</b>		<b>\$ -</b>		<b>\$ - **</b>

\*Ties to Page 23, Line D2c

\*\*Ties to Page 23, Line D2b

## Schedule of Leasehold Improvements Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
<b>Additions:</b>				
<b>Total additions for Leasehold Improvement</b>		<b>\$ -</b>		<b>\$ - *</b>
<b>Deletions:</b>				
<b>Total deletions for Leasehold Improvement</b>		<b>\$ -</b>		<b>\$ - **</b>

\*Ties to Page 24, Line C3

\*\*Ties to Page 24, Line C2

Eastern Connecticut Health Systems, Inc. d/b/a New London  
 Rehabilitation and Care of Waterford  
 Depreciation Schedule  
 September 30, 2017

Property	Acquisition Year	Historical Costs	Cost to Be Depreciated	Life	Method Life	6/30/2017 Accum Deprec.	9/30/2017 Deprec.	9/30/2017 Accum Deprec.	Net Book Value
<b>Land Improvements</b>									
Acquired prior 2011	Var	26,130	26,130	Var	S/L	26,130	-	26,130	-
<b>Total</b>		<b>26,130</b>	<b>26,130</b>			<b>26,130</b>	<b>-</b>	<b>26,130</b>	<b>-</b>
<b>Building and Building Improvements</b>									
Acquired prior 2011	Var	2,031,125	2,031,125	Var	S/L	1,849,625	16,252	1,865,877	165,248
<b>Total</b>		<b>2,031,125</b>	<b>2,031,125</b>			<b>1,849,625</b>	<b>16,252</b>	<b>1,865,877</b>	<b>165,248</b>
<b>Acquisition 2012</b>									
Renovations	8/21/2012	6,780	6,780	5	S/L	6,780	-	6,780	-
Repair Flooring	4/26/2012	15,587	15,587	5	S/L	15,587	-	15,587	-
Repair Sewer	7/31/2012	2,659	2,659	5	S/L	2,659	-	2,659	-
Repair Sewer	8/1/2012	5,318	5,318	5	S/L	5,318	-	5,318	-
Carpet	12/15/2011	10,868	10,868	5	S/L	10,868	-	10,868	-
New Generator	12/21/2011	12,000	12,000	20	S/L	3,450	150	3,600	8,400
Wallpaper	var	28,657	28,657	10	S/L	16,479	717	17,195	11,461
Generator	var	74,669	74,669	10	S/L	42,935	1,867	44,802	29,867
Wanderguard	12/1/2011	3,247	3,247	5	S/L	3,247	-	3,247	-
Outdoor Sign	12/1/2011	6,528	6,528	10	S/L	3,754	163	3,918	2,610
Electrical Work	10/20/2011	3,084	3,084	10	S/L	1,772	77	1,849	1,235
<b>Total 2012 Acq</b>		<b>169,394</b>	<b>169,394</b>			<b>112,847</b>	<b>2,974</b>	<b>115,821</b>	<b>53,574</b>
<b>Acquisition 2013</b>									
Dish Machine and Booster	5/17/2013	13,599	13,599	5	S/L	12,920	679	13,599	-
<b>Total New Acq</b>		<b>13,599</b>	<b>13,599</b>			<b>12,920</b>	<b>679</b>	<b>13,599</b>	<b>-</b>
<b>Acquisition 2014</b>									
FLOORING REPAIR/TEAR OUT	11/14/2013	5,830	5,830	10	S/L	2,089	146	2,235	3,595
WALK-IN FRIDGE/FREEZER	1/1/2014	47,759	47,759	15	S/L	10,348	796	11,144	36,615
ELECTRICAL DEMO/WIRING WALKIN COOLER	1/8/2014	4,201	4,201	15	S/L	910	70	980	3,221
ELECTRIC SERVICES FOR WALKIN	1/8/2014	2,165	2,165	15	S/L	489	36	505	1,661
SPRINKLER SERVICES FOR WALKIN	1/15/2014	3,261	3,261	15	S/L	706	54	760	2,501
DAYROOM RENOVATION	2/28/2014	6,777	6,777	20	S/L	1,045	85	1,130	5,647
WALKIN FREEZER WALL DEMO	3/11/2014	9,004	9,004	15	S/L	1,750	150	1,900	7,104
RENOVATE SHOWER ROOMS	3/31/2014	95,110	95,110	20	S/L	13,869	1,189	15,058	80,052
Settlement for AM/PM Roof - Repaired in 2010	10/18/2013	(32,500)	(32,500)	30	S/L	(4,062)	(271)	(4,333)	(28,167)
<b>Total 2014 Additions</b>		<b>141,607</b>	<b>141,607</b>			<b>27,124</b>	<b>2,255</b>	<b>29,379</b>	<b>112,228</b>
<b>Acquisition 2015</b>									
NEW ELECTRICAL PANEL	10/28/2014	3,353	3,353	20	S/L	462	42	504	2,849
<b>Total 2015 Additions</b>		<b>3,353</b>	<b>3,353</b>			<b>462</b>	<b>42</b>	<b>504</b>	<b>2,849</b>
<b>Total Building Improvements</b>		<b>2,359,078</b>	<b>2,359,078</b>			<b>2,002,978</b>	<b>22,201</b>	<b>2,025,179</b>	<b>333,898</b>



**Disposals 2016**

1/31/2000	(570)	(570)	5	S/L	(570)	-
9/30/2002	(2,785)	(2,785)	3	S/L	(2,785)	-
<b>Total 2016 Disposals</b>	<b>(3,355)</b>	<b>(3,355)</b>			<b>(3,355)</b>	-

**Acquisition 2017**

8/30/2017	884	884	5	S/L	44	840
8/30/2017	56	56	5	S/L	3	53
<b>Total 2017 Additions</b>	<b>940</b>	<b>940</b>			<b>47</b>	<b>893</b>

**Total**

	<b>1,415,035</b>	<b>1,415,035</b>			<b>1,371,849</b>	<b>43,186</b>
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**Total Historical Cost and Depreciation For Period**

	<b>3,893,148</b>	<b>3,893,148</b>			<b>27,036</b>	<b>3,516,063</b>
						<b>377,084</b>

**T/B**

Prior Operator	940	940			16	926
Variance	3,892,207	3,892,207			26,989	376,191
	<b>1</b>	<b>1</b>			<b>27,020</b>	<b>376,158</b>

**CR vs. FS NBV**

Rounding Variance	(376,158)	(27,020)
<b>CR vs. FS NBV - Page 31, Line B9</b>	<b>(4)</b>	<b>(27,020)</b>

**CR vs. FS depreciation**

Rounding Variance	(27,020)
<b>CR vs. FS depreciation - Page 36, LI</b>	<b>(27,020)</b>

**Amortization Schedule\***

Name of Facility	Date of Acquisition		Length of Amortization	Cost to Be Amortized	Accumulated Amort. to Beginning of Year's Operations	Basis for Computing Amortization**	Rate %	Amortization for This Year	of
	Month	Year							
88 Clark Operating, LLC d/b/a New London Sub-Acute and I									37
<b>A. Organization Expense</b>									
1. Deferred Financing Costs	7	2017	10 Yrs	310,000		S/L		7,667	
2.									
3.									
A-4. Subtotal									7,667
<b>B. Mortgage Expense</b>									
1.									
2.									
3.									
B-4. Subtotal									
<b>C. Leasehold Improvements and Other</b>									
1. Acquired prior to this report period									
2. Disposals (attach schedule)									
3. Acquired during this report period (attach schedule)									
C-4. Subtotal									
<b>D. Total Amortization</b>									7,667

\* Straight-line method must be used.  
 \*\* Specify which of the following bases were used:  
 A. Minimum of 5 years or 60 months.  
 B. Life of mortgage; OR  
 C. Remaining Life of Lease; OR  
 D. Actual Life if owned by Related Party.



### C. Expenditures Other Than Salaries (cont'd) - Property Questionnaire

Name of Facility <b>88 Clark Operating, LLC d/b/a New L</b>	License No. <b>1048C</b>	Report for Year Ended <b>9/30/2017</b>	Page <b>25</b>	of <b>37</b>	
<b>11. Property Questionnaire</b>					
<b>Part A</b>					
Is the property either owned by the Facility or leased from a Related Party?*			<input checked="" type="radio"/> Yes	<input type="radio"/> No	
			If "Yes," complete Part B. If "No," complete Part C.		
*If any owner or operator of this facility is related by family, marriage, ownership, ability to control or business association to any person or organization from whom buildings are leased, then it is considered a related party transaction.					
Description	Total				
1. Date Land Purchased					
2. Date Structure Completed					
3. If NOT Original Owner, Date of Purchase					
4. Date of Initial Licensure	05/21/05				
5. Total Licensed Bed Capacity	120				
6. Square Footage					
7. Acquisition Cost					
a. Land					
b. Building					
<b>Part B - Owner and Related Parties</b>		1st Mortgage	2nd Mortgage	3rd Mortgage	4th Mortgage
1. Financing					
a. Type of Financing (e.g., fixed, variable)	Variable for LIBOR				
b. Date Mortgage Obtained	07/01/17				
c. Interest Rate for the Cost Year	LIBOR + 3.25% Wit				
d. Term of Mortgage (number of years)	5				
e. Amount of Principal Borrowed	8,250,000				
f. Principal balance outstanding as of 9/30/2017	8,214,342				
<b>Complete if Mortgage was Refinanced During Current Cost Year</b>					
g. Type of Financing (e.g., fixed, variable)					
h. Date of Refinancing					
i. New Interest Rate					
j. Term of Mortgage (number of years)					
k. Amount of Principal Borrowed					
l. Principal Outstanding on Note Paid-Off					
<b>Part C - Arms-Length Leases for Real Property Improvements Only</b>					
Name and Address of Lessor	Property Leased	Date of Lease	Term of Lease	Annual Amount of Lease	

**Note: Be sure required copies of leases are attached to Page 25 and real estate taxes paid by lessor are included on Page 22, Item 10b.**

**C. Expenditures Other Than Salaries (cont'd) - Interest**

Name of Facility		License No.	Report for Year Ended		Page	of
88 Clark Operating, LLC d/b/a New I		1048C	9/30/2017		26	37
Item			Total	CCNH	RHNS	(Specify)
12. Interest						
A. Building, Land Improvement & Non-Movable Equipment						
1. First Mortgage			\$			
Name of Lender		Rate				
Address of Lender						
2. Second Mortgage			\$			
Name of Lender		Rate				
Address of Lender						
3. Third Mortgage			\$			
Name of Lender		Rate				
Address of Lender						
4. Fourth Mortgage			\$			
Name of Lender		Rate				
Address of Lender						
B. CHEFA Loan Information						
1. Original Loan Amount			\$			
2. Loan Origination Date						
3. Interest Rate %						
4. Term						
5. CHEFA Interest Expense						
12 B7. Total Building Interest Expense (A1 - A4 + B5)			\$			

(Carry Subtotals forward to next page)

**C. Expenditures Other Than Salaries (cont'd) - Interest and Insurance**

Name of Facility		License No.		Report for Year Ended		Page	of
88 Clark Operating, LLC d/b/a Nev		1048C		9/30/2017		27	37
Item				Total	CCNH	RHNS	(Specify)
Subtotals Brought Forward:							
12. C. Movable Equipment							
1. Automotive Equipment				\$			
A. Item		Rate	Amount				
Lender							
Address of Lender							
2. Other (Specify)				\$			
A. Item		Rate	Amount				
Lender							
Address of Lender							
B. Item		Rate	Amount				
Lender							
Address of Lender							
12. C. 3. Total Movable Equipment Interest Expense (C1 + 2)				\$			
12. D. Other Interest Expense (Specify)				\$	25,189	25,189	
Late payment Interest & Interest on Loan to Law Firm							
13. <b>Total All Interest Expense (12B7 + 12C3 + 12D)</b>				\$	25,189	25,189	
14. Insurance							
a. Insurance on Property (buildings only)				\$	14,250	14,250	
b. Insurance on Automobiles				\$			
c. Insurance other than Property (as specified above)							
1. Umbrella (Blanket Coverage)				\$			
2. Fire and Extended Coverage				\$			
3. Other (Specify)				\$	500	500	
Surety Bond							
14d. <b>Total Insurance Expenditures (14a + b + c)</b>				\$	14,750	14,750	
15. <b>Total All Expenditures (A-13 thru C-14)</b>				\$	2,359,881	2,359,881	

**D. Adjustments to Statement of Expenditures**

Name of Facility				License No.	Report for Year Ended	Page	of
88 Clark Operating, LLC d/b/a New London Sub-Acute and Nu				1048C	9/30/2017	28	37
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
<b>Page 10 - Salaries and Wages</b>							
1.			Outpatient Service Costs	\$			
2.			Salaries not related to Resident Care	\$			
3.			Occupational Therapy	\$			
4.			Other - See attached Schedule	\$			
<b>Page 13 - Professional Fees</b>							
5.			Resident Care Physicians **	\$			
6.	13	B10a	Occupational Therapy	\$ 67,816	67,816		
7.			Other - See attached Schedule	\$ 14,880	14,880		
<b>Pages 15 &amp; 16 - Administrative and General</b>							
8.			Discriminatory Benefits	\$			
9.	15	1c	Bad Debts	\$ 23,718	23,718		
10.	15	1d/e	Accounting & Legal	\$ 3,753	3,753		
11.			Telephone	\$			
12.	15	1h2	Cellular Telephone	\$ 37	37		
13.			Life insurance premiums on the life of Owners, Partners, Operators	\$			
14.	16	L3	Gifts, flowers and coffee shops	\$ 682	682		
15.			Education expenditures to colleges or universities for tuition and related costs for owners and employees	\$			
16.			Travel for purposes of attending conferences or seminars outside the continental U.S. Other out-of-state travel in excess of one representative	\$			
17.			Automobile Expense (e.g. personal use)	\$			
18.	16	m3	Unallowable Advertising *	\$ 2,275	2,275		
19.			Income Tax / Corporate Business Tax	\$			
20.			Fund Raising / Contributions	\$			
21.			Unallowable Management Fees	\$			
22.			Barber and Beauty	\$			
23.			Other - See attached Schedule	\$ 36,712	36,712		
<b>Page 18 - Dietary Expenditures</b>							
24.			Meals to employees, guests and others who are not residents	\$			
<b>Page 19 - Laundry Expenditures</b>							
25.			Laundry services to employees, guests and others who are not residents	\$			
<b>Page 20 - Housekeeping Expenditures</b>							
26.			Housekeeping services to employees, guests and others who are not residents	\$			
Subtotal (Items 1 - 26)				\$ 149,873	149,873		

\* All except "Help Wanted".

(Carry Subtotal forward to next page)

\*\* Physicians who provide services to Title 19 residents are required to bill the Department of Social Services directly for each individual resident.

**Schedule of Other Salaries Adjustment**

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
<b>Total Other Salaries Adjustment</b>			\$ -	\$ -	\$ -

**Schedule of Fees Adjustments**

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
13	B12	Independent Nurse Consultant	\$ 14,520		
13	B12	IV Insertion Nurse	360		
<b>Total Other Fees Adjustments</b>			\$ 14,880	\$ -	\$ -

**Schedule of Other A&G Adjustments**

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
16	m11	Religious Costs - Rabbi	\$ 2,000		
16	m13	Late Fees	1,653		
16	m13	Startup Costs	32,664		
16	m13	Employee Food	395		
<b>Total Other A&amp;G Adjustments</b>			\$ 36,712	\$ -	\$ -

**88 Clark Operating, LLC**  
**Disallowance Schedule for Cell Phones**  
**September 30, 2017**

**Pg. 28b**

	<u>Amount</u>
Total Cell Phone Expense	400 TB Linked
Cell Phone Allowed Based on Bed Capacity	4
Monthly Allowable amount per Cell Phone	\$ 30
Months in Cost Report Year	12
Total Allowable Cost	<u>\$ 1,440</u>
Full Year Cost Report (92 out of 365 Days)	<u>25%</u>
Revised Allowable Cost	\$ 363

<b>Disallowed Cell Phone (Page 28, Line 12)</b>	<u><u>\$ 37</u></u>
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**D. Adjustments to Statement of Expenditures (cont'd)**

Name of Facility				License No.	Report for Year Ended	Page	of
88 Clark Operating, LLC d/b/a New London Sub-Acute and				1048C	9/30/2017	29	37
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
Subtotals Brought Forward				\$ 149,873	149,873		
<b>Page 20 - Resident Care Supplies***</b>							
27.	20	5a2	Prescription Drugs	\$ 53,423	53,423		
28.			Ambulance/Limousine	\$			
29.	20	5f	X-rays, etc	\$ 855	855		
30.	20	5h	Laboratory	\$ 3,197	3,197		
31.			Medical Supplies	\$			
32.	20	5e2	Oxygen (non emergency)	\$ 524	524		
33.			Occupational Therapy	\$			
34.			Other - See Attached Schedule	\$ 8,004	8,004		
<b>Page 22 - Maintenance and Property</b>							
35.			Excess Movable Equipment Depreciation See Attached Schedule	\$			
36.			Depreciation on Unallowable Motor Vehicles	\$			
37.			Unallowable Property and Real Estate Taxes	\$			
38.			Rental of Building Space or Rooms	\$			
39.			Other - See Attached Schedule	\$ 7,667	7,667		
<b>Page 27 - Insurance</b>							
40.			Mortgage Insurance	\$			
41.			Property Insurance	\$			
<b>Other - Miscellaneous</b>							
42.			Research or Experimental Activities	\$			
43.			Radio and Television Revenue	\$			
44.			Vending Machine Revenue	\$			
45.			Purchase Discounts and Allowances	\$			
46.			Duplications of functions or services	\$			
47.			Expenditures made for the protection, enhancement or promotion of the providers interest	\$			
48.			Interest Income on Accounts Rec	\$			
49.			Other (include personnel and other costs unrelated to resident care) - See Attached Schedule	\$ 25,451	25,451		
<b>Not For Profit Providers Only</b>							
50.			Building/Non Movable Eq. Depreciation Unallowable Building Interest - See Attached Schedule	\$			
51.	<b>Total Amount of Decrease (Items 1 - 50)</b>			\$ 248,994	248,994		

\*\*\* Items billed directly to Department of Social Services and/or Health Services in CT, or other states, Medicare, and private-pay residents. Identify separately by category as indicated on Page 20.

88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing  
9/30/2017

**Schedule of Other Ancillary Costs**

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
20	5i	Cable Television Disallowance	\$ 1,363		
20	5j	Wound Vac & Other Non-Allowable Equipment Rentals	6,641		
<b>Total Other Ancillary Costs</b>			<b>\$ 8,004</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule of Excess Movable Equipment Depreciation**

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
<b>Total Excess Movable Equipment Depreciation</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule of Other Property Adjustments**

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
22	8a	Amortization Expense	\$ 7,667		
<b>Total Other Property Adjustments</b>			<b>\$ 7,667</b>	<b>\$ -</b>	<b>\$ -</b>



Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
27	12d	Late Payment Interest Expense	\$ 22		
27	12d	Law Firm Interest on Loan	25,167		
30	IV 8.	Medical Records	262		
<b>Total Other Adjustments</b>			<b>\$ 25,451</b>	<b>\$ -</b>	<b>\$ -</b>

Schedule of Unallowable Building Interest

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
<b>Total Unallowable Building Interest</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**88 Clark Operating, LLC**  
**Disallowance Schedule for Cable TV**  
**September 30, 2017**

	<u>Amount</u>	
Total Cable TV Expense acct # 80-232-00	\$ 2,270	TB Linked
Monthly Allowable amount	\$ 300	
Months in Cost Report Year	12	
Total Allowable Cost	<u>\$ 3,600</u>	
Full Year Cost Report (92 out of 365 Days)	<u>25%</u>	
Revised Allowable Cost	\$ 907	
<b>Disallowed Cable TV</b>	<u><u>\$ 1,363</u></u>	

**F. Statement of Revenue**

Name of Facility		License No.		Report for Year Ended		Page of	
88 Clark Operating, LLC d/b/a New Lonc 1048C				9/30/2017		30   37	
Item	Total	CCNH	RHNS	(Specify)			
<b>I. Resident Room, Board &amp; Routine Care Revenue</b>							
1. a. Medicaid Residents (CT only)	\$ 1,465,149	1,465,149					
b. Medicaid Room and Board Contractual Allowance **	\$						
2. a. Medicaid (All other states)	\$						
b. Other States Room and Board Contractual Allowance **	\$						
3. a. Medicare Residents (all inclusive)	\$ 519,579	519,579					
b. Medicare Room and Board Contractual Allowance **	\$ (6,812)	(6,812)					
4. a. Private-Pay Residents and Other	\$ 349,372	349,372					
b. Private-Pay Room and Board Contractual Allowance **	\$ (88)	(88)					
<b>II. Other Resident Revenue</b>							
1. a. Prescription Drugs - Medicare	\$ 42,337	42,337					
b. Prescription Drugs - Medicare Contractual Allowance **	\$ (42,337)	(42,337)					
c. Prescription Drugs - Non-Medicare	\$ 1,063	1,063					
d. Prescription Drugs - Non-Medicare Contractual Allowance **	\$ (1,190)	(1,190)					
2. a. Medical Supplies - Medicare	\$						
b. Medical Supplies - Medicare Contractual Allowance **	\$						
c. Medical Supplies - Non-Medicare	\$						
d. Medical Supplies - Non-Medicare Contractual Allowance **	\$						
3. a. Physical Therapy - Medicare	\$ 75,712	75,712					
b. Physical Therapy - Medicare Contractual Allowance **	\$ (64,289)	(64,289)					
c. Physical Therapy - Non-Medicare	\$ 27,204	27,204					
d. Physical Therapy - Non-Medicare Contractual Allowance **	\$ (21,776)	(21,776)					
4. a. Speech Therapy - Medicare	\$ 12,060	12,060					
b. Speech Therapy - Medicare Contractual Allowance **	\$ (5,395)	(5,395)					
c. Speech Therapy - Non-Medicare	\$ 4,870	4,870					
d. Speech Therapy - Non-Medicare Contractual Allowance **	\$ (4,619)	(4,619)					
5. a. Occupational Therapy - Medicare	\$ 83,932	83,932					
b. Occupational Therapy - Medicare Contractual Allowance **	\$ (68,614)	(68,614)					
c. Occupational Therapy - Non-Medicare	\$ 32,922	32,922					
d. Occupational Therapy - Non-Medicare Contractual Allowance **	\$ (27,629)	(27,629)					
6. a. Other (Specify) - Medicare	\$						
b. Other (Specify) - Non-Medicare	\$ 126	126					
<b>III. Total Resident Revenue (Section I. thru Section II.)</b>	<b>\$ 2,371,577</b>	<b>2,371,577</b>					
<b>IV. Other Revenue*</b>							
1. Meals sold to guests, employees & others	\$						
2. Rental of rooms to non-residents	\$						
3. Telephone	\$						
4. Rental of Television and Cable Services	\$						
5. Interest Income (Specify)	\$						
6. Private Duty Nurses' Fees	\$						
7. Barber, Coffee, Beauty and Gift shops	\$						
8. Other (Specify)	\$ 262	262					
<b>V. Total Other Revenue (1 thru 8)</b>	<b>\$ 262</b>	<b>262</b>					
<b>VI. Total All Revenue (III + V)</b>	<b>\$ 2,371,839</b>	<b>2,371,839</b>					

\* Facility should off-set the appropriate expense on Page 28 or Page 29 of the Cost Report.

\*\* Facility should report all contractual allowances and/or payer discounts.

**Schedule of Other Resident Revenue - Medicare**

Related Exp

Page Ref	Description	CCNH	RHNS	(Specify)
		-		
<b>Total Other Resident Revenue - Medicare</b>		\$ -	\$ -	\$ -

**Schedule of Other Non-Medicare Resident Revenue**

Related Exp

Page Ref	Description	CCNH	RHNS	(Specify)
		-		
30 II 6b	Radiology Rev> HMO	\$ 126		
<b>Total Other Resident Revenue</b>		\$ 126	\$ -	\$ -

**Interest Income**

Account

Page Ref	Account	Balance	CCNH	RHNS	(Specify)
			-		
<b>Total Interest Income</b>			\$ -	\$ -	\$ -

**Schedule of Other Revenue**

Page Ref	Description	CCNH	RHNS	(Specify)
		-		
30 IV 8	Medical Records	\$ 262		
<b>Total Other Revenue</b>		\$ 262	\$ -	\$ -

### G. Balance Sheet

Name of Facility	License No.	Report for Year Ended	Page	of
88 Clark Operating, LLC d/b/a New Lo	1048C	9/30/2017	31	37
Account			Amount	
<b>Assets</b>				
<b>A. Current Assets</b>				
1. Cash ( <i>on hand and in banks</i> )			\$	300,975
2. Resident Accounts Receivable (Less Allowance for Bad Debts)			\$	1,062,436
3. Other Accounts Receivable (Excluding Owners or Related Parties)			\$	
4. Inventories			\$	
5. Prepaid Expenses			\$	28,910
a. Prepaid Expenses	3,844			
b. Prepaid expenses>Taxes	25,066			
c. _____				
d. _____				
6. Interest Receivable			\$	
7. Medicare Final Settlement Receivable			\$	
8. Other Current Assets ( <i>itemize</i> )			\$	
_____				
_____				
_____				
<b>A-9. Total Current Assets (Lines A1 thru 8)</b>			\$	1,392,321
<b>B. Fixed Assets</b>				
1. Land			\$	
2. Land Improvements			\$	
*Historical Cost	26,130			
Accum. Depreciation	26,130	Net		
3. Buildings			\$	333,900
*Historical Cost	2,359,078			
Accum. Depreciation	2,025,178	Net		
4. Leasehold Improvements			\$	
*Historical Cost				
Accum. Depreciation		Net		
5. Non-Movable Equipment			\$	
*Historical Cost	92,905			
Accum. Depreciation	92,905	Net		
6. Movable Equipment			\$	43,186
*Historical Cost	1,415,034			
Accum. Depreciation	1,371,848	Net		
7. Motor Vehicles			\$	
*Historical Cost				
Accum. Depreciation		Net		
8. Minor Equipment-Not Depreciable			\$	
9. Other Fixed Assets ( <i>itemize</i> )			\$	(201,924)
Fixed Assets>CIP	174,238			
F/S vs C/R NBV	(376,162)			
<b>B-10. Total Fixed Assets (Lines B1 thru 9)</b>			\$	175,162

\* Historical Costs must agree with Historical Cost reported in Schedules on Depreciation and Amortization (Pages 23 and 24).

(Carry Total forward to next page)

**G. Balance Sheet (cont'd)**

Name of Facility		License No.	Report for Year Ended	Page	of
88 Clark Operating, LLC d/b/a New Lo		1048C	9/30/2017	32	37
Account				Amount	
Total Brought Forward:				\$	1,567,483
C. Leasehold or like property recorded for Equity Purposes.					
1. Land					
2. Land Improvements					
*Historical Cost					
Accum. Depreciation				Net	\$
3. Buildings					
*Historical Cost					
Accum. Depreciation				Net	\$
4. Non-Movable Equipment					
*Historical Cost					
Accum. Depreciation				Net	\$
5. Movable Equipment					
*Historical Cost					
Accum. Depreciation				Net	\$
6. Motor Vehicles					
*Historical Cost					
Accum. Depreciation				Net	\$
7. Minor Equipment-Not Depreciable					
C-8 <b>Total Leasehold or Like Properties</b> (C1 thru 7)					
D. Investment and Other Assets					
1. Deferred Deposits					
				\$	13,964
2. Escrow Deposits					
				\$	13,221
3. Organization Expense					
*Historical Cost				310,000	
Accum. Depreciation				7,667	Net
				\$	302,333
4. Goodwill (Purchased Only)					
				\$	
5. Investments Related to Resident Care ( <i>itemize</i> )					
				\$	
6. Loans to Owners or Related Parties ( <i>itemize</i> )					
				\$	79,259
Name and Address		Amount	Loan Date		
Due from Wtby, Employee, Southport, Greenwich, Vendor		79,259			
7. Other Assets ( <i>itemize</i> )					
				\$	
D-8. <b>Total Investments and Other Assets</b> (Lines D1 thru 7)					
				\$	408,777
D-9. <b>Total All Assets</b> (Lines A9 + B10 + C8 + D8)					
				\$	1,976,260

\* Historical Costs must agree with Historical Cost reported in Schedules on Depreciation and Amortization (Pages 23 and 24).

## G. Balance Sheet (cont'd)

Name of Facility		License No.	Report for Year Ended	Page	of
88 Clark Operating, LLC d/b/a New London S		1048C	9/30/2017	33	37
Account				Amount	
<b>Liabilities</b>					
A. Current Liabilities					
1. Trade Accounts Payable				\$	584,018
2. Notes Payable ( <i>itemize</i> )				\$	250,000
Line of Credit					250,000
3. Loans Payable for Equipment ( <i>Current portion</i> ) ( <i>itemize</i> )				\$	
Name of Lender		Purpose	Amount	Date Due	
4. Accrued Payroll ( <i>Exclusive of Owners and/or Stockholders only</i> )				\$	219,095
5. Accrued Payroll ( <i>Owners and/or Stockholders only</i> )				\$	
6. Accrued Payroll Taxes Payable				\$	10,298
7. Medicare Final Settlement Payable				\$	
8. Medicare Current Financing Payable				\$	
9. Mortgage Payable ( <i>Current Portion</i> )				\$	
10. Interest Payable ( <i>Exclusive of Owner and/or Related Parties</i> )				\$	
11. Accrued Income Taxes*				\$	
12. Other Current Liabilities ( <i>itemize</i> )				\$	184,618
Accrued expenses					184,618
A-13. <b>Total Current Liabilities</b> (Lines A1 thru 12)				\$	1,248,029

\* Business Income Tax (not that withheld from employees). Attach copy of owner's Federal Income Tax Return.

(Carry Total forward to next page)

**G. Balance Sheet (cont'd)**

Name of Facility 88 Clark Operating, LLC d/b/a New London		License No. 1048C	Report for Year Ended 9/30/2017	Page 34	of 37
Account				Amount	
Total Brought Forward:				1,248,029	
<b>Liabilities (cont'd)</b>					
B. Long-Term Liabilities					
1. Loans Payable-Equipment ( <i>itemize</i> )					
Name of Lender		Purpose	Amount	Date Due	\$
2. Mortgages Payable					
3. Loans from Owners or Related Parties ( <i>itemize</i> )					
Name and Address of Lender		Amount	Loan Date	\$	
Due to Holdings, Nor, Nor Realty, NL Realty		689,253			
4. Other Long-Term Liabilities ( <i>itemize</i> )					
_____					
_____					
_____					
B-5. <b>Total Long-Term Liabilities</b> (Lines B1 thru 4)				\$ 689,253	
C. <b>Total All Liabilities</b> (Lines A-13 + B-5)				\$ 1,937,282	



**G. Balance Sheet (cont'd)**  
**Reserves and Net Worth**

Name of Facility	License No.	Report for Year Ended	Page	of
88 Clark Operating, LLC d/b/a New L	1048C	9/30/2017	35	37
Account			Amount	
<b>A. Reserves</b>				
1. Reserve for value of leased land			\$	
2. Reserve for depreciation value of leased buildings and appurtenances to be amortized			\$	
3. Reserve for depreciation value of leased personal property ( <i>Equity</i> )			\$	
4. Reserve for leasehold real properties on which fair rental value is based			\$	
5. Reserve for funds set aside as donor restricted			\$	
6. Total Reserves			\$	
<b>B. Net Worth</b>				
1. Owner's Capital			\$	
2. Capital Stock			\$	
3. Paid-in Surplus			\$	
4. Treasury Stock			\$	
5. Cumulated Earnings			\$	
6. Gain or Loss for Period			\$	38,978
	7/1/2017	thru	9/30/2017	
7. Total Net Worth			\$	38,978
<b>C. Total Reserves and Net Worth</b>			\$	38,978
<b>D. Total Liabilities, Reserves, and Net Worth</b>			\$	1,976,260

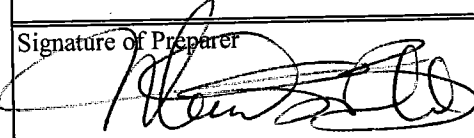
**Annual Report of Long-Term Care Facility**

CSP-36 Rev. 6/95

**H. Changes in Total Net Worth**

Name of Facility	License No.	Report for Year Ended	Page	of
88 Clark Operating, LLC d/b/a New Lon	1048C	9/30/2017	36	37
Account			Amount	
A. Balance at End of Prior Period as shown on Report of 09/30/2016			\$	
B. Total Revenue ( <i>From Statement of Revenue Page 30</i> )			\$	2,371,839
C. Total Expenditures ( <i>From Statement of Expenditures Page 27</i> )			\$	2,332,861
D. Net Income or Deficit			\$	38,978
E. Balance			\$	38,978
F. Additions				
1. Additional Capital Contributed ( <i>itemize</i> )				
Expenses Per Pg. 27			\$2,359,881	
F/S vs C/R Depreciation			(27,020)	
Expenses Per F/S			\$2,332,861	
2. Other ( <i>itemize</i> )				
F-3. Total Additions			\$	
G. Deductions				
1. Drawings of Owners/Operators/Partners ( <i>Specify</i> )			\$	
Name and Address ( <i>No., City, State, Zip</i> )		Title	Amount	
2. Other Withdrawings ( <i>Specify</i> )			\$	
Purpose		Amount		
3. Total Deductions			\$	
H. Balance at End of Period			\$	38,978
				09/30/17

### I. Preparer's/Reviewer's Certification

Name of Facility 88 Clark Operating, LLC d/b/a New	License No. 1048C	Report for Year Ended 9/30/2017	Page 37	of 37
<i>Check appropriate category</i>				
<input checked="" type="checkbox"/> Chronic and Convalescent Nursing Home only (CCNH)	<input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS)	<input type="checkbox"/> (Specify)		
<b>Preparer/Reviewer Certification</b>				
<p>I have prepared and reviewed this report and am familiar with the applicable regulations governing its preparation. I have read the most recent Federal and State issued field audit reports for the Facility and have inquired of appropriate personnel as to the possible inclusion in this report of expenses which are not reimbursable under the applicable regulations. All non-reimbursable expenses of which I am aware (except those expenses known to be automatically removed in the State rate computation system) as a result of reading reports, inquiry or other services performed by me are properly reported as such in this report on Pages 28 and 29 (adjustments to statement of expenditures). Further, the data contained in this report is in agreement with the books and records, as provided to me, by the Facility.</p>				
Signature of Preparer 		Title PRINCIPAL	Date Signed 2/14/12	
Printed Name of Preparer Matthew S. Bavolack				
Address 555 Long Wharf Drive, New Haven, CT 06511			Phone Number 203-781-9600	

Subject to the attached accountants' consulting report

**ACCOUNTANTS' CONSULTING REPORT**

Management is responsible for the accompanying Annual Report of Long-Term Care Facility (the "Cost Report") for 88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing for the year ended September 30, 2017, included in the accompanying prescribed form. We have prepared the Cost Report in accordance with the American Institute of Certified Public Accountants' Statements on Standards for Consulting Services. The Cost Report was prepared in conformity with regulations prescribed by The State of CT Department of Social Services (DSS) from data provided to us by the management of 88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing. We did not audit or review the Cost Report included in the accompanying prescribed form, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the Cost Report included in the accompanying prescribed form.

Management is responsible for maintaining its records in accordance with accounting principles generally accepted in the United States of America and in accordance with reimbursement regulations set forth by DSS. Management is also responsible for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial data and supplemental information included in the Cost Report.

This report is intended solely for the information and use of the management of 88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing and DSS and is not intended to be, and should not be, used by anyone other than these specified parties.

***MARCUM LLP***

New Haven, CT  
February 13, 2018



MARCUMGROUP  
MEMBER

# Annual Report of Long-Term Care Facility Cost Year 2017 Checklist

Facility Name 88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing

Complete the following check list. **Provide an explanation for any "No" answers.** Attach additional sheets to explain further, if necessary.

Yes No

1. Have all related parties been properly disclosed on Pages 4, 11, 12, 14, 17 and 21?

Explanation:

Yes No

2. Are the methods of allocating costs consistent with cost year 2016? If not, explain the reporting change.

Explanation:

Yes No

3. Are costs allocated based on the methods prescribed on Page 5 of the Annual Report? If not, provide the basis of your allocation.

Explanation:

Yes No

4. Do equipment leases listed on Page 6 agree with equipment leases reported on Page 22, Line 6e? If not, state where these costs are included in the Annual Report.

Explanation:

Yes No

5. Do accounting and legal fees reported on Page 7 agree with Page 15, Lines 1d and 1e, respectively?

Explanation:

Yes No

6. During cost year 2017, did you report all certified bed changes on Page 9? Do the bed change dates agree to the license issued by the Department of Health?

Explanation:

Yes No

7. If there has been a change in Administrators, have the dates of employment and applicable hours for each Administrator been reported on Page 12?

Explanation:

Yes No

8. Have hours been reported for all expenses claimed on Page 13? Hours must be actual rather than estimated.

Explanation:

Yes No

9. Has resident day user fee expense been properly reported on Page 15, Line 1k3?

Explanation:

Yes No

10. Have purchased services greater than \$10,000 reported on Pages 16, 18, 19, 20 and 22 been detailed on Page 21?

Explanation:

Yes No

11. Have the dietary and laundry questionnaires on Pages 18 and 19 been completed?

Explanation: \_\_\_\_\_  
\_\_\_\_\_

Yes No

12. Has the personal use portion of automobile expense been disallowed, including, depreciation, lease payments, insurance and taxes?

Explanation: \_\_\_\_\_  
\_\_\_\_\_

Yes No

13. Does historical cost and accumulated depreciation of all assets reported on Pages 23 and 24 roll forward from cost year 2016?

Explanation: \_\_\_\_\_  
\_\_\_\_\_

Yes No

14. Does the net book value of all assets reported on Pages 23 and 24 agree with the net book value reported on Pages 31 and 32?

Explanation: \_\_\_\_\_  
\_\_\_\_\_

Yes No

15. Has asset useful life been reported in accordance with the 2013 edition of the American Hospital Association guidelines?

Explanation: \_\_\_\_\_  
\_\_\_\_\_

Yes No

16. Have all assets been categorized between movable and fixed in accordance with the 2013 edition of the American Hospital Association guidelines?

Explanation: \_\_\_\_\_  
\_\_\_\_\_

Yes No

17. Have all contractual allowances been properly reported on Page 30?

Explanation:

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Yes No

18. If the automated cost report was used, were all discrepancies on the Error Page addressed? If not addressed, explain why.

Explanation:

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Yes No

19. Have Pages 1 and 37 been signed? *Cost reports without a signed Page 1 and 37 will not be accepted.*

Explanation:

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Yes No

20. Have detailed schedules been provided for all "other" line items, fixed asset and movable equipment additions? *If detail is not provided, appropriate disallowances will be made.*

Explanation:

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Yes No

21. Have all costs associated with non-nursing home businesses (i.e., Adult Daycare, Meals on Wheels, Outpatient Therapy Services, etc.) been disallowed on Pages 28 and/or 29 of the Annual Report?

Explanation:

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Yes No

22. Has all required documentation been submitted to the Annual Report review and audit contractor?

Explanation:

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Client: **88 Clark Operating, LLC**  
 Engagement: **Medicaid - 88 Clark Operating, LLC**  
 Period Ending: **9/30/2017**  
 Trial Balance: **A.01 - TB-CCNH**

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2017			9/30/2017
10-010-96	Cash>Operating>New London	244,351.00			244,351.00
10-014-00	Cash>Petty Cash Facility	300.00			300.00
10-014-96	Cash>PettyCash>New London	1,490.00			1,490.00
10-015-00	Cash>Petty Cash PNA	500.00			500.00
10-060-96	Cash>Resident Trust>New London	49,334.00			49,334.00
10-061-00	Cash>Care Cost	5,000.00			5,000.00
10-300-00	Cash>Escrow	13,221.00			13,221.00
11-102-00	Accounts Receivable>Medicare A	99,795.00			99,795.00
11-102-70	Accounts Receivable>Medicare A>Old A/R	67,749.00			67,749.00
11-103-70	Accounts Receivable>Medicare B>Old A/R	14,487.00			14,487.00
11-104-00	Accounts Receivable>Private	42,807.00			42,807.00
11-104-70	Accounts Receivable>Private>Old A/R	296,405.00			296,405.00
11-105-00	Accounts Receivable>HMO	73,648.00			73,648.00
11-105-70	Accounts Receivable>HMO>Old A/R	34,361.00			34,361.00
11-109-00	Accounts Receivable>Hospice	27,182.00			27,182.00
11-109-70	Accounts Receivable>Hospice>Old A/R	(4,429.00)			(4,429.00)
11-111-00	Accounts Receivable>Medicaid	561,444.00			561,444.00
11-111-70	Accounts Receivable>Medicaid>Old A/R	96,295.00			96,295.00
11-112-00	Accounts Receivable>Income	9,383.00			9,383.00
11-112-70	Accounts Receivable>Income>Old A/R	(900.00)			(900.00)
11-120-00	Accounts Receivable>Allow for Doubtful Accts	(23,718.00)			(23,718.00)
11-123-00	Accounts Receivable>Ancillary	33,533.00			33,533.00
11-191-00	Accounts Receivable>Allowance Purchased A/R	(265,606.00)			(265,606.00)
12-000-00	Prepaid Expenses	3,844.00			3,844.00
12-126-00	Prepaid Expenses>Taxes	25,066.00			25,066.00
13-128-00	Due From>Vendor Security Deposits	13,964.00			13,964.00
14-132-00	Fixed Assets>Furniture, Fixtures and Equipment	884.00			884.00
14-136-00	Fixed Assets>CIP	174,238.00			174,238.00
14-305-00	Fixed Assets>Sales Use Tax	56.00			56.00
15-132-00	Accum Depn>Furniture, Fixtures and Equipment	(15.00)			(15.00)
15-305-00	Accum Depn>Sales Use Tax	(1.00)			(1.00)
17-000-00	Deferred Financing Costs	310,000.00			310,000.00
19-265-00	Accumulated Amortization>Deferred Financing Costs	(7,667.00)			(7,667.00)
20-000-00	Accounts Payable	(535,376.00)			(535,376.00)
21-350-00	Other Current Payables>Resident Funds	(49,334.00)			(49,334.00)
21-354-00	Other Current Payables>DTF RFMS	(30.00)			(30.00)
21-884-00	Other Current Payable>Disability & Other Insurance	722.00			722.00
22-000-01	Note Payable>LOC	(250,000.00)			(250,000.00)
23-000-00	Accrued Wages & Related	(84,485.00)			(84,485.00)
23-156-00	Accrued Wages & Related>PR Taxes	(10,298.00)			(10,298.00)
23-157-00	Accrued Expenses>PTO	(134,610.00)			(134,610.00)
24-000-00	Accrued Expenses	(184,618.00)			(184,618.00)
27-000-91	Due To/(From)>Waterbury	20,695.00			20,695.00
27-000-93	Due To/(From)>Holdings	(291.00)			(291.00)
27-000-95	Due To/(From)>Norwich	(161,480.00)			(161,480.00)
27-000-97	Due To/(From)>Norwich Realty	(216,746.00)			(216,746.00)
27-000-98	Due To/(From)>New London Realty	(310,736.00)			(310,736.00)
27-152-00	Due To/(From)>Employee	690.00			690.00
27-172-00	Due To/(From)>Vendor	8,374.00			8,374.00
27-315-00	Due To/(From)>Southport	12,000.00			12,000.00
27-316-00	Due To/(From)>Greenwich	37,500.00			37,500.00
40-102-00	Room & Board Revenue>Medicare A	(519,579.00)			(519,579.00)
40-102-14	Room & Board Revenue>Medicare A>Sequester	6,812.00			6,812.00
40-104-00	Room & Board Revenue>Private	(258,170.00)			(258,170.00)
40-105-00	Room & Board Revenue>HMO	(54,034.00)			(54,034.00)
40-105-14	Room & Board Revenue>HMO>Sequester	88.00			88.00

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2017			9/30/2017
40-109-00	Room & Board Revenue>Hospice	(37,168.00)			(37,168.00)
40-111-00	Room & Board Revenue>Medicaid	(1,465,149.00)			(1,465,149.00)
41-102-00	Pharmacy Rev>Medicare A	(42,337.00)			(42,337.00)
41-102-01	Pharmacy Rev>Medicare A>C/A	42,337.00			42,337.00
41-105-00	Pharmacy Rev>HMO	(1,063.00)			(1,063.00)
41-105-01	Pharmacy Rev>HMO>C/A	1,190.00			1,190.00
42-102-00	PT Revenue>Medicare A	(64,289.00)			(64,289.00)
42-102-01	PT Revenue>Medicare A>C/A	64,289.00			64,289.00
42-103-00	PT Revenue>Medicare B	(11,423.00)			(11,423.00)
42-105-00	PT Revenue>HMO	(11,759.00)			(11,759.00)
42-105-01	PT Revenue>HMO>C/A	6,331.00			6,331.00
42-111-00	PT Revenue>Medicaid	(15,445.00)			(15,445.00)
42-111-01	PT Revenue>Medicaid>C/A	15,445.00			15,445.00
43-102-00	OT Revenue>Medicare A	(68,614.00)			(68,614.00)
43-102-01	OT Revenue>Medicare A>C/A	68,614.00			68,614.00
43-103-00	OT Revenue>Medicare B	(15,318.00)			(15,318.00)
43-105-00	OT Revenue>HMO	(12,369.00)			(12,369.00)
43-105-01	OT Revenue>HMO>C/A	7,076.00			7,076.00
43-111-00	OT Revenue>Medicaid	(20,553.00)			(20,553.00)
43-111-01	OT Revenue>Medicaid>C/A	20,553.00			20,553.00
44-102-00	ST Revenue>Medicare A	(5,395.00)			(5,395.00)
44-102-01	ST Revenue>Medicare A>C/A	5,395.00			5,395.00
44-103-00	ST Revenue>Medicare B	(6,665.00)			(6,665.00)
44-105-00	ST Revenue>HMO	(1,462.00)			(1,462.00)
44-105-01	ST Revenue>HMO>C/A	1,211.00			1,211.00
44-111-00	ST Revenue>Medicaid	(3,408.00)			(3,408.00)
44-111-01	ST Revenue>Medicaid>C/A	3,408.00			3,408.00
45-105-00	Radiology Rev>HMO	(126.00)			(126.00)
51-818-00	Other Rev>Medical Records	(262.00)			(262.00)
60-183-00	Nursing Expense>Supplies	36,357.00			36,357.00
60-185-00	Nursing Expense>Incontinence Supplies	852.00			852.00
60-206-00	Nursing Expense>Clinical Services	360.00			360.00
60-207-00	Nursing Expense>Repairs & Maint	178.00			178.00
60-208-00	Nursing Expense>Equip-Rental	7,528.00		(887.00)	6,641.00
			RJE - 4	(887.00)	
60-212-00	Nursing Expense>Clinical Consultants	14,520.00			14,520.00
60-213-00	Nursing Expense>Transportation	24.00			24.00
60-230-00	Nursing Expense>Data Processing	6,439.00			6,439.00
60-801-80	Nursing Expense>CNA>Wages	327,105.00			327,105.00
60-805-80	Nursing Expense>LPN>Wages	252,994.00			252,994.00
60-808-80	Nursing Expense>RN>Wages	40,806.00			40,806.00
60-809-80	Nursing Expense>RN Supervisor>Wages	97,770.00			97,770.00
61-750-00	Nursing Admin Expense>Medical Director	15,000.00			15,000.00
61-811-80	Nursing Admin Expense>Director>Wages	28,978.00			28,978.00
61-812-80	Nursing Admin Expense>Assistant Director>Wages	22,786.00			22,786.00
61-813-80	Nursing Admin Expense>Case Manager>Wages	380.00			380.00
61-817-80	Nursing Admin Expense>MDS / RNAC>Wages	36,421.00			36,421.00
61-818-80	Nursing Admin Expense>Medical Records>Wages	8,366.00			8,366.00
61-819-80	Nursing Admin Expense>Nurse Admin>Wages	297.00			297.00
61-823-80	Nursing Admin Expense>Staff Coordinator>Wages	13,770.00			13,770.00
61-824-80	Nursing Admin Expense>Staff Devel Director>Wages	344.00			344.00
61-825-80	Nursing Admin Expense>Unit Manager>Wages	181.00			181.00
61-880-00	Nursing Admin Expense>Payroll Taxes	92,394.00			92,394.00
61-881-00	Nursing Admin Expense>Workers Comp	26,774.00			26,774.00
61-882-00	Nursing Admin Expense>Health Insurance	71,153.00			71,153.00
61-883-00	Nursing Admin Expense>Other Benefits	1,523.00		(1,523.00)	0.00
			RJE - 1	(1,523.00)	
62-145-00	Pharmacy Expense>RX	53,423.00			53,423.00
62-222-00	Pharmacy Expense>OTC	1,790.00			1,790.00
64-223-00	Other Ancillary Expense>Oxygen	524.00			524.00

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2017			9/30/2017
64-224-00	Other Ancillary Expense>Lab	3,197.00			3,197.00
64-225-00	Other Ancillary Expense>Radiology	855.00			855.00
65-000-00	PT Expense	65,303.00			65,303.00
66-000-00	OT Expense	67,816.00			67,816.00
67-000-00	ST Expense	5,817.00			5,817.00
69-811-80	Social Services Expense>Director>Wages	18,249.00			18,249.00
69-880-00	Social Services Expense>Payroll Taxes	2,037.00			2,037.00
69-881-00	Social Services Expense>Workers Comp	588.00			588.00
69-882-00	Social Services Expense>Health Insurance	1,562.00			1,562.00
69-883-00	Social Services Expense>Other Benefits	33.00		(33.00)	0.00
			RJE - 1	(33.00)	
70-177-00	Dietary Expense>Supplements	3,137.00			3,137.00
70-178-00	Dietary Expense>Food	66,340.00			66,340.00
70-183-00	Dietary Expense>Supplies	5,633.00			5,633.00
70-207-00	Dietary Expense>Repairs & Maint	602.00			602.00
70-811-80	Dietary Expense>Director>Wages	15,449.00			15,449.00
70-831-80	Dietary Expense>Aide>Wages	27,768.00			27,768.00
70-832-80	Dietary Expense>Cook>Wages	31,071.00			31,071.00
70-880-00	Dietary Expense>Payroll Taxes	8,268.00			8,268.00
70-881-00	Dietary Expense>Workers Comp	2,396.00			2,396.00
70-882-00	Dietary Expense>Health Insurance	6,366.00			6,366.00
70-883-00	Dietary Expense>Other Benefits	137.00		(137.00)	0.00
			RJE - 1	(137.00)	
71-178-00	Activity Expense>Food	41.00			41.00
71-183-00	Activity Expense>Supplies	810.00			810.00
71-700-00	Activity Expense>Contracted Service	940.00			940.00
71-811-80	Activity Expense>Director>Wages	10,842.00			10,842.00
71-831-80	Activity Expense>Aide>Wages	19,242.00			19,242.00
71-880-00	Activity Expense>Payroll Taxes	3,346.00			3,346.00
71-881-00	Activity Expense>Workers Comp	970.00			970.00
71-882-00	Activity Expense>Health Insurance	2,580.00			2,580.00
71-883-00	Activity Expense>Other Benefits	54.00		(54.00)	0.00
			RJE - 1	(54.00)	
72-183-00	Housekeeping Expense>Supplies	5,637.00			5,637.00
72-831-80	Housekeeping Expense>Aide>Wages	38,096.00			38,096.00
73-183-00	Laundry Expense>Supplies	123.00			123.00
74-880-00	Housekeeping & Laundry Expense>Payroll Taxes	4,192.00			4,192.00
74-881-00	Housekeeping & Laundry Expense>Workers Comp	1,230.00			1,230.00
74-882-00	Housekeeping & Laundry Expense>Health Insurance	3,285.00			3,285.00
74-883-00	Housekeeping & Laundry Expense>Other Benefits	65.00		(65.00)	0.00
			RJE - 1	(65.00)	
75-183-00	Maintenance Expense>Supplies	4,581.00			4,581.00
75-205-00	Maintenance Expense>Sanitation & Incineration	5,345.00			5,345.00
75-207-00	Maintenance Expense>Repairs & Maint	4,151.00			4,151.00
75-217-00	Maintenance Expense>Extermination	908.00			908.00
75-219-00	Maintenance Expense>Landscaping	2,483.00			2,483.00
75-220-00	Maintenance Expense>Fire Drill	420.00			420.00
75-700-00	Maintenance Expense>Contracted Service	9,974.00			9,974.00
75-811-80	Maintenance Expense>Director>Wages	15,557.00			15,557.00
75-829-80	Maintenance Expense>Staff>Wages	8,635.00			8,635.00
75-880-00	Maintenance Expense>Payroll Taxes	2,679.00			2,679.00
75-881-00	Maintenance Expense>Workers Comp	781.00			781.00
75-882-00	Maintenance Expense>Health Insurance	2,078.00			2,078.00
75-883-00	Maintenance Expense>Other Benefits	44.00		(44.00)	0.00
			RJE - 1	(44.00)	
76-227-00	Utility Expense>Gas	6,464.00			6,464.00
76-228-00	Utility Expense>Electric	22,625.00			22,625.00
80-101-00	Admin Expense>Provider Tax	179,721.00			179,721.00
80-162-00	Admin Expense>Insurance - General Liability & Other	14,250.00			14,250.00
80-164-00	Admin Expense>Surety Bond	500.00			500.00

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2017			9/30/2017
80-183-00	Admin Expense>Supplies	4,593.00			4,593.00
80-208-00	Admin Expense>Equip-Rental	925.00			925.00
80-209-00	Admin Expense>Postage	1,261.00		(225.00)	1,036.00
			RJE - 4	(225.00)	
80-210-00	Admin Expense>Internet	473.00			473.00
80-230-00	Admin Expense>Data Processing	4,742.00			4,742.00
80-231-00	Admin Expense>Telephone	2,715.00		(400.00)	2,315.00
			RJE - 3	(400.00)	
80-232-00	Admin Expense>Cable TV	2,270.00			2,270.00
80-236-00	Admin Expense>Travel	1,166.00		(282.00)	884.00
			RJE - 7	(282.00)	
80-236-04	Admin Expense>Travel>Allowable	594.00			594.00
80-238-00	Admin Expense>Legal Fees	3,604.00		225.00	3,829.00
			RJE - 2	225.00	
80-239-00	Admin Expense>Accounting Fees	15,024.00		(14,100.00)	924.00
			RJE - 6	(14,100.00)	
80-240-00	Admin Expense>Professional Fees	31,325.00		13,875.00	45,200.00
			RJE - 2	(225.00)	
			RJE - 6	14,100.00	
80-243-00	Admin Expense>Late Fees	1,653.00			1,653.00
80-244-00	Admin Expense>Bank Fees	381.00			381.00
80-250-00	Admin Expense>Marketing & Advertising	2,275.00			2,275.00
80-251-00	Admin Expense>Bad Debt	23,718.00			23,718.00
80-252-00	Admin Expense>Startup Costs	32,664.00			32,664.00
80-700-00	Admin Expense>Contracted Service	4,502.00			4,502.00
80-811-80	Admin Expense>Director>Wages	26,641.00			26,641.00
80-839-80	Admin Expense>Admissions>Wages	26,974.00			26,974.00
80-840-80	Admin Expense>Business Office>Wages	20,562.00			20,562.00
80-880-00	Admin Expense>Payroll Taxes	8,323.00			8,323.00
80-881-00	Admin Expense>Workers Comp	2,392.00			2,392.00
80-882-00	Admin Expense>Health Insurance	6,320.00			6,320.00
80-883-00	Admin Expense>Other Benefits	150.00		(150.00)	0.00
			RJE - 1	(150.00)	
85-245-00	Background Checks	0.00		872.00	872.00
			RJE - 1	872.00	
85-257-00	Employee Physicals	0.00		285.00	285.00
			RJE - 1	285.00	
91-121-00	Property Expense>Rent	185,365.00			185,365.00
91-161-00	Property Expense>RE Taxes	19,586.00			19,586.00
91-261-00	Property Expense>Personal Prop Taxes	5,481.00			5,481.00
92-000-00	Depreciation Expense	16.00			16.00
93-000-00	Amortization Expense	7,667.00			7,667.00
94-000-00	Interest Expense	25,189.00			25,189.00
Marcum 101	Employee Food	0.00		395.00	395.00
			RJE - 1	113.00	
			RJE - 7	282.00	
Marcum 102	Flowers, cards, etc.	0.00		682.00	682.00
			RJE - 1	682.00	
Marcum 103	Parties	0.00		54.00	54.00
			RJE - 1	54.00	
Marcum 104	Equipment Lease	0.00		1,112.00	1,112.00
			RJE - 4	1,112.00	
Marcum 105	Drug Administering Expense	0.00			0.00
Marcum 106	Cell Phone	0.00		400.00	400.00
			RJE - 3	400.00	
<b>Total</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>Net (Income) Loss</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>

Client: **88 Clark Operating, LLC**  
 Engagement: **Medicaid - 88 Clark Operating, LLC**  
 Period Ending: **9/30/2017**  
 Trial Balance: **A.01 - TB-CCNH**  
 Workpaper: **A.05 - Profit & Loss**

Account	Description	ADJ 9/30/2017	JE Ref #	RJE	FINAL 9/30/2017
<b>Group : [10-A] Salaries and Wages</b>					
<b>Subgroup : [2] Administrators</b>					
80-811-80	Admin Expense>Director>Wages	26,641.00		0.00	26,641.00
<b>Subtotal [2] Administrators</b>		<b>26,641.00</b>		<b>0.00</b>	<b>26,641.00</b>
<b>Subgroup : [4] Other Administrative Salaries</b>					
80-840-80	Admin Expense>Business Office>Wages	20,562.00		0.00	20,562.00
<b>Subtotal [4] Other Administrative Salaries</b>		<b>20,562.00</b>		<b>0.00</b>	<b>20,562.00</b>
<b>Subgroup : [5B] Food Service Supervisor</b>					
70-811-80	Dietary Expense>Director>Wages	15,449.00		0.00	15,449.00
<b>Subtotal [5B] Food Service Supervisor</b>		<b>15,449.00</b>		<b>0.00</b>	<b>15,449.00</b>
<b>Subgroup : [5C] Dietary Workers</b>					
70-831-80	Dietary Expense>Aide>Wages	27,768.00		0.00	27,768.00
70-832-80	Dietary Expense>Cook>Wages	31,071.00		0.00	31,071.00
<b>Subtotal [5C] Dietary Workers</b>		<b>58,839.00</b>		<b>0.00</b>	<b>58,839.00</b>
<b>Subgroup : [6B] Other Housekeeping Workers</b>					
72-831-80	Housekeeping Expense>Aide>Wages	38,096.00		0.00	38,096.00
<b>Subtotal [6B] Other Housekeeping Workers</b>		<b>38,096.00</b>		<b>0.00</b>	<b>38,096.00</b>
<b>Subgroup : [7A] Engineer or Chief of Maintenance</b>					
75-811-80	Maintenance Expense>Director>Wages	15,557.00		0.00	15,557.00
<b>Subtotal [7A] Engineer or Chief of Maintenance</b>		<b>15,557.00</b>		<b>0.00</b>	<b>15,557.00</b>
<b>Subgroup : [7B] Other Maintenance Workers</b>					
75-829-80	Maintenance Expense>Staff>Wages	8,635.00		0.00	8,635.00
<b>Subtotal [7B] Other Maintenance Workers</b>		<b>8,635.00</b>		<b>0.00</b>	<b>8,635.00</b>
<b>Subgroup : [12A] Director of Nurses/Assistant Director</b>					
61-811-80	Nursing Admin Expense>Director>Wages	28,978.00		0.00	28,978.00
61-812-80	Nursing Admin Expense>Assistant Director>Wages	22,786.00		0.00	22,786.00
<b>Subtotal [12A] Director of Nurses/Assistant Director</b>		<b>51,764.00</b>		<b>0.00</b>	<b>51,764.00</b>
<b>Subgroup : [12B1] RNs - Direct Care</b>					
60-808-80	Nursing Expense>RN>Wages	40,806.00		0.00	40,806.00
60-809-80	Nursing Expense>RN Supervisor>Wages	97,770.00		0.00	97,770.00
<b>Subtotal [12B1] RNs - Direct Care</b>		<b>138,576.00</b>		<b>0.00</b>	<b>138,576.00</b>
<b>Subgroup : [12B2] RNs - Administrative</b>					
61-813-80	Nursing Admin Expense>Case Manager>Wages	380.00		0.00	380.00
61-817-80	Nursing Admin Expense>MDS / RNAC>Wages	36,421.00		0.00	36,421.00
61-819-80	Nursing Admin Expense>Nurse Admin>Wages	297.00		0.00	297.00
61-823-80	Nursing Admin Expense>Staff Coordinator>Wages	13,770.00		0.00	13,770.00
61-824-80	Nursing Admin Expense>Staff Devel Director>Wages	344.00		0.00	344.00
61-825-80	Nursing Admin Expense>Unit Manager>Wages	181.00		0.00	181.00
<b>Subtotal [12B2] RNs - Administrative</b>		<b>51,393.00</b>		<b>0.00</b>	<b>51,393.00</b>
<b>Subgroup : [12C1] LPNs - Direct Care</b>					
60-805-80	Nursing Expense>LPN>Wages	252,994.00		0.00	252,994.00
<b>Subtotal [12C1] LPNs - Direct Care</b>		<b>252,994.00</b>		<b>0.00</b>	<b>252,994.00</b>
<b>Subgroup : [12D] Aides and Attendants</b>					
60-801-80	Nursing Expense>CNA>Wages	327,105.00		0.00	327,105.00
<b>Subtotal [12D] Aides and Attendants</b>		<b>327,105.00</b>		<b>0.00</b>	<b>327,105.00</b>
<b>Subgroup : [12H] Recreation Workers</b>					
71-811-80	Activity Expense>Director>Wages	10,842.00		0.00	10,842.00
71-831-80	Activity Expense>Aide>Wages	19,242.00		0.00	19,242.00
<b>Subtotal [12H] Recreation Workers</b>		<b>30,084.00</b>		<b>0.00</b>	<b>30,084.00</b>
<b>Subgroup : [12M] Social Workers/Case Management</b>					
69-811-80	Social Services Expense>Director>Wages	18,249.00		0.00	18,249.00
<b>Subtotal [12M] Social Workers/Case Management</b>		<b>18,249.00</b>		<b>0.00</b>	<b>18,249.00</b>
<b>Subgroup : [12O] Other</b>					
61-818-80	Nursing Admin Expense>Medical Records>Wages	8,366.00		0.00	8,366.00
80-839-80	Admin Expense>Admissions>Wages	26,974.00		0.00	26,974.00
<b>Subtotal [12O] Other</b>		<b>35,340.00</b>		<b>0.00</b>	<b>35,340.00</b>
<b>Total [10-A] Salaries and Wages</b>		<b>1,089,284.00</b>		<b>0.00</b>	<b>1,089,284.00</b>
<b>Group : [13-B] Professional Fees</b>					
<b>Subgroup : [5A] PT - Resident Care</b>					
65-000-00	PT Expense	65,303.00		0.00	65,303.00
<b>Subtotal [5A] PT - Resident Care</b>		<b>65,303.00</b>		<b>0.00</b>	<b>65,303.00</b>
<b>Subgroup : [8A] Medical Director</b>					
61-750-00	Nursing Admin Expense>Medical Director	15,000.00		0.00	15,000.00
<b>Subtotal [8A] Medical Director</b>		<b>15,000.00</b>		<b>0.00</b>	<b>15,000.00</b>

Client: **88 Clark Operating, LLC**  
 Engagement: **Medicaid - 88 Clark Operating, LLC**  
 Period Ending: **9/30/2017**  
 Trial Balance: **A.01 - TB-CCNH**  
 Workpaper: **A.05 - Profit & Loss**

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2017			9/30/2017
<b>Subgroup : [9A] ST - Resident Care</b>					
67-000-00	ST Expense	5,817.00		0.00	5,817.00
<b>Subtotal [9A] ST - Resident Care</b>		<b>5,817.00</b>		<b>0.00</b>	<b>5,817.00</b>
<b>Subgroup : [10A] OT - Resident Care</b>					
66-000-00	OT Expense	67,816.00		0.00	67,816.00
<b>Subtotal [10A] OT - Resident Care</b>		<b>67,816.00</b>		<b>0.00</b>	<b>67,816.00</b>
<b>Subgroup : [12] Other</b>					
60-206-00	Nursing Expense>Clinical Services	360.00		0.00	360.00
60-212-00	Nursing Expense>Clinical Consultants	14,520.00		0.00	14,520.00
<b>Subtotal [12] Other</b>		<b>14,880.00</b>		<b>0.00</b>	<b>14,880.00</b>
<b>Total [13-B] Professional Fees</b>		<b>168,816.00</b>		<b>0.00</b>	<b>168,816.00</b>
<b>Group : [15] Expenditures Other than Salaries</b>					
<b>Subgroup : [1A1] Workmen's Compensation</b>					
61-881-00	Nursing Admin Expense>Workers Comp	26,774.00		0.00	26,774.00
69-881-00	Social Services Expense>Workers Comp	588.00		0.00	588.00
70-881-00	Dietary Expense>Workers Comp	2,396.00		0.00	2,396.00
71-881-00	Activity Expense>Workers Comp	970.00		0.00	970.00
74-881-00	Housekeeping & Laundry Expense>Workers Comp	1,230.00		0.00	1,230.00
75-881-00	Maintenance Expense>Workers Comp	781.00		0.00	781.00
80-881-00	Admin Expense>Workers Comp	2,392.00		0.00	2,392.00
<b>Subtotal [1A1] Workmen's Compensation</b>		<b>35,131.00</b>		<b>0.00</b>	<b>35,131.00</b>
<b>Subgroup : [1A4] Social Security (FICA)</b>					
61-880-00	Nursing Admin Expense>Payroll Taxes	92,394.00		0.00	92,394.00
69-880-00	Social Services Expense>Payroll Taxes	2,037.00		0.00	2,037.00
70-880-00	Dietary Expense>Payroll Taxes	8,268.00		0.00	8,268.00
71-880-00	Activity Expense>Payroll Taxes	3,346.00		0.00	3,346.00
74-880-00	Housekeeping & Laundry Expense>Payroll Taxes	4,192.00		0.00	4,192.00
75-880-00	Maintenance Expense>Payroll Taxes	2,679.00		0.00	2,679.00
80-880-00	Admin Expense>Payroll Taxes	8,323.00		0.00	8,323.00
<b>Subtotal [1A4] Social Security (FICA)</b>		<b>121,239.00</b>		<b>0.00</b>	<b>121,239.00</b>
<b>Subgroup : [1A5] Health Insurance</b>					
61-882-00	Nursing Admin Expense>Health Insurance	71,153.00		0.00	71,153.00
69-882-00	Social Services Expense>Health Insurance	1,562.00		0.00	1,562.00
70-882-00	Dietary Expense>Health Insurance	6,366.00		0.00	6,366.00
71-882-00	Activity Expense>Health Insurance	2,580.00		0.00	2,580.00
74-882-00	Housekeeping & Laundry Expense>Health Insurance	3,285.00		0.00	3,285.00
75-882-00	Maintenance Expense>Health Insurance	2,078.00		0.00	2,078.00
80-882-00	Admin Expense>Health Insurance	6,320.00		0.00	6,320.00
<b>Subtotal [1A5] Health Insurance</b>		<b>93,344.00</b>		<b>0.00</b>	<b>93,344.00</b>
<b>Subgroup : [1A9] Other</b>					
61-883-00	Nursing Admin Expense>Other Benefits	1,523.00		(1,523.00)	0.00
			RJE - 1	(1,523.00)	
69-883-00	Social Services Expense>Other Benefits	33.00		(33.00)	0.00
			RJE - 1	(33.00)	
70-883-00	Dietary Expense>Other Benefits	137.00		(137.00)	0.00
			RJE - 1	(137.00)	
71-883-00	Activity Expense>Other Benefits	54.00		(54.00)	0.00
			RJE - 1	(54.00)	
74-883-00	Housekeeping & Laundry Expense>Other Benefits	65.00		(65.00)	0.00
			RJE - 1	(65.00)	
75-883-00	Maintenance Expense>Other Benefits	44.00		(44.00)	0.00
			RJE - 1	(44.00)	
80-883-00	Admin Expense>Other Benefits	150.00		(150.00)	0.00
			RJE - 1	(150.00)	
85-245-00	Background Checks	0.00		872.00	872.00
			RJE - 1	872.00	
85-257-00	Employee Physicals	0.00		285.00	285.00
			RJE - 1	285.00	
<b>Subtotal [1A9] Other</b>		<b>2,006.00</b>		<b>(849.00)</b>	<b>1,157.00</b>
<b>Subgroup : [1C] Bad Debts</b>					
80-251-00	Admin Expense>Bad Debt	23,718.00		0.00	23,718.00
<b>Subtotal [1C] Bad Debts</b>		<b>23,718.00</b>		<b>0.00</b>	<b>23,718.00</b>
<b>Subgroup : [1D] Accounting and Auditing</b>					
80-239-00	Admin Expense>Accounting Fees	15,024.00		(14,100.00)	924.00
			RJE - 6	(14,100.00)	
<b>Subtotal [1D] Accounting and Auditing</b>		<b>15,024.00</b>		<b>(14,100.00)</b>	<b>924.00</b>
<b>Subgroup : [1E] Legal</b>					
80-238-00	Admin Expense>Legal Fees	3,604.00		225.00	3,829.00
			RJE - 2	225.00	
<b>Subtotal [1E] Legal</b>		<b>3,604.00</b>		<b>225.00</b>	<b>3,829.00</b>
<b>Subgroup : [1G] Office Supplies</b>					
80-183-00	Admin Expense>Supplies	4,593.00		0.00	4,593.00

Client: **88 Clark Operating, LLC**  
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Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2017			9/30/2017
80-208-00	Admin Expense>Equip-Rental	925.00		0.00	925.00
<b>Subtotal [1G] Office Supplies</b>		<b>5,518.00</b>		<b>0.00</b>	<b>5,518.00</b>
<b>Subgroup : [1H1] Telephone and Telegraph</b>					
80-231-00	Admin Expense>Telephone	2,715.00	RJE - 3	(400.00)	2,315.00
<b>Subtotal [1H1] Telephone and Telegraph</b>		<b>2,715.00</b>		<b>(400.00)</b>	<b>2,315.00</b>
<b>Subgroup : [1H2] Cellular Phones and Beepers</b>					
Marcum 106	Cell Phone	0.00	RJE - 3	400.00	400.00
<b>Subtotal [1H2] Cellular Phones and Beepers</b>		<b>0.00</b>		<b>400.00</b>	<b>400.00</b>
<b>Subgroup : [1K3] Resident Day User Fee</b>					
80-101-00	Admin Expense>Provider Tax	179,721.00		0.00	179,721.00
<b>Subtotal [1K3] Resident Day User Fee</b>		<b>179,721.00</b>		<b>0.00</b>	<b>179,721.00</b>
<b>Total [15] Expenditures Other than Salaries</b>		<b>482,020.00</b>		<b>(14,724.00)</b>	<b>467,296.00</b>
<b>Group : [16] Expenditures Other than Salaries (cont'd) - Admin. and General</b>					
<b>Subgroup : [1] Resident Travel and Entertainment</b>					
60-213-00	Nursing Expense>Transportation	24.00		0.00	24.00
<b>Subtotal [1] Resident Travel and Entertainment</b>		<b>24.00</b>		<b>0.00</b>	<b>24.00</b>
<b>Subgroup : [2] Holiday Parties for Staff</b>					
Marcum 103	Parties	0.00	RJE - 1	54.00	54.00
<b>Subtotal [2] Holiday Parties for Staff</b>		<b>0.00</b>		<b>54.00</b>	<b>54.00</b>
<b>Subgroup : [3] Gifts to Staff and Residents</b>					
Marcum 102	Flowers, cards, etc.	0.00	RJE - 1	682.00	682.00
<b>Subtotal [3] Gifts to Staff and Residents</b>		<b>0.00</b>		<b>682.00</b>	<b>682.00</b>
<b>Subgroup : [4] Employee Travel</b>					
80-236-00	Admin Expense>Travel	1,166.00	RJE - 7	(282.00)	884.00
80-236-04	Admin Expense>Travel>Allowable	594.00		0.00	594.00
<b>Subtotal [4] Employee Travel</b>		<b>1,760.00</b>		<b>(282.00)</b>	<b>1,478.00</b>
<b>Subgroup : [M3] Advertising Other</b>					
80-250-00	Admin Expense>Marketing & Advertising	2,275.00		0.00	2,275.00
<b>Subtotal [M3] Advertising Other</b>		<b>2,275.00</b>		<b>0.00</b>	<b>2,275.00</b>
<b>Subgroup : [M7] Postage</b>					
80-209-00	Admin Expense>Postage	1,261.00	RJE - 4	(225.00)	1,036.00
<b>Subtotal [M7] Postage</b>		<b>1,261.00</b>		<b>(225.00)</b>	<b>1,036.00</b>
<b>Subgroup : [M11] Services Provided by Contract</b>					
80-210-00	Admin Expense>Internet	473.00		0.00	473.00
80-230-00	Admin Expense>Data Processing	4,742.00		0.00	4,742.00
80-240-00	Admin Expense>Professional Fees	31,325.00	RJE - 2	13,875.00	45,200.00
80-700-00	Admin Expense>Contracted Service	4,502.00	RJE - 6	(225.00)	4,502.00
<b>Subtotal [M11] Services Provided by Contract</b>		<b>41,042.00</b>		<b>13,875.00</b>	<b>54,917.00</b>
<b>Subgroup : [M13] Other</b>					
80-243-00	Admin Expense>Late Fees	1,653.00		0.00	1,653.00
80-244-00	Admin Expense>Bank Fees	381.00		0.00	381.00
80-252-00	Admin Expense>Startup Costs	32,664.00		0.00	32,664.00
Marcum 101	Employee Food	0.00	RJE - 1	395.00	395.00
<b>Subtotal [M13] Other</b>		<b>34,698.00</b>	RJE - 7	113.00	<b>35,093.00</b>
<b>Total [16] Expenditures Other than Salaries (cont'd) - Admin. and General</b>		<b>81,060.00</b>		<b>395.00</b>	<b>95,659.00</b>
<b>Group : [18] Dietary Basis for Allocation of Costs</b>					
<b>Subgroup : [2A1] Raw Food</b>					
70-177-00	Dietary Expense>Supplements	3,137.00		0.00	3,137.00
70-178-00	Dietary Expense>Food	66,340.00		0.00	66,340.00
<b>Subtotal [2A1] Raw Food</b>		<b>69,477.00</b>		<b>0.00</b>	<b>69,477.00</b>
<b>Subgroup : [2A2] Non-Food Supplies</b>					
70-183-00	Dietary Expense>Supplies	5,633.00		0.00	5,633.00
<b>Subtotal [2A2] Non-Food Supplies</b>		<b>5,633.00</b>		<b>0.00</b>	<b>5,633.00</b>
<b>Total [18] Dietary Basis for Allocation of Costs</b>		<b>75,110.00</b>		<b>0.00</b>	<b>75,110.00</b>
<b>Group : [19] Laundry-Basis for Allocation of Costs</b>					
<b>Subgroup : [3D] Other</b>					
73-183-00	Laundry Expense>Supplies	123.00		0.00	123.00
<b>Subtotal [3D] Other</b>		<b>123.00</b>		<b>0.00</b>	<b>123.00</b>

Client: **88 Clark Operating, LLC**  
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Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2017			9/30/2017
<b>Total [19] Laundry-Basis for Allocation of Costs</b>		<b>123.00</b>		<b>0.00</b>	<b>123.00</b>
<b>Group : [20] Housekeeping and Resident Care Basis for Allocation of Costs</b>					
<b>Subgroup : [4A1] In-House Care Supplies</b>					
72-183-00 Housekeeping Expense>Supplies		5,637.00		0.00	5,637.00
<b>Subtotal [4A1] In-House Care Supplies</b>		<b>5,637.00</b>		<b>0.00</b>	<b>5,637.00</b>
<b>Subgroup : [5A2] Purchased from</b>					
62-145-00 Pharmacy Expense>RX		53,423.00		0.00	53,423.00
<b>Subtotal [5A2] Purchased from</b>		<b>53,423.00</b>		<b>0.00</b>	<b>53,423.00</b>
<b>Subgroup : [5B] Medicine Cabinet Drugs</b>					
62-222-00 Pharmacy Expense>OTC		1,790.00		0.00	1,790.00
<b>Subtotal [5B] Medicine Cabinet Drugs</b>		<b>1,790.00</b>		<b>0.00</b>	<b>1,790.00</b>
<b>Subgroup : [5C] Medical and Therapeutic Supplies</b>					
60-183-00 Nursing Expense>Supplies		36,357.00		0.00	36,357.00
60-185-00 Nursing Expense>Incontinence Supplies		852.00		0.00	852.00
<b>Subtotal [5C] Medical and Therapeutic Supplies</b>		<b>37,209.00</b>		<b>0.00</b>	<b>37,209.00</b>
<b>Subgroup : [5E2] Oxygen - Other</b>					
64-223-00 Other Ancillary Expense>Oxygen		524.00		0.00	524.00
<b>Subtotal [5E2] Oxygen - Other</b>		<b>524.00</b>		<b>0.00</b>	<b>524.00</b>
<b>Subgroup : [5F] X-Rays and related radiological</b>					
64-225-00 Other Ancillary Expense>Radiology		855.00		0.00	855.00
<b>Subtotal [5F] X-Rays and related radiological</b>		<b>855.00</b>		<b>0.00</b>	<b>855.00</b>
<b>Subgroup : [5H] Laboratory</b>					
64-224-00 Other Ancillary Expense>Lab		3,197.00		0.00	3,197.00
<b>Subtotal [5H] Laboratory</b>		<b>3,197.00</b>		<b>0.00</b>	<b>3,197.00</b>
<b>Subgroup : [5I] Recreation</b>					
71-178-00 Activity Expense>Food		41.00		0.00	41.00
71-183-00 Activity Expense>Supplies		810.00		0.00	810.00
71-700-00 Activity Expense>Contracted Service		940.00		0.00	940.00
80-232-00 Admin Expense>Cable TV		2,270.00		0.00	2,270.00
<b>Subtotal [5I] Recreation</b>		<b>4,061.00</b>		<b>0.00</b>	<b>4,061.00</b>
<b>Subgroup : [5J] Other</b>					
60-208-00 Nursing Expense>Equip-Rental		7,528.00		(887.00)	6,641.00
			RJE - 4	(887.00)	
60-230-00 Nursing Expense>Data Processing		6,439.00		0.00	6,439.00
<b>Subtotal [5J] Other</b>		<b>13,967.00</b>		<b>(887.00)</b>	<b>13,080.00</b>
<b>Total [20] Housekeeping and Resident Care Basis for Allocation of Costs</b>		<b>120,663.00</b>		<b>(887.00)</b>	<b>119,776.00</b>
<b>Group : [22] Maintenance and Property</b>					
<b>Subgroup : [6A] Repairs and Maintenance</b>					
60-207-00 Nursing Expense>Repairs & Maint		178.00		0.00	178.00
70-207-00 Dietary Expense>Repairs & Maint		602.00		0.00	602.00
75-207-00 Maintenance Expense>Repairs & Maint		4,151.00		0.00	4,151.00
<b>Subtotal [6A] Repairs and Maintenance</b>		<b>4,931.00</b>		<b>0.00</b>	<b>4,931.00</b>
<b>Subgroup : [6B] Heat</b>					
76-227-00 Utility Expense>Gas		6,464.00		0.00	6,464.00
<b>Subtotal [6B] Heat</b>		<b>6,464.00</b>		<b>0.00</b>	<b>6,464.00</b>
<b>Subgroup : [6C] Light &amp; Power</b>					
76-228-00 Utility Expense>Electric		22,625.00		0.00	22,625.00
<b>Subtotal [6C] Light &amp; Power</b>		<b>22,625.00</b>		<b>0.00</b>	<b>22,625.00</b>
<b>Subgroup : [6E] Equipment Lease</b>					
Marcum 104 Equipment Lease		0.00		1,112.00	1,112.00
			RJE - 4	1,112.00	
<b>Subtotal [6E] Equipment Lease</b>		<b>0.00</b>		<b>1,112.00</b>	<b>1,112.00</b>
<b>Subgroup : [6F] Other</b>					
75-183-00 Maintenance Expense>Supplies		4,581.00		0.00	4,581.00
75-205-00 Maintenance Expense>Sanitation & Incineration		5,345.00		0.00	5,345.00
75-217-00 Maintenance Expense>Extermination		908.00		0.00	908.00
75-219-00 Maintenance Expense>Landscaping		2,483.00		0.00	2,483.00
75-220-00 Maintenance Expense>Fire Drill		420.00		0.00	420.00
75-700-00 Maintenance Expense>Contracted Service		9,974.00		0.00	9,974.00
<b>Subtotal [6F] Other</b>		<b>23,711.00</b>		<b>0.00</b>	<b>23,711.00</b>
<b>Subgroup : [7D] Movable Equipment</b>					
92-000-00 Depreciation Expense		16.00		0.00	16.00
<b>Subtotal [7D] Movable Equipment</b>		<b>16.00</b>		<b>0.00</b>	<b>16.00</b>
<b>Subgroup : [8A] Organization Expense</b>					
93-000-00 Amortization Expense		7,667.00		0.00	7,667.00
<b>Subtotal [8A] Organization Expense</b>		<b>7,667.00</b>		<b>0.00</b>	<b>7,667.00</b>



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Account	Description	ADJ 9/30/2017	JE Ref #	RJE	FINAL 9/30/2017
<b>Subgroup : [9] Rental Payments</b>					
91-121-00	Property Expense>Rent	185,365.00		0.00	185,365.00
<b>Subtotal [9] Rental Payments</b>		<b>185,365.00</b>		<b>0.00</b>	<b>185,365.00</b>
<b>Subgroup : [10B] Real estate taxes paid by lessor</b>					
91-161-00	Property Expense>RE Taxes	19,586.00		0.00	19,586.00
<b>Subtotal [10B] Real estate taxes paid by lessor</b>		<b>19,586.00</b>		<b>0.00</b>	<b>19,586.00</b>
<b>Subgroup : [10C] Personal property taxes</b>					
91-261-00	Property Expense>Personal Prop Taxes	5,481.00		0.00	5,481.00
<b>Subtotal [10C] Personal property taxes</b>		<b>5,481.00</b>		<b>0.00</b>	<b>5,481.00</b>
<b>Total [22] Maintenance and Property</b>		<b>275,846.00</b>		<b>1,112.00</b>	<b>276,958.00</b>
<b>Group : [27] Interest and Insurance</b>					
<b>Subgroup : [12D] Other Interest Expense</b>					
94-000-00	Interest Expense	25,189.00		0.00	25,189.00
<b>Subtotal [12D] Other Interest Expense</b>		<b>25,189.00</b>		<b>0.00</b>	<b>25,189.00</b>
<b>Subgroup : [14A] Insurance on Property</b>					
80-162-00	Admin Expense>Insurance - General Liability & Other	14,250.00		0.00	14,250.00
<b>Subtotal [14A] Insurance on Property</b>		<b>14,250.00</b>		<b>0.00</b>	<b>14,250.00</b>
<b>Subgroup : [14C3] Other</b>					
80-164-00	Admin Expense>Surety Bond	500.00		0.00	500.00
<b>Subtotal [14C3] Other</b>		<b>500.00</b>		<b>0.00</b>	<b>500.00</b>
<b>Total [27] Interest and Insurance</b>		<b>39,939.00</b>		<b>0.00</b>	<b>39,939.00</b>
<b>Group : [30] Statement of Revenue</b>					
<b>Subgroup : [1A] Medicaid Residents (CT only)</b>					
40-111-00	Room & Board Revenue>Medicaid	(1,465,149.00)		0.00	(1,465,149.00)
<b>Subtotal [1A] Medicaid Residents (CT only)</b>		<b>(1,465,149.00)</b>		<b>0.00</b>	<b>(1,465,149.00)</b>
<b>Subgroup : [3A] Medicare Residents (All inclusive)</b>					
40-102-00	Room & Board Revenue>Medicare A	(519,579.00)		0.00	(519,579.00)
<b>Subtotal [3A] Medicare Residents (All inclusive)</b>		<b>(519,579.00)</b>		<b>0.00</b>	<b>(519,579.00)</b>
<b>Subgroup : [3B] Medicare room and board contractual allowance</b>					
40-102-14	Room & Board Revenue>Medicare A>Sequester	6,812.00		0.00	6,812.00
<b>Subtotal [3B] Medicare room and board contractual allowance</b>		<b>6,812.00</b>		<b>0.00</b>	<b>6,812.00</b>
<b>Subgroup : [4A] Private-pay residents and other</b>					
40-104-00	Room & Board Revenue>Private	(258,170.00)		0.00	(258,170.00)
40-105-00	Room & Board Revenue>HMO	(54,034.00)		0.00	(54,034.00)
40-109-00	Room & Board Revenue>Hospice	(37,168.00)		0.00	(37,168.00)
<b>Subtotal [4A] Private-pay residents and other</b>		<b>(349,372.00)</b>		<b>0.00</b>	<b>(349,372.00)</b>
<b>Subgroup : [4B] Private-pay room and board contractual allowance</b>					
40-105-14	Room & Board Revenue>HMO>Sequester	88.00		0.00	88.00
<b>Subtotal [4B] Private-pay room and board contractual allowance</b>		<b>88.00</b>		<b>0.00</b>	<b>88.00</b>
<b>Subgroup : [5A] Prescription Drugs - Medicare</b>					
41-102-00	Pharmacy Rev>Medicare A	(42,337.00)		0.00	(42,337.00)
<b>Subtotal [5A] Prescription Drugs - Medicare</b>		<b>(42,337.00)</b>		<b>0.00</b>	<b>(42,337.00)</b>
<b>Subgroup : [5B] Prescription Drugs - Medicare Contractual Allowance</b>					
41-102-01	Pharmacy Rev>Medicare A>C/A	42,337.00		0.00	42,337.00
<b>Subtotal [5B] Prescription Drugs - Medicare Contractual Allowance</b>		<b>42,337.00</b>		<b>0.00</b>	<b>42,337.00</b>
<b>Subgroup : [5C] Prescription Drugs - Non-medicare</b>					
41-105-00	Pharmacy Rev>HMO	(1,063.00)		0.00	(1,063.00)
<b>Subtotal [5C] Prescription Drugs - Non-medicare</b>		<b>(1,063.00)</b>		<b>0.00</b>	<b>(1,063.00)</b>
<b>Subgroup : [5D] Prescription Drugs - Non-medicare Contractual Allowance</b>					
41-105-01	Pharmacy Rev>HMO>C/A	1,190.00		0.00	1,190.00
<b>Subtotal [5D] Prescription Drugs - Non-medicare Contractual Allowance</b>		<b>1,190.00</b>		<b>0.00</b>	<b>1,190.00</b>
<b>Subgroup : [7A] Physical Therapy - Medicare</b>					
42-102-00	PT Revenue>Medicare A	(64,289.00)		0.00	(64,289.00)
42-103-00	PT Revenue>Medicare B	(11,423.00)		0.00	(11,423.00)
<b>Subtotal [7A] Physical Therapy - Medicare</b>		<b>(75,712.00)</b>		<b>0.00</b>	<b>(75,712.00)</b>
<b>Subgroup : [7B] Physical Therapy - Medicare Contractual Allowance</b>					
42-102-01	PT Revenue>Medicare A>C/A	64,289.00		0.00	64,289.00
<b>Subtotal [7B] Physical Therapy - Medicare Contractual Allowance</b>		<b>64,289.00</b>		<b>0.00</b>	<b>64,289.00</b>
<b>Subgroup : [7C] Physical Therapy - Non-medicare</b>					
42-105-00	PT Revenue>HMO	(11,759.00)		0.00	(11,759.00)
42-111-00	PT Revenue>Medicaid	(15,445.00)		0.00	(15,445.00)
<b>Subtotal [7C] Physical Therapy - Non-medicare</b>		<b>(27,204.00)</b>		<b>0.00</b>	<b>(27,204.00)</b>
<b>Subgroup : [7D] Physical Therapy - Non-medicare Contractual Allowance</b>					

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Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2017			9/30/2017
42-105-01	PT Revenue>HMO>C/A	6,331.00		0.00	6,331.00
42-111-01	PT Revenue>Medicaid>C/A	15,445.00		0.00	15,445.00
<b>Subtotal [7D] Physical Therapy - Non-medicare Contractual Allowance</b>		<b>21,776.00</b>		<b>0.00</b>	<b>21,776.00</b>
<b>Subgroup : [8A] Speech Therapy - Medicare</b>					
44-102-00	ST Revenue>Medicare A	(5,395.00)		0.00	(5,395.00)
44-103-00	ST Revenue>Medicare B	(6,665.00)		0.00	(6,665.00)
<b>Subtotal [8A] Speech Therapy - Medicare</b>		<b>(12,060.00)</b>		<b>0.00</b>	<b>(12,060.00)</b>
<b>Subgroup : [8B] Speech Therapy - Medicare Contractual Allowance</b>					
44-102-01	ST Revenue>Medicare A>C/A	5,395.00		0.00	5,395.00
<b>Subtotal [8B] Speech Therapy - Medicare Contractual Allowance</b>		<b>5,395.00</b>		<b>0.00</b>	<b>5,395.00</b>
<b>Subgroup : [8C] Speech Therapy - Non-medicare</b>					
44-105-00	ST Revenue>HMO	(1,462.00)		0.00	(1,462.00)
44-111-00	ST Revenue>Medicaid	(3,408.00)		0.00	(3,408.00)
<b>Subtotal [8C] Speech Therapy - Non-medicare</b>		<b>(4,870.00)</b>		<b>0.00</b>	<b>(4,870.00)</b>
<b>Subgroup : [8D] Speech Therapy - Non-medicare Contractual Allowance</b>					
44-105-01	ST Revenue>HMO>C/A	1,211.00		0.00	1,211.00
44-111-01	ST Revenue>Medicaid>C/A	3,408.00		0.00	3,408.00
<b>Subtotal [8D] Speech Therapy - Non-medicare Contractual Allowance</b>		<b>4,619.00</b>		<b>0.00</b>	<b>4,619.00</b>
<b>Subgroup : [9A] Occupational Therapy - Medicare</b>					
43-102-00	OT Revenue>Medicare A	(68,614.00)		0.00	(68,614.00)
43-103-00	OT Revenue>Medicare B	(15,318.00)		0.00	(15,318.00)
<b>Subtotal [9A] Occupational Therapy - Medicare</b>		<b>(83,932.00)</b>		<b>0.00</b>	<b>(83,932.00)</b>
<b>Subgroup : [9B] Occupational Therapy - Medicare Contractual Allowance</b>					
43-102-01	OT Revenue>Medicare A>C/A	68,614.00		0.00	68,614.00
<b>Subtotal [9B] Occupational Therapy - Medicare Contractual Allowance</b>		<b>68,614.00</b>		<b>0.00</b>	<b>68,614.00</b>
<b>Subgroup : [9C] Occupational Therapy - Non-medicare</b>					
43-105-00	OT Revenue>HMO	(12,369.00)		0.00	(12,369.00)
43-111-00	OT Revenue>Medicaid	(20,553.00)		0.00	(20,553.00)
<b>Subtotal [9C] Occupational Therapy - Non-medicare</b>		<b>(32,922.00)</b>		<b>0.00</b>	<b>(32,922.00)</b>
<b>Subgroup : [9D] Occupational Therapy - Non-medicare Contractual Allowance</b>					
43-105-01	OT Revenue>HMO>C/A	7,076.00		0.00	7,076.00
43-111-01	OT Revenue>Medicaid>C/A	20,553.00		0.00	20,553.00
<b>Subtotal [9D] Occupational Therapy - Non-medicare Contractual Allowance</b>		<b>27,629.00</b>		<b>0.00</b>	<b>27,629.00</b>
<b>Subgroup : [10B] Other - Non-medicare</b>					
45-105-00	Radiology Rev>HMO	(126.00)		0.00	(126.00)
<b>Subtotal [10B] Other - Non-medicare</b>		<b>(126.00)</b>		<b>0.00</b>	<b>(126.00)</b>
<b>Subgroup : [18] Other Revenue</b>					
51-818-00	Other Rev>Medical Records	(262.00)		0.00	(262.00)
<b>Subtotal [18] Other Revenue</b>		<b>(262.00)</b>		<b>0.00</b>	<b>(262.00)</b>
<b>Total [30] Statement of Revenue</b>		<b>(2,371,839.00)</b>		<b>0.00</b>	<b>(2,371,839.00)</b>
<b>Sum of Account Groups</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>Net Income Loss (Gain)</b>		<b>(38,978.00)</b>			

Client: **88 Clark Operating, LLC**  
 Engagement: **Medicaid - 88 Clark Operating, LLC**  
 Period Ending: **9/30/2017**  
 Trial Balance: **A.01 - TB-CCNH**  
 Workpaper: **A.04 - Balance Sheet**

Account	Description	ADJ 9/30/2017	JE Ref #	RJE	FINAL 9/30/2017
<b>Group : [31-32] Assets</b>					
<b>Subgroup : [A1] Cash</b>					
10-010-96	Cash>Operating>New London	244,351.00		0.00	244,351.00
10-014-00	Cash>Petty Cash Facility	300.00		0.00	300.00
10-014-96	Cash>PettyCash>New London	1,490.00		0.00	1,490.00
10-015-00	Cash>Petty Cash PNA	500.00		0.00	500.00
10-060-96	Cash>Resident Trust>New London	49,334.00		0.00	49,334.00
10-061-00	Cash>Care Cost	5,000.00		0.00	5,000.00
<b>Subtotal [A1] Cash</b>		<b>300,975.00</b>		<b>0.00</b>	<b>300,975.00</b>
<b>Subgroup : [A2] Resident Accounts Receivable</b>					
11-102-00	Accounts Receivable>Medicare A	99,795.00		0.00	99,795.00
11-102-70	Accounts Receivable>Medicare A>Old A/R	67,749.00		0.00	67,749.00
11-103-70	Accounts Receivable>Medicare B>Old A/R	14,487.00		0.00	14,487.00
11-104-00	Accounts Receivable>Private	42,807.00		0.00	42,807.00
11-104-70	Accounts Receivable>Private>Old A/R	296,405.00		0.00	296,405.00
11-105-00	Accounts Receivable>HMO	73,648.00		0.00	73,648.00
11-105-70	Accounts Receivable>HMO>Old A/R	34,361.00		0.00	34,361.00
11-109-00	Accounts Receivable>Hospice	27,182.00		0.00	27,182.00
11-109-70	Accounts Receivable>Hospice>Old A/R	(4,429.00)		0.00	(4,429.00)
11-111-00	Accounts Receivable>Medicaid	561,444.00		0.00	561,444.00
11-111-70	Accounts Receivable>Medicaid>Old A/R	96,295.00		0.00	96,295.00
11-112-00	Accounts Receivable>Income	9,383.00		0.00	9,383.00
11-112-70	Accounts Receivable>Income>Old A/R	(900.00)		0.00	(900.00)
11-120-00	Accounts Receivable>Allow for Doubtful Accts	(23,718.00)		0.00	(23,718.00)
11-123-00	Accounts Receivable>Ancillary	33,533.00		0.00	33,533.00
11-191-00	Accounts Receivable>Allowance Purchased A/R	(265,606.00)		0.00	(265,606.00)
<b>Subtotal [A2] Resident Accounts Receivable</b>		<b>1,062,436.00</b>		<b>0.00</b>	<b>1,062,436.00</b>
<b>Subgroup : [A5] Prepaid Expenses</b>					
12-000-00	Prepaid Expenses	3,844.00		0.00	3,844.00
12-126-00	Prepaid Expenses>Taxes	25,066.00		0.00	25,066.00
<b>Subtotal [A5] Prepaid Expenses</b>		<b>28,910.00</b>		<b>0.00</b>	<b>28,910.00</b>
<b>Subgroup : [B5] Non-Movable Equipment</b>					
14-132-00	Fixed Assets>Furniture, Fixtures and Equipment	884.00		0.00	884.00
14-305-00	Fixed Assets>Sales Use Tax	56.00		0.00	56.00
15-132-00	Accum Depn>Furniture, Fixtures and Equipment	(15.00)		0.00	(15.00)
15-305-00	Accum Depn>Sales Use Tax	(1.00)		0.00	(1.00)
<b>Subtotal [B5] Non-Movable Equipment</b>		<b>924.00</b>		<b>0.00</b>	<b>924.00</b>
<b>Subgroup : [B9] Other Fixed Assets</b>					
14-136-00	Fixed Assets>CIP	174,238.00		0.00	174,238.00
<b>Subtotal [B9] Other Fixed Assets</b>		<b>174,238.00</b>		<b>0.00</b>	<b>174,238.00</b>
<b>Subgroup : [D1] Deferred Deposits</b>					
13-128-00	Due From>Vendor Security Deposits	13,964.00		0.00	13,964.00
<b>Subtotal [D1] Deferred Deposits</b>		<b>13,964.00</b>		<b>0.00</b>	<b>13,964.00</b>
<b>Subgroup : [D2] Escrow Deposits</b>					
10-300-00	Cash>Escrow	13,221.00		0.00	13,221.00
<b>Subtotal [D2] Escrow Deposits</b>		<b>13,221.00</b>		<b>0.00</b>	<b>13,221.00</b>
<b>Subgroup : [D3] Organization Expense</b>					
17-000-00	Deferred Financing Costs	310,000.00		0.00	310,000.00
19-265-00	Accumulated Amortization>Deferred Financing Costs	(7,667.00)		0.00	(7,667.00)
<b>Subtotal [D3] Organization Expense</b>		<b>302,333.00</b>		<b>0.00</b>	<b>302,333.00</b>
<b>Subgroup : [D6] Loans to Owners or Related Parties</b>					
27-000-91	Due To/(From)>Waterbury	20,695.00		0.00	20,695.00
27-152-00	Due To/(From)>Employee	690.00		0.00	690.00
27-172-00	Due To/(From)>Vendor	8,374.00		0.00	8,374.00
27-315-00	Due To/(From)>Southport	12,000.00		0.00	12,000.00
27-316-00	Due To/(From)>Greenwich	37,500.00		0.00	37,500.00
<b>Subtotal [D6] Loans to Owners or Related Parties</b>		<b>79,259.00</b>		<b>0.00</b>	<b>79,259.00</b>
<b>Total [31-32] Assets</b>		<b>1,976,260.00</b>		<b>0.00</b>	<b>1,976,260.00</b>
<b>Group : [33-34] Liabilities</b>					
<b>Subgroup : [A1] Trade Accounts Payable</b>					
20-000-00	Accounts Payable	(535,376.00)		0.00	(535,376.00)
21-350-00	Other Current Payables>Resident Funds	(49,334.00)		0.00	(49,334.00)
21-354-00	Other Current Payables>DTF RFMS	(30.00)		0.00	(30.00)
21-884-00	Other Current Payable>Disability & Other Insurance	722.00		0.00	722.00
<b>Subtotal [A1] Trade Accounts Payable</b>		<b>(584,018.00)</b>		<b>0.00</b>	<b>(584,018.00)</b>
<b>Subgroup : [A2] Note Payable</b>					
22-000-01	Note Payable>LOC	(250,000.00)		0.00	(250,000.00)
<b>Subtotal [A2] Note Payable</b>		<b>(250,000.00)</b>		<b>0.00</b>	<b>(250,000.00)</b>
<b>Subgroup : [A4] Accrued Payroll</b>					
23-000-00	Accrued Wages & Related	(84,485.00)		0.00	(84,485.00)
23-157-00	Accrued Expenses>PTO	(134,610.00)		0.00	(134,610.00)
<b>Subtotal [A4] Accrued Payroll</b>		<b>(219,095.00)</b>		<b>0.00</b>	<b>(219,095.00)</b>
<b>Subgroup : [A6] Accrued Payroll Taxes Payable</b>					

Client: **88 Clark Operating, LLC**  
 Engagement: **Medicaid - 88 Clark Operating, LLC**  
 Period Ending: **9/30/2017**  
 Trial Balance: **A.01 - TB-CCNH**  
 Workpaper: **A.04 - Balance Sheet**

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2017			9/30/2017
23-156-00	Accrued Wages & Related>PR Taxes	(10,298.00)		0.00	(10,298.00)
<b>Subtotal [A6] Accrued Payroll Taxes Payable</b>		<b>(10,298.00)</b>		<b>0.00</b>	<b>(10,298.00)</b>
<b>Subgroup : [A12] Other Current Liabilities</b>					
24-000-00	Accrued Expenses	(184,618.00)		0.00	(184,618.00)
<b>Subtotal [A12] Other Current Liabilities</b>		<b>(184,618.00)</b>		<b>0.00</b>	<b>(184,618.00)</b>
<b>Subgroup : [B3] Loans from Owners or Related Parties</b>					
27-000-93	Due To/(From)>Holdings	(291.00)		0.00	(291.00)
27-000-95	Due To/(From)>Norwich	(161,480.00)		0.00	(161,480.00)
27-000-97	Due To/(From)>Norwich Realty	(216,746.00)		0.00	(216,746.00)
27-000-98	Due To/(From)>New London Realty	(310,736.00)		0.00	(310,736.00)
<b>Subtotal [B3] Loans from Owners or Related Parties</b>		<b>(689,253.00)</b>		<b>0.00</b>	<b>(689,253.00)</b>
<b>Total [33-34] Liabilities</b>		<b>(1,937,282.00)</b>		<b>0.00</b>	<b>(1,937,282.00)</b>
<b>Sum of Account Groups</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>

Client: **88 Clark Operating, LLC**  
 Engagement: **Medicaid - 88 Clark Operating, LLC**  
 Period Ending: **9/30/2017**  
 Trial Balance: **A.01 - TB-CCNH**  
 Workpaper: **H.02 - Reclassifying Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
<b>Reclassifying Journal Entries JE # 1</b>		<b>E.04a</b>		
To reclass other benefits				
85-245-00	Background		872.00	
85-257-00	Employee		285.00	
Marcum 101	Employee		113.00	
Marcum 102	Flowers,		682.00	
Marcum 103	Parties		54.00	
61-883-00	Nursing Admin			1,523.00
69-883-00	Social			33.00
70-883-00	Dietary			137.00
71-883-00	Activity			54.00
74-883-00	Housekeeping			65.00
75-883-00	Maintenance			44.00
80-883-00	Admin			150.00
<b>Total</b>			<b>2,006.00</b>	<b>2,006.00</b>
<b>Reclassifying Journal Entries JE # 2</b>		<b>E.02</b>		
To reclass legal fees to correct line				
80-238-00	Admin		225.00	
80-240-00	Admin			225.00
<b>Total</b>			<b>225.00</b>	<b>225.00</b>
<b>Reclassifying Journal Entries JE # 3</b>		<b>N.02</b>		
To reclass cell phone expense from telephone expense				
Marcum 106	Cell Phone		400.00	
80-231-00	Admin			400.00
<b>Total</b>			<b>400.00</b>	<b>400.00</b>
<b>Reclassifying Journal Entries JE # 4</b>		<b>N.02 / E.06</b>		
To reclass equipment leases from from equipment rental & postage				
Marcum 104	Equipment		1,112.00	
60-208-00	Nursing			887.00
80-209-00	Admin			225.00
<b>Total</b>			<b>1,112.00</b>	<b>1,112.00</b>
<b>Reclassifying Journal Entries JE # 6</b>		<b>D.01</b>		
To reclass professional fees from accounting fees				
80-240-00	Admin		14,100.00	
80-239-00	Admin			14,100.00
<b>Total</b>			<b>14,100.00</b>	<b>14,100.00</b>

Client: **88 Clark Operating, LLC**  
 Engagement: **Medicaid - 88 Clark Operating, LLC**  
 Period Ending: **9/30/2017**  
 Trial Balance: **A.01 - TB-CCNH**  
 Workpaper: **H.02 - Reclassifying Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
<b>Reclassifying Journal Entries JE # 7</b>				
To reclass employee food				
Marcum 101	Employee	E.07	282.00	
80-236-00	Admin			282.00
<b>Total</b>			<b>282.00</b>	<b>282.00</b>



Workpaper Index:  
 Prepared By:  
 Reviewed By:  
 Workpaper Date: 2/10/2018  
 Run Date: 2/10/2018

Provider Name: 88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing  
 Provider Number: 2428  
 Period Ended: 9/30/17

Name of Workpaper: VHCL CKLST

**VEHICLE COMPLIANCE CHECKLIST**

**PURPOSE:** To determine that vehicles comply with the published February 15, 2000 guidelines developed to assist providers in understanding what transportation costs are allowable and how the costs must be documented.

		Yes	No	Support Filed at?	Finding Issued?
1	Are all vehicles registered and insured in the facility's name? <i>Request insurance cards and current vehicle registration.</i>				
2	Are all purchase and lease agreements made in the facility's name?				
3	Were mileage logs obtained for facility vehicles claimed for reimbursement				
4	Were the number of vehicles allowed for reimbursement determined?				
5	Was personal use of the facility vehicles determined?				
6	Has the maximum cost allowed for depreciation purposes or the maximum allowable monthly lease expense been determined?				
7	Were all newly acquired vehicle additions for the cost years specified to supporting invoices and cancelled checks verified?				
8	Were all motor vehicle additions physically inspected?				

Conclusion: