

STATE OF NEW YORK
PUBLIC HEALTH AND HEALTH PLANNING COUNCIL

COMMITTEE DAY

AGENDA

September 22, 2016
10:00 a.m.

90 Church Street 4th Floor, Room 4A & 4B, New York City

I. COMMITTEE ON ESTABLISHMENT AND PROJECT REVIEW

Peter Robinson, Chair

A. Applications for Construction of Health Care Facilities/Agencies

Residential Health Care Facilities - Construction

Exhibit # 1

	<u>Number</u>	<u>Applicant/Facility</u>
1.	132129 C	Brooklyn Center for Rehabilitation and Residential Health Care (Kings County)

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

Acute Care Services – Establish/Construct

Exhibit # 2

	<u>Number</u>	<u>Applicant/Facility</u>
1.	161389 E	The Burdett Care Center (Rensselaer County)
2.	161400 E	Saratoga Hospital (Saratoga County)
3.	162007 E	New York Community Hospital of Brooklyn, Inc. (Kings County)
4.	162008 E	Lawrence Hospital Center d/b/a New York Presbyterian/Lawrence Hospital (Westchester County)
5.	162009 E	New York Methodist Hospital (Kings County)
6.	162036 E	Bassett Healthcare Network (Otsego County)

Ambulatory Surgery Centers - Establish/Construct

Exhibit # 3

<u>Number</u>	<u>Applicant/Facility</u>
1. 152377 B	Northern Westchester Facility Project, LLC d/b/a Northern Westchester Regional Surgery Center (Westchester County)
2. 161415 E	Carnegie Hill Endo, LLC (New York County)
3. 161456 E	Manhattan Endoscopy Center, LLC (New York County)

Dialysis Services - Establish/Construct

Exhibit # 4

<u>Number</u>	<u>Applicant/Facility</u>
1. 161243 B	Cassena Care Dialysis at Morningside (Bronx County)

Residential Health Care Facilities - Establish/Construct

Exhibit # 5

<u>Number</u>	<u>Applicant/Facility</u>
1. 152135 E	Delmar Acquisition I LLC d/b/a Bethlehem Commons Nursing and Rehabilitation Center (Albany County)
2. 161156 E	Renaissance Rehabilitation and Nursing Care Center (Dutchess County)
3. 162141 E	The Bethel Methodist Home (Westchester County)

TO BE DISTRIBUTED UNDER SEPARATE COVER

Certified Home Health Agencies - Establish/Construct

Exhibit # 6

<u>Number</u>	<u>Applicant/Facility</u>
1. 161393 E	HCR/HCR Home Care (Clinton County)
2. 161394 E	HCR/HCR Home Care (Schoharie County)
3. 161397 E	HCR/HCR Home Care (Onondaga County)

C. Home Health Agency Licensures

Home Health Agency Licensures

Exhibit # 7

New LHCSA

	<u>Number</u>	<u>Applicant/Facility</u>
1.	162118 E	LifeWorx Care LLC (amends and supersedes #2545L) (New York, Bronx, Kings, Richmond, Queens and Westchester Counties)

Changes of Ownership

	<u>Number</u>	<u>Applicant/Facility</u>
	2560 L	Dragon Home Care, LLC (Kings, Queens, Bronx, Richmond, New York and Nassau Counties)
	2580 L	Elite Services NY, Inc. (Bronx, Rockland, Nassau, Sullivan, Putnam, Ulster, Dutchess, Westchester, and Orange Counties)
	2600 L	Alere of New York, Inc. (Suffolk, Rockland, Nassau, Sullivan, Putnam, Ulster, Dutchess, Westchester, Orange, Columbia, Kings, Queens, New York, Bronx, and Richmond Counties)
	151259 E	Open Door NY Home Care Services, Inc. (Bronx, Richmond, Kings, Nassau, New York and Queens Counties)
	152024 E	Elite Services NY, Inc. d/b/a Simply the Best Home Care (Fulton, Schenectady, Hamilton, Schoharie, Montgomery, Warren and Saratoga Counties)
	152124 E	Core Care, LLC (Bronx, Queens, Kings, Richmond, Nassau and New York Counties)
	161228 E	Responsible Homecare, Inc. (Kings, Bronx, Queens, Richmond, New York and Nassau Counties)
	161333 E	Supreme Homecare Agency of NY Inc. d/b/a NU Home Care (Queens, Bronx, Kings, Richmond, New York and Nassau Counties)

- 161347 E Arista Home Care, LLC
(Kings, Queens, Bronx, Richmond and New York
Counties)
- 161349 E Global Home Care, Inc.
(Kings, Bronx, Queens, Richmond, New York and
Nassau Counties)
- 161404 E Elener Associates LLC d/b/a Riverdale Home Care
Agency
(Bronx, Kings, New York, Queens, Richmond, and
Westchester Counties)

D. Certificates

Exhibit # 8

Certificate of Amendment of Certificate of Incorporation

Applicant

1. Prospect Park Nursing Home, Inc.

Financial Summary

Brooklyn Center For Rehabilitation

	<u>2015</u>	<u>2014</u>	<u>2013</u>
CURRENT ASSETS	\$6,950,835	\$10,150,205	\$11,618,182
FIXED ASSETS	11,279,872	10,628,502	9,671,452
CURRENT LIABILITIES	6,521,833	5,947,354	10,106,360
LONG TERM LIABILITIES	5,647,282	6,612,488	6,951,594
NET ASSETS	\$6,061,592	\$8,218,865	\$4,231,680
REVENUES	\$26,511,733	\$24,970,832	\$23,168,478
EXPENSES	24,675,008	22,071,534	22,017,329
NET INCOME	\$1,836,725	\$2,899,298	\$1,151,149
NUMBER OF BEDS	215	215	215
OCCUPANCY	96.80%	96.04%	96.10%
MEDICAID	70.91%	79.24%	81.44%
MEDICARE	14.73%	12.62%	12.73%
PRIVATE PAY	14.36%	8.14%	5.83%

<u>RHCF Facility</u>	<u>Kenneth Rozenberg</u>	<u>Sol Blumenfeld</u>	<u>Leo Lerner</u>	<u>Date Acquired</u>	<u># of Beds</u>
Williamsbridge Manor Nursing Home	95.00%	0.00%	0.00%	November 1996	77
Bronx Center for Rehabilitation	95.00%	0.00%	0.00%	October 1998	200
University Nursing Home	95.00%	0.00%	0.00%	January 2002	46
Queens Center for Rehabilitation and Health Care	48.00%	0.00%	0.00%	July 2004	179
Dutchess Center for Rehabilitation and Health Care	60.00%	0.00%	0.00%	August 2004	122
Bushwick Center for Rehabilitation and Health Care	98.00%	0.00%	0.00%	May 2010	225
Boro Park Center for Rehabilitation and Health Care	98.00%	0.00%	0.00%	May 2011	354
Rome Center for Rehabilitation and Health Center	62.00%	0.00%	0.00%	May 2011	225
Chittenango Center for Rehabilitation and Health Care	50.00%	0.00%	0.00%	May 2011	80
Fulton Center for Rehabilitaiton and Health Care	62.00%	0.00%	0.00%	April 2012	176
Richmond Center for Rehabilitation and Health Care	95.00%	0.00%	0.00%	April 2012	300
Waterfront Center for Rehabilitation and Health Care	60.00%	0.00%	0.00%	January 2013	160
Holliswood Care Center	85.00%	0.00%	2.00%	May 2013	314
Corning Center for Rehabilitation and Health Care	50.00%	0.00%	0.00%	June 2013	120
Washington Center for Rehabilitation and Health Care	60.00%	0.00%	0.00%	February 2014	122
Essex Center for Rehabilitation and Health Care	60.00%	0.00%	0.00%	March 2014	100
Steuben Center for Rehabilitation and Health Care	63.00%	0.00%	0.00%	July 2014	105
Hope Center for HIV & Nursing Care	95.00%	0.00%	0.00%	April 29, 2015	66
Indian River Rehabilitation	9.00%	0.00%	0.00%	December 2014	122
Triboro Center for Rehabilitation	56.00%	0.00%	0.00%	pending	405

Delaware Nursing & Rehab Receiver Kenneth Rozenberg 6/20/2014

<u>Queens Center</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$4,219,049	\$3,988,114	\$4,045,906
Fixed Assets	16,656,066	15,677,916	15,172,561
Total Assets	\$20,875,115	\$19,666,030	\$19,218,467
Current Liabilities	4,118,068	4,330,265	6,409,471
Long Term Liabilities	6,582,698	7,188,455	8,776,060
Total Liabilities	10,700,766	11,518,720	15,185,531
Net Assets	\$10,174,349	\$8,147,310	\$4,032,936
Working Capital Position	\$100,981	(\$342,151)	(\$2,363,565)
Operating Revenues	\$23,417,704	\$23,109,039	\$23,175,423
Operating Expenses	21,370,664	21,409,109	22,556,999
Operating Net Income	\$2,047,040	\$1,699,930	\$618,424

<u>University Nursing Home</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$1,265,285	\$674,073	\$1,170,522
Fixed Assets	3,383,147	3,902,571	3,433,250
Total Assets	\$4,648,432	\$4,576,644	\$4,603,772
Current Liabilities	1,182,992	2,700,603	2,830,025
Long Term Liabilities	1,840,443	706,334	763,185
Total Liabilities	\$3,023,435	\$3,406,937	\$3,593,210
Net Assets	\$1,624,997	\$1,169,707	\$1,010,562
Working Capital Position	\$82,293	(\$2,026,530)	(\$1,659,503)
Operating Revenues	\$5,162,486	\$4,697,245	\$4,719,257
Operating Expenses	4,707,197	4,558,156	4,421,394
Operating Net Income	\$455,289	\$139,089	\$297,863

<u>Williamsbridge Manor</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$2,463,726	\$4,033,442	\$2,662,838
Fixed Assets	1,726,097	2,162,658	1,723,218
Total Assets	\$4,189,823	\$6,196,100	\$4,386,056
Current Liabilities	3,047,426	4,065,306	1,984,277
Long Term Liabilities	196,756	1,954,661	2,380,054
Total Liabilities	\$3,244,182	\$6,019,967	\$4,364,331
Net Assets	\$945,641	\$176,133	\$21,725
Working Capital Position	(\$583,700)	(\$31,864)	\$678,561
Operating Revenues	\$8,973,690	\$8,468,729	\$8,192,064
Operating Expenses	7,724,182	7,791,492	7,491,991
Operating Net Income	\$1,249,508	\$677,237	\$700,073

<u>Boro Park Center</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
CURRENT ASSETS	\$24,469,690	\$31,736,219	\$22,995,184
FIXED ASSETS	56,398,145	55,129,132	53,895,371
TOTAL ASSETS	\$80,867,835	\$86,865,351	\$76,890,555
CURRENT LIABILITIES	\$7,965,454	16,779,223	16,584,451
LONG TERM LIABILITIES	57,147,033	56,821,005	49,975,637
TOTAL LIABILITIES	\$65,112,487	\$73,600,228	\$66,560,088
NET ASSET POSITION	\$15,755,348	\$13,265,123	\$10,330,467
WORKING CAPITAL POSITION	\$16,504,236	\$14,956,996	\$6,410,733
OPERATING REVENUES	\$85,615,401	\$85,440,310	\$78,008,661
OPERATING EXPENSES	78,625,175	78,305,654	72,926,051
OPERATING NET INCOME	\$6,990,226	\$7,134,656	\$5,082,610

<u>Waterfront Healthcare Center</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
CURRENT ASSETS	\$3,270,196	\$7,650,569	\$6,661,950
FIXED ASSETS	5,269,213	4,650,738	3,535,006
TOTAL ASSETS	\$8,539,409	\$12,301,307	\$10,196,956
CURRENT LIABILITIES	1,051,537	\$1,392,724	\$3,141,954
LONG TERM LIABILITIES	1,654,114	4,995,055	1,073,146
TOTAL LIABILITIES	\$2,705,651	\$6,387,779	\$4,215,100
NET ASSET POSITION	\$5,833,758	\$5,913,528	\$5,981,856
WORKING CAPITAL POSITION	\$2,218,659	\$6,257,845	\$3,519,996
OPERATING REVENUES	\$14,435,646	\$13,642,701	\$12,484,957
OPERATING EXPENSES	13,725,411	12,846,769	12,329,840
OPERATING NET INCOME	\$710,235	\$795,932	\$155,117

<u>Fulton Center</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
CURRENT ASSETS	\$2,823,081	\$3,289,267	\$2,270,582
FIXED ASSETS	4,596,801	3,751,705	3,613,251
TOTAL ASSETS	\$7,419,882	\$7,040,972	\$5,883,833
CURRENT LIABILITIES	1,485,205	2,335,927	2,350,772
LONG TERM LIABILITIES	4,815,342	3,482,427	2,539,573
TOTAL LIABILITIES	\$6,300,547	\$5,818,354	\$4,890,345
NET ASSET POSITION	\$1,119,335	\$1,222,618	\$993,488
WORKING CAPITAL POSITION	\$1,337,876	\$953,340	(\$80,190)
OPERATING REVENUES	\$16,229,792	\$16,419,395	\$13,593,258
OPERATING EXPENSES	15,503,074	15,850,097	13,024,940
OPERATING NET INCOME	\$726,718	\$569,298	\$568,318

<u>Bushwick Center</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
CURRENT ASSETS	\$8,647,930	\$8,735,800	\$7,488,500
FIXED ASSETS	9,560,607	12,386,581	24,217,708
TOTAL ASSETS	\$18,208,537	\$21,122,381	\$31,706,208
CURRENT LIABILITIES	14,705,798	16,454,412	16,598,658
LONG TERM LIABILITIES	233,349	970,875	11,350,397
TOTAL LIABILITIES	\$14,939,147	\$17,425,287	\$27,949,055
NET ASSETS	\$3,269,390	\$3,697,094	\$3,757,153
WORKING CAPITAL POSITION	(\$6,057,868)	(\$7,718,612)	(\$9,110,158)
OPERATING REVENUES	31,055,581	\$31,964,119	\$28,662,368
OPERATING EXPENSES	31,016,586	30,558,284	29,195,555
OPERATING NET INCOME	\$38,995	\$1,405,835	(\$533,187)

<u>Rome Center</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
CURRENT ASSETS	\$3,197,287	\$2,457,447	\$4,502,817
FIXED ASSETS	4,183,821	3,615,643	3,550,483
TOTAL ASSETS	\$7,381,108	\$6,073,090	\$8,053,300
CURRENT LIABILITIES	3,018,610	2,809,274	\$4,434,116
LONG TERM LIABILITIES	351,342	587,082	795,984
TOTAL LIABILITIES	\$3,369,952	\$3,396,356	\$5,230,100
NET ASSETS	\$4,011,156	\$2,676,734	\$2,823,200
WORKING CAPITAL POSITION	\$178,677	(\$351,827)	\$68,701
OPERATING REVENUES	\$15,114,622	\$14,482,900	\$13,493,177
OPERATING EXPENSES	13,445,199	12,881,953	12,325,899
OPERATING NET INCOME	\$1,669,423	\$1,600,947	\$1,167,278

<u>Chittanango Center</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
CURRENT ASSETS	\$1,518,464	\$1,661,828	\$2,656,732
FIXED ASSETS	2,679,504	1,665,934	1,673,218
TOTAL ASSETS	\$4,197,968	\$3,327,762	\$4,329,950
CURRENT LIABILITIES	770,594	\$846,156	\$2,995,289
LONG TERM LIABILITIES	133,051	209,995	215,132
TOTAL LIABILITIES	\$903,645	\$1,056,151	\$3,210,421
NET ASSETS	\$3,294,323	\$2,271,611	\$1,119,529
WORKING CAPITAL POSITION	\$747,870	\$815,672	(\$338,557)
OPERATING REVENUES	\$8,087,488	\$7,620,576	\$7,728,122
OPERATING EXPENSES	6,799,779	6,606,076	6,894,445
OPERATING NET INCOME	\$1,287,709	\$1,014,500	\$833,677

<u>Bronx Center</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$6,310,293	\$8,276,158	\$4,519,395
Fixed Assets	8,696,548	8,696,967	12,790,239
Total Assets	\$15,006,841	\$16,973,125	\$17,309,634
Current Liabilities	5,959,072	8,163,667	8,351,969
Long Term Liabilities	5,975,010	5,849,308	6,156,502
Total Liabilities	11,934,082	14,012,975	14,508,471
Net Assets	\$3,072,759	\$2,960,150	\$2,801,163
Working Capital Position	\$351,221	\$112,491	(\$3,832,574)
Operating Revenues	24,766,202	\$25,270,784	\$24,885,501
Operating Expenses	24,653,593	25,252,267	24,711,618
Operating Net Income	\$112,609	\$18,517	\$173,883

<u>Dutchess Center</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$2,702,001	\$3,013,879	\$3,133,507
Fixed Assets	5,951,137	6,337,322	6,578,070
Total Assets	\$8,653,138	\$9,351,201	\$9,711,577
Current Liabilities	1,311,771	1,794,886	4,623,390
Long Term Liabilities	1,587,306	3,391,324	3,873,240
Total Liabilities	\$2,899,077	\$5,186,210	\$8,496,630
Net Assets	\$5,754,061	\$4,164,991	\$1,214,947
Working Capital Position	\$1,390,230	\$1,218,993	(\$1,489,883)
Operating Revenues	\$13,311,610	\$13,183,922	\$12,203,167
Operating Expenses	11,454,537	11,919,864	11,533,347
Operating Net Income	\$1,857,073	\$1,264,058	\$669,820

<u>Richmond Center</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
CURRENT ASSETS	\$6,951,479	\$11,628,345	\$8,991,819
FIXED ASSETS	21,058,827	21,135,162	22,662,283
TOTAL ASSETS	\$28,010,306	\$32,763,507	\$31,654,102
CURRENT LIABILITIES	6,382,786	\$9,410,818	\$10,957,930
LONG TERM LIABILITIES	17,879,040	19,494,444	15,188,211
TOTAL LIABILITIES	\$24,261,826	\$28,905,262	\$26,146,141
NET ASSET POSITION	\$3,748,480	\$3,858,245	\$5,507,961
WORKING CAPITAL POSITION	\$568,693	\$2,217,527	(\$1,966,111)
OPERATING REVENUES	\$48,521,190	\$48,109,006	\$45,721,422
OPERATING EXPENSES	46,530,956	46,614,137	43,233,358
OPERATING NET INCOME	\$1,990,234	\$1,494,869	\$2,488,064
<u>Corning Center</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
CURRENT ASSETS	\$3,009,046	\$3,018,606	\$2,618,462
FIXED ASSETS	4,597,448	4,465,775	3,399,601
TOTAL ASSETS	\$7,606,494	\$7,484,381	\$6,018,063
CURRENT LIABILITIES	1,470,295	\$1,624,114	\$2,538,488
LONG TERM LIABILITIES	2,341,265	2,213,968	197,824
TOTAL LIABILITIES	\$3,811,560	\$3,838,082	\$2,736,312
NET ASSET POSITION	\$3,794,934	\$3,646,299	\$3,281,751
WORKING CAPITAL POSITION	\$1,538,751	\$1,394,492	\$79,974
OPERATING REVENUES	\$11,670,049	\$11,837,524	\$5,004,234
OPERATING EXPENSES	11,009,916	11,003,841	4,723,686
OPERATING NET INCOME	\$660,133	\$833,683	\$280,548
<u>Essex Center</u>	<u>2015</u>	<u>2014</u>	
CURRENT ASSETS	\$2,232,499	\$2,142,889	
FIXED ASSETS	2,220,639	2,549,416	
TOTAL ASSETS	\$4,453,138	\$4,692,305	
CURRENT LIABILITIES	1,662,768	\$1,541,057	
LONG TERM LIABILITIES	2,293,400	2,862,381	
TOTAL LIABILITIES	\$3,956,168	\$4,403,438	
NET ASSET POSITION	\$496,970	\$288,867	
WORKING CAPITAL POSITION	\$569,731	\$601,832	
OPERATING REVENUES	\$9,151,436	\$6,781,191	
OPERATING EXPENSES	8,618,332	6,724,085	
OPERATING NET INCOME	\$533,104	\$57,106	

<u>Washington Center</u>	<u>2015</u>
Current Assets	\$2,466,155
Fixed Assets	1,747,261
Total Assets	\$4,213,416
Current Liabilities	1,429,730
Long Term Liabilities	2,104,278
Total Liabilities	3,534,008
Net Assets	\$679,408
Working Capital Position	\$1,036,425
Operating Revenues	\$11,190,414
Operating Expenses	10,576,740
Operating Net Income	\$613,674

<u>Steuben Center</u>	<u>2015</u>
Current Assets	\$2,467,729
Fixed Assets	7,422,866
Total Assets	9,890,595
Current Liabilities	1,423,150
Long Term Liabilities	6,593,874
Total Liabilities	8,017,024
Net Assets	1,873,571
Working Capital Position	\$1,044,579
Operating Revenues	\$12,747,752
Operating Expenses	11,783,230
Operating Net Income	\$964,522

<u>Holliswood Care Center</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
CURRENT ASSETS	\$14,403,319	\$13,435,538	\$9,704,913
FIXED ASSETS	21,053,466	21,889,058	21,138,401
TOTAL ASSETS	\$35,456,785	\$35,324,596	\$30,843,314
CURRENT LIABILITIES	\$8,665,725	\$9,518,338	\$12,056,077
LONG TERM LIABILITIES	25,231,845	24,042,259	17,549,960
TOTAL LIABILITIES	33,897,570	33,560,597	29,606,037
NET ASSET POSITION	\$1,559,215	\$1,763,999	\$1,237,277
WORKING CAPITAL POSITION	\$5,737,594	\$3,917,200	(\$2,351,164)
OPERATING REVENUES	\$40,489,843	\$39,614,813	\$22,793,404
OPERATING EXPENSES	38,394,628	36,565,947	22,094,679
OPERATING NET INCOME	\$2,095,215	\$3,048,866	\$698,725

<u>Indian River</u>	<u>2015</u>
CURRENT ASSETS	\$2,542,478
FIXED ASSETS	2,414,418
TOTAL ASSETS	4,956,896
CURRENT LIABILITIES	1,696,845
LONG TERM LIABILITIES	1,699,962
TOTAL LIABILITIES	3,396,807
NET ASSET POSITION	1,560,089
WORKING CAPITAL POSITION	845,633
OPERATING REVENUES	\$10,634,940
OPERATING EXPENSES	9,951,177
OPERATING NET INCOME	\$683,763

BURDETT CARE CENTER, INC.

Statements of Financial Position

	December 31,	
	2015	2014
ASSETS		
CURRENT ASSETS		
Cash	\$ 3,254,539	\$ 2,492,160
Accounts receivable, net	688,771	705,731
Prepaid expenses and other current assets	448,393	458,345
	<u>4,391,703</u>	<u>3,656,236</u>
TOTAL CURRENT ASSETS	4,391,703	3,656,236
PROPERTY AND EQUIPMENT		
Buildings and improvements	4,835,681	4,835,681
Equipment	1,474,349	1,403,604
	<u>6,310,030</u>	<u>6,239,285</u>
Less accumulated depreciation	(2,319,279)	(1,819,417)
	<u>3,990,751</u>	<u>4,419,868</u>
	<u>8,382,454</u>	<u>8,076,104</u>

	December 31,	
	2015	2014
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current portion mortgage payable	\$ 42,737	\$ 42,737
Accounts payable and accrued expenses	314,348	363,501
Accrued salaries, wages and related items	288,297	264,749
Due to Samaritan Hospital	2,827,334	2,367,835
Estimated third-party settlements	28,646	29,273
	<u>3,501,362</u>	<u>3,068,095</u>
TOTAL CURRENT LIABILITIES		
LONG-TERM LIABILITIES		
Mortgage payable, net of current portion	4,102,748	4,145,485
Subvention liability	3,673,951	3,673,951
	<u>7,776,699</u>	<u>7,819,436</u>
TOTAL LONG-TERM LIABILITIES		
NET DEFICIT, unrestricted	<u>(2,895,607)</u>	<u>(2,811,427)</u>
	<u>\$ 8,382,454</u>	<u>\$ 8,076,104</u>

BURDETT CARE CENTER, INC.

Statements of Activities and Change in Net Deficit

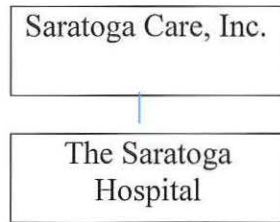
	For the Year Ended December 31,	
	2015	2014
REVENUES		
Patient service revenue, net of contractual adjustments	\$ 6,828,889	\$ 7,887,788
Provision for bad debts	(344,388)	(506,607)
	<u>6,484,501</u>	<u>7,381,181</u>
NET PATIENT SERVICE REVENUE	6,484,501	7,381,181
OTHER OPERATING REVENUE		
Electronic Health Record Incentive Payments	1,157,290	-
Other operating revenue	648	3,936
	<u>1,157,938</u>	<u>3,936</u>
OTHER OPERATING REVENUE	1,157,938	3,936
TOTAL OPERATING REVENUES	7,642,439	7,385,117
OPERATING EXPENSES		
Salaries and wages	3,128,605	3,186,200
Master service agreement expenses	1,696,232	1,743,271
Employee benefits	693,767	660,096
Supplies	568,499	668,374
Insurance	552,995	426,703
Depreciation	499,862	522,064
Purchased services and other expenses	305,502	290,137
Agency	190,012	396,454
New York State assessment	93,082	111,056
	<u>7,728,556</u>	<u>8,004,355</u>
TOTAL OPERATING EXPENSES	7,728,556	8,004,355
OPERATING LOSS	(86,117)	(619,238)
NON-OPERATING REVENUE		
Interest income	1,937	1,754
	<u>1,937</u>	<u>1,754</u>
CHANGE IN NET DEFICIT	(84,180)	(617,484)
NET DEFICIT, BEGINNING OF YEAR	<u>(2,811,427)</u>	<u>(2,193,943)</u>
NET DEFICIT, END OF YEAR	<u>\$ (2,895,607)</u>	<u>\$ (2,811,427)</u>

BURDETT CARE CENTER			
<i>2016 Financial Statements</i>			
Board Summary	July 31,	June 30,	December 31,
Balance Sheet	2016	2016	2015
<u>ASSETS</u>			
Current Assets:			
Cash	\$2,468,521	\$2,533,044	\$3,254,539
Accounts Receivable, Net	774,108	699,353	688,772
Inventory	10,534	12,461	9,386
Prepaid Insurance Expense	103,671	151,580	419,901
Other current assets	9,764	19,158	159,955
Total Current Assets	\$3,366,598	\$3,415,595	\$4,532,553
Property, plant and equipment, net	3,736,883	3,773,743	3,990,752
Total Assets	\$7,103,481	\$7,189,338	\$8,523,305
<u>Liabilities and Net Assets</u>			
Current liabilities:			
Accounts payable	\$423,308	\$529,629	\$342,076
Accrued salaries, wages and related items	419,975	304,831	285,461
Due to Samaritan	2,230,690	2,083,723	2,971,936
Current portion of long-term liabilities	42,737	42,737	42,737
Total current liabilities	\$3,116,710	\$2,960,919	\$3,642,210
Mortgage Payable, less Current Portion	4,077,817	4,081,378	4,102,747
Subvention Liability	3,673,952	3,673,952	3,673,952
Unrestricted Net Asset Deficit	(3,764,998)	(3,526,911)	(2,895,604)
Total Liabilities and Net Assets	\$7,103,481	\$7,189,338	\$8,523,305

BURDETT CARE CENTER					
<i>2016 Financial Statements</i>					
Board Summary Revenue and Expenses	July 2016		July 2016		
	Month Actual	Month Budget	YTD Actual	YTD Budget	YTD Prior Yr
Revenue					
Net Patient Rev (Net of BDCC)	\$ 517,490	\$ 573,593	\$ 3,841,926	\$ 3,963,069	\$ 3,899,833
Other operating revenue	\$ 213	\$ -	\$ 2,198	\$ -	\$ 1,462
Total operating revenue	\$ 517,703	\$ 573,593	\$ 3,844,124	\$ 3,963,069	\$ 3,901,295
Operating expenses					
Salaries and wages	\$347,229	\$287,494	\$2,020,294	\$1,966,085	\$1,819,164
Agency	\$9,895	\$13,101	\$30,950	\$89,594	\$170,756
Employee benefits	\$70,002	\$60,332	\$405,265	\$422,327	\$400,346
Medical Supplies-Drugs	\$47,815	\$48,212	\$325,812	\$337,485	\$332,388
MSA Related Costs	\$163,581	\$147,574	\$1,034,459	\$1,033,020	\$989,736
Purchases Services & Other	\$27,049	\$30,792	\$236,376	\$215,544	\$159,461
Insurance	\$46,046	\$46,045	\$322,074	\$322,317	\$322,485
Depreciation & Amortization	\$36,860	\$39,256	\$288,869	\$274,794	\$290,547
NYS Tax Assessment	\$7,313	\$7,900	\$49,419	\$55,300	\$54,733
Total expenses	\$755,790	\$680,707	\$4,713,518	\$4,716,466	\$4,539,616
Income (loss) from Operations and Changes					
in Unrestricted Net Assets	\$ (238,086)	\$ (107,114)	\$ (869,394)	\$ (753,397)	\$ (638,321)

SCHEDULE 3B
Question I(G)
Organizational Chart Showing Applicant's Legal Structure

BEFORE:



AFTER:



ALBANY MEDICAL CENTER
AND RELATED ENTITIES

Combined Balance Sheets

December 31, 2015 and 2014

(Dollars in thousands)

Assets	2015	2014
Current assets:		
Cash and cash equivalents	\$ 123,645	113,838
Receivables, net:		
Patient service	118,458	122,023
Contributions	3,485	3,452
Other	20,472	23,539
	<u>142,415</u>	<u>149,014</u>
Inventories	19,563	14,983
Prepaid expenses and other current assets	14,431	13,264
Total current assets	<u>300,054</u>	<u>291,099</u>
Assets whose use is limited:		
Under bond indenture agreements	14,015	10,775
Self-insurance funds	80,445	78,370
Other investments	376	508
	<u>94,836</u>	<u>89,653</u>
Property and equipment, net of accumulated depreciation and amortization	663,095	647,931
Long-term investments	218,964	215,628
Other assets:		
Student loan receivables	7,051	7,061
Deferred compensation agreements	20,476	18,075
Contributions receivable, noncurrent	3,057	5,153
Assets held in charitable trusts	3,486	3,873
Accrued pension asset	11,664	5,016
Other assets	26,653	23,457
	<u>72,387</u>	<u>62,635</u>
Total assets	<u>\$ 1,349,336</u>	<u>1,306,946</u>

See accompanying notes to combined financial statements.

Liabilities and Net Assets	<u>2015</u>	<u>2014</u>
Current liabilities:		
Current maturities of long-term debt	\$ 30,751	26,244
Accounts payable	67,827	70,925
Accrued expenses:		
Salaries and related items	35,763	39,998
Compensated absences	37,414	35,544
Deferred revenue	30,027	17,534
Other liabilities	15,995	15,204
Total current liabilities	<u>217,777</u>	<u>205,449</u>
Long-term debt, net of current maturities	444,366	420,587
Federal loan programs	6,209	6,243
Other liabilities, long-term	74,464	74,982
Professional liability self-insurance reserve	88,561	87,153
Total liabilities	<u>831,377</u>	<u>794,414</u>
Commitments and contingencies (notes 3, 9, 11, and 14)		
Net assets:		
Unrestricted	376,470	364,338
Temporarily restricted	71,717	80,233
Permanently restricted	69,772	67,961
	<u>517,959</u>	<u>512,532</u>
Total liabilities and net assets	<u>\$ 1,349,336</u>	<u>1,306,946</u>

ALBANY MEDICAL CENTER
 AND RELATED ENTITIES

Combined Statements of Operations and Changes in Net Assets

Years ended December 31, 2015 and 2014

(Dollars in thousands)

	<u>2015</u>	<u>2014</u>
Operating revenue:		
Patient service revenue, net	\$ 1,074,700	1,012,213
Net provision for uncollectible accounts	<u>(16,931)</u>	<u>(16,310)</u>
Patient service revenue, less provision for uncollectible accounts	1,057,769	995,903
Tuition and fees	38,614	37,528
Federal, state, and local grants and contracts	15,255	15,276
Private gifts, grants, and contracts	6,205	6,559
Interest and dividend income	5,495	4,788
Other revenue	26,980	26,675
Net assets released from restrictions used for operations	<u>16,870</u>	<u>15,476</u>
Total operating revenue	<u>1,167,188</u>	<u>1,102,205</u>
Operating expenses:		
Salaries	567,354	516,991
Employee benefits	84,501	77,224
Supplies	247,233	226,924
Purchased services	138,000	139,626
Depreciation and amortization	69,111	66,868
Interest	23,277	22,511
Other expenses	<u>17,083</u>	<u>17,357</u>
Total operating expenses	<u>1,146,559</u>	<u>1,067,501</u>
Operating margin	<u>20,629</u>	<u>34,704</u>
Nonoperating gains:		
Net realized gains on sales of investments	1,717	4,395
Other, net	<u>3,150</u>	<u>1,307</u>
Total nonoperating gains, net	<u>4,867</u>	<u>5,702</u>
Excess of revenue over expenses	<u>25,496</u>	<u>40,406</u>

THE SARATOGA HOSPITAL AND AFFILIATE

Combined Balance Sheets

December 31, 2015 and 2014

Assets	2015	2014
Current assets:		
Cash and cash equivalents	\$ 51,347,652	49,884,303
Investments (notes 4 and 5)	47,691,780	46,266,428
Accounts receivable:		
Patient care	37,350,959	38,413,719
Other (notes 6 and 13)	2,371,643	2,051,404
	<u>39,722,602</u>	<u>40,465,123</u>
Less estimated uncollectibles	8,458,000	10,439,000
	<u>31,264,602</u>	<u>30,026,123</u>
Inventories	6,490,431	6,045,861
Accrued interest income	14,393	57,873
Prepaid expenses	4,878,064	4,649,412
Funds held by trustee (notes 4 and 5)	306,445	304,355
Total current assets	<u>141,993,367</u>	<u>137,234,355</u>
Assets whose use is limited (notes 4, 5, 8, 10 and 11):		
By donors	2,944,675	2,166,502
By board designation	1,899,679	1,760,092
	<u>4,844,354</u>	<u>3,926,594</u>
By debt agreements	6,631,526	17,658,868
	<u>11,475,880</u>	<u>21,585,462</u>
Other assets:		
Interest in net assets of Saratoga Care Foundation	3,351,500	3,626,753
Investment in Healthcare Partners of Saratoga, Ltd. (note 13)	2,416,239	2,079,016
Unamortized financing expenses, net	2,782,023	2,938,904
Other noncurrent assets (note 13)	202,495	390,977
Long-term investments (notes 4 and 5)	28,633,168	20,199,733
	<u>37,385,425</u>	<u>29,235,383</u>
Property, plant, and equipment, net (notes 7, 8, 9, and 10)	<u>129,034,591</u>	<u>115,032,700</u>
	<u>\$ 319,889,263</u>	<u>303,087,900</u>

See accompanying notes to combined financial statements.

Liabilities and Net Assets	<u>2015</u>	<u>2014</u>
Current liabilities:		
Accounts payable and accrued expenses	\$ 13,989,954	11,455,481
Accrued salaries, wages, and related items	14,767,087	12,733,200
Accrued interest payable	135,747	140,055
Estimated third-party settlements (note 3)	3,215,000	3,964,000
Current portion of bonds and installment contract payable (note 8)	2,650,979	2,028,254
Current portion of bank loans (note 9)	200,000	200,000
Current portion of capital lease obligations (note 10)	1,097,271	568,783
Total current liabilities	<u>36,056,038</u>	<u>31,089,773</u>
Bonds and installment contract payable, net of current portion (note 8)	72,076,736	74,777,376
Bank loans, net of current portion (note 9)	3,050,000	3,250,000
Capital lease obligations, net of current portion (note 10)	2,821,328	2,277,459
Other long-term liabilities	5,103,185	4,723,701
	<u>119,107,287</u>	<u>116,118,309</u>
Commitments and contingencies (notes 3, 5, 7, and 13)		
Net assets:		
Unrestricted	194,485,801	181,176,336
Temporarily restricted (note 11)	4,944,403	4,217,963
Permanently restricted (note 11)	1,351,772	1,575,292
	<u>200,781,976</u>	<u>186,969,591</u>
Total liabilities and net assets	<u>\$ 319,889,263</u>	<u>303,087,900</u>

THE SARATOGA HOSPITAL AND AFFILIATE

Combined Statements of Operations

Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Operating revenue:		
Patient service revenue, net of contractual allowances (note 3)	\$ 264,339,572	248,273,854
Less provision for bad debts	(4,380,000)	(7,612,000)
Net patient service revenue	259,959,572	240,661,854
Other revenue (notes 3 and 13)	12,200,035	11,145,091
Net assets released from restrictions	208,145	306,186
Total operating revenue	<u>272,367,752</u>	<u>252,113,131</u>
Operating expenses:		
Salaries and wages	125,334,678	110,833,708
Employee benefits	28,625,272	26,812,976
Supplies and other	92,871,502	89,010,444
Depreciation and amortization	13,067,864	12,344,731
Interest	1,990,441	1,987,320
Total operating expenses	<u>261,889,757</u>	<u>240,989,179</u>
Operating margin	<u>10,477,995</u>	<u>11,123,952</u>
Nonoperating income:		
Investment income, net (note 4)	85,982	3,890,564
(Loss) gain on disposal of equipment	(10,300)	61,436
Gifts, bequests and other nonoperating income	2,228,834	1,301,124
Total nonoperating income, net	<u>2,304,516</u>	<u>5,253,124</u>
Excess of revenue over expenses	12,782,511	16,377,076
Net assets released from restrictions used for purchase of property and equipment	526,954	2,492,814
Increase in unrestricted net assets	<u>\$ 13,309,465</u>	<u>18,869,890</u>

See accompanying notes to combined financial statements.

The New York Community Hospital of Brooklyn, Inc.

Statements of Financial Position

	December 31	
	2015	2014
	<i>(In Thousands)</i>	
Assets		
Current assets:		
Cash and cash equivalents	\$ 9,921	\$ 33,938
Short-term investments	30,708	15,140
Patient accounts receivable, less allowance for doubtful accounts (2015 – \$13,567; 2014 – \$12,095)	16,792	14,453
Other current assets	2,544	2,356
Assets limited as to use, current portion (self-insurance fund)	1,208	1,115
Total current assets	61,173	67,002
Assets limited as to use		
Trusteed self-insured fund	11,186	10,349
Funded depreciation	881	881
Assets limited as to use – noncurrent	12,067	11,230
Property, buildings and equipment – net	19,442	18,628
Insurance recovery receivable	175	150
Total assets	\$ 92,857	\$ 97,010

	December 31	
	2015	2014
	<i>(In Thousands)</i>	
Liabilities and net assets		
Current liabilities:		
Accounts payable and accrued expenses	\$ 16,304	\$ 14,843
Accrued salaries and related liabilities	4,864	4,452
Due to related organizations	140	149
Current portion of estimated professional liabilities	1,208	1,115
Total current liabilities	22,516	20,559
Accrued pension liability	5,412	4,250
Estimated professional liabilities, less current portion	11,046	10,188
Other noncurrent liabilities and deferred revenue	8,938	11,957
Total liabilities	47,912	46,954
Commitments and contingencies		
Net assets:		
Unrestricted net assets	44,945	50,056
Total liabilities and net assets	\$ 92,857	\$ 97,010

The New York Community Hospital of Brooklyn, Inc.

Statements of Operations and Changes in Net Assets

	Year Ended December 31	
	2015	2014
	<i>(In Thousands)</i>	
Revenue		
Net patient service revenue	\$ 95,741	\$ 95,716
Provision for bad debts	(2,550)	(2,550)
Net patient service revenue, less provision for bad debts	93,191	93,166
Other revenue	639	2,358
Total revenue	93,830	95,524
Operating expenses		
Salaries and wages	45,959	42,737
Employee benefits	16,999	16,771
Supplies and other expenses	31,947	28,803
Depreciation	3,126	3,219
Total operating expenses	98,031	91,530
(Loss) income from operations	(4,201)	3,994
Change in unrealized gains and losses on marketable securities (Deficiency) excess of revenue over expenses	(800)	(142)
Other changes in unrestricted net assets		
Change in pension liability to be recognized in future periods	(110)	(2,477)
Decrease (increase) in unrestricted net assets	(5,111)	1,375
Net assets at beginning of year	50,056	48,681
Net assets at end of year	\$ 44,945	\$ 50,056

New York Community Hospital
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 As of March 31, 2016 and December 31, 2015
 (IN THOUSANDS)

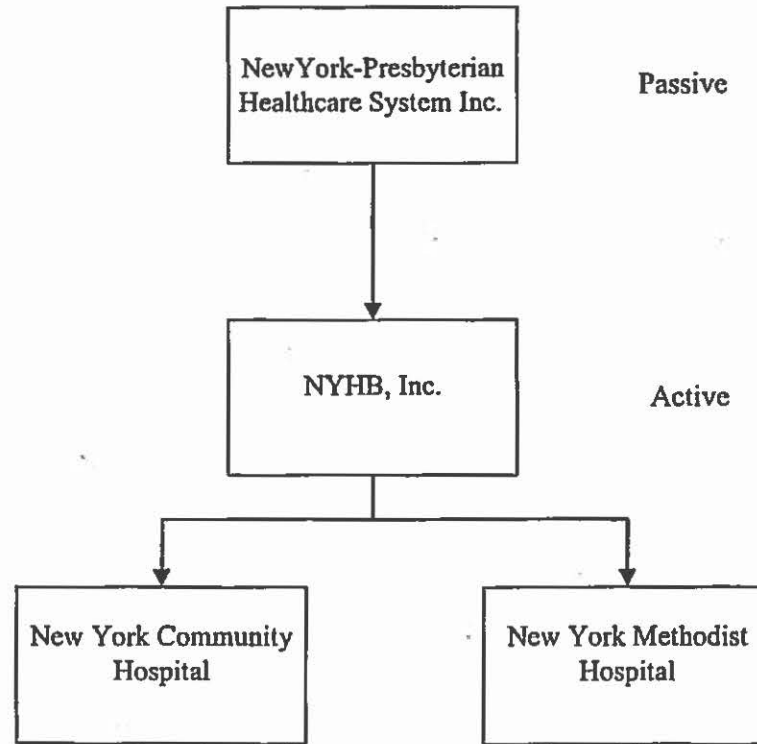
	As of March 31, 2016	As of Dec. 31, 2015
ASSETS		
Current assets		
Cash and cash equivalents	4,615	9,921
Short-term investments	31,657	31,611
Total cash, cash equivalents & short-term investments	<u>36,272</u>	<u>41,532</u>
Patient accounts receivable, net	18,281	16,792
Other current assets *	2,333	2,544
Assets limited in use - current portion	1,245	1,208
Beneficial interest in net assets held by related organizations - current portion		
Professional liabilities insurance recoveries receivable - current portion		
Due from related organizations		
Total current assets	<u>58,151</u>	<u>62,966</u>
Assets whose use is limited:		
Under debt agreements		
Capital investment - out of current portion		
Trustee Held		
Permanently Restricted		
Donor - Restricted		
Board designated		
Board designated depreciation fund	4	4
Board designated self-insurance fund	11,464	11,170
Total assets whose use is limited	<u>11,468</u>	<u>11,174</u>
Other non-current assets *		
Property, plant and equipment, net	20,549	19,442
Professional liabilities insurance recoveries receivables	175	173
Assets held by related organization investments, less current portion		
Hedges receivable		
Total assets held by related organization	<u>-</u>	<u>-</u>
Total assets	<u>90,343</u>	<u>92,857</u>
Liabilities and net assets		
Long-term debt - current portion		
Accounts payable and accrued expenses	16,967	16,304
Accrued salaries and related liabilities	3,950	4,864
Pension and postretirement liabilities - current portion		
Other current liabilities	9	9
Professional liabilities - current portion	1,245	1,208
Due to related organizations	272	140
Total current liabilities	<u>22,443</u>	<u>22,525</u>
Professional liabilities	11,364	11,046
Postretirement benefit liabilities		
Accrued pension liability	5,676	5,412
Other long-term liabilities	7,091	6,929
Deferred revenue		
Long-term obligations, less current portion		
Total liabilities	<u>46,574</u>	<u>47,912</u>
Net assets:		
Unrestricted	41,749	44,945
Temporarily restricted - held by related		
Permanently restricted - held by related		
Total net assets	<u>41,749</u>	<u>44,945</u>
Total Total liabilities and net assets	<u>90,343</u>	<u>92,857</u>

New York Community Hospital
CONSOLIDATING STATEMENT OF OPERATIONS
March 31, 2016
(IN THOUSANDS)

	YTD At 3/31/16	Budget	Variance Fav/(Unfav)	Prior Year Actual YTD
REVENUE				
Net inpatient revenue	20,023	19,374	649	19,057
Net outpatient revenue	4,400	5,064	(664)	3,142
Provision for bad debts	(638)	(638)	-	(638)
Net patient service revenue less provision for bad debts	23,785	23,800	(15)	21,561
Other revenue **	681	949	(268)	715
Total revenue	24,466	24,749	(283)	22,276
EXPENSES				
Salaries and Wages	11,884	11,599	(285)	11,077
Employee Benefits	4,477	4,469	(8)	4,402
Supplies and other expenses	7,721	7,611	(110)	7,128
Depreciation and amortization	708	708	-	761
Insurance	572	525	(47)	449
Interest	-	-	-	-
Leases and rentals	364	371	7	329
Total expenses	25,726	25,283	(443)	24,146
OPERATING INCOME (LOSS)	(1,260)	(534)	(726)	(1,870)
Prior year settlements and other items	64	-	64	71
ADJUSTED OPERATING INCOME (LOSS)	(1,196)	(534)	(662)	(1,799)
Investment Income *			-	
NET GAIN (LOSS)	(1,196)	(534)	(662)	(1,799)
OTHER CHANGES IN UNRESTRICTED NET ASSETS				
Change in additional minimum pension liability			-	
Fair Value Capital Assets			-	
Deferred Financing			-	
Retro Premium Reduction			-	
Assets released for capital			-	
Other			-	
INCREASE / (DECREASE) IN UNRESTRICTED NET ASSETS	(1,196)	(534)	(662)	(1,799)

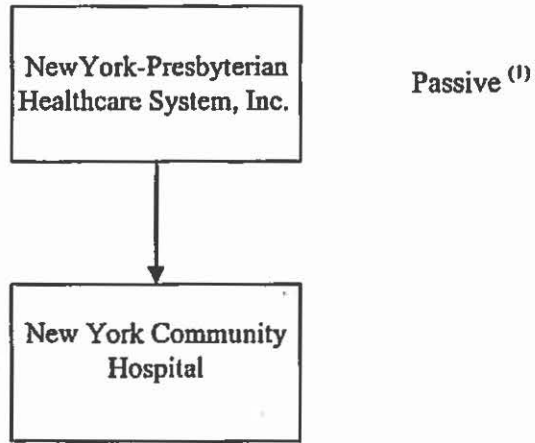
Current

NYHB, Inc. over New York Community Hospital and New York Methodist Hospital



Future

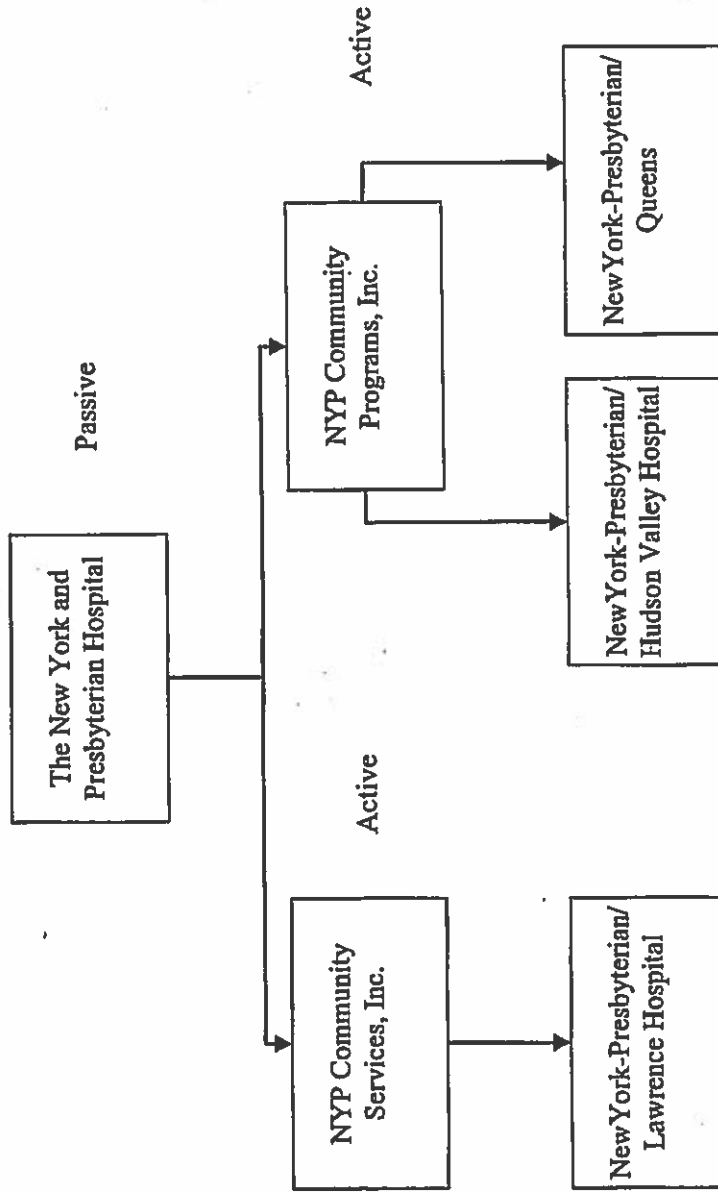
New York-Presbyterian Healthcare System, Inc. over New York Community Hospital



⁽¹⁾ Appoints members

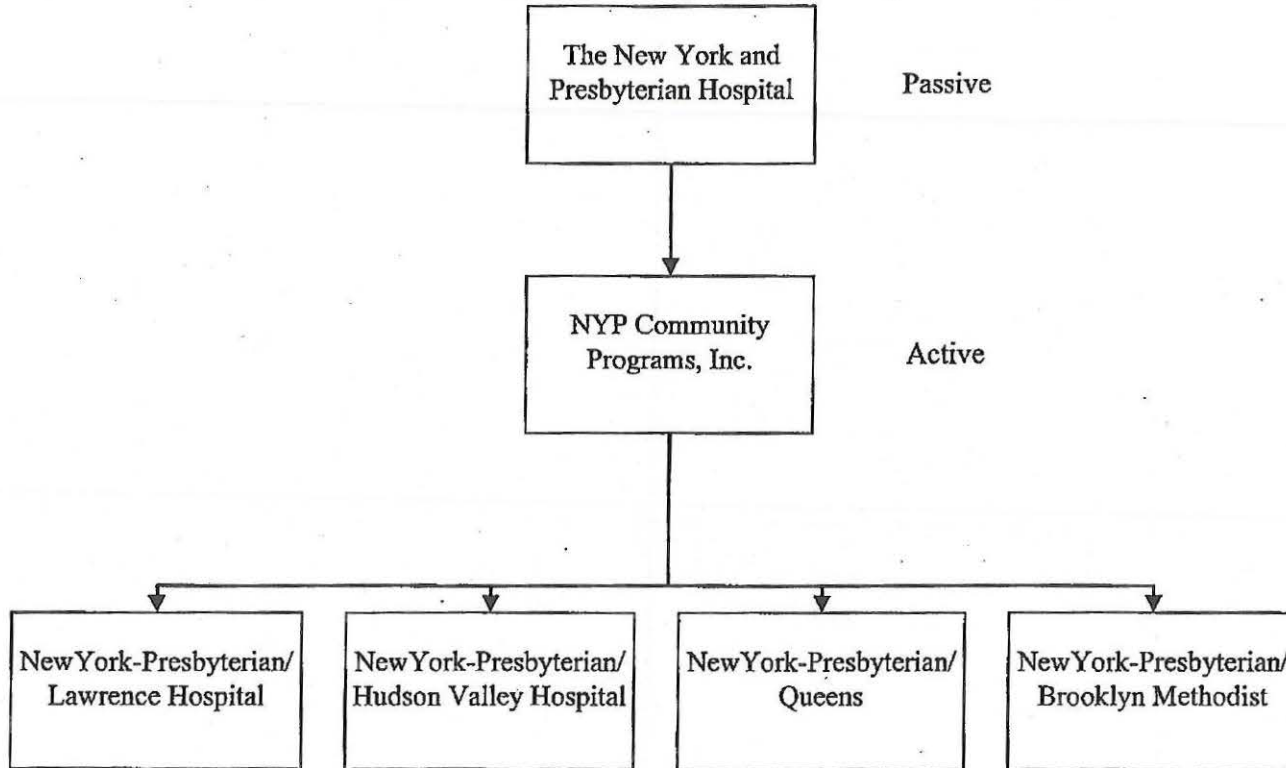
Current

*NYP Community Services, Inc. over New York-Presbyterian/Lawrence Hospital
& NYP Community Programs, Inc. over New York-Presbyterian/Hudson Valley
Hospital and New York-Presbyterian/Queens*



Future

*NYP Community Programs, Inc. over NewYork-Presbyterian/Lawrence Hospital,
NewYork-Presbyterian/Hudson Valley Hospital, NewYork-Presbyterian/Queens and
NewYork-Presbyterian/Brooklyn Methodist*



The New York and Presbyterian Hospital
Consolidated Statements of Financial Position

	December 31	
	2015	2014
	<i>(As Adjusted)</i>	
	<i>(In Thousands)</i>	
Assets		
Current assets:		
Cash, cash equivalents and short-term investments:		
Cash and cash equivalents	\$ 276,147	\$ 217,863
Short-term investments	1,175,753	1,127,485
Total cash, cash equivalents and short-term investments	<u>1,451,900</u>	<u>1,345,348</u>
Patient accounts receivable, less allowance for uncollectibles (2015 – \$252,638; 2014 – \$225,754)	659,763	605,987
Other current assets	142,535	96,598
Assets limited as to use – current portion	43,502	43,502
Professional liabilities insurance recoveries receivable and related deposit – current portion	71,745	66,362
Beneficial interest in net assets held by related organizations – current portion	73,635	78,699
Due from related organizations – net	72	–
Total current assets	<u>2,443,152</u>	<u>2,236,496</u>
Assets limited as to use – noncurrent	2,359,209	1,762,497
Property, buildings, and equipment – net	3,080,559	2,685,591
Other noncurrent assets – net	20,953	15,056
Professional liabilities insurance recoveries receivable and related deposit – noncurrent	201,672	178,564
Beneficial interest in net assets held by related organizations – noncurrent	1,659,973	1,698,169
Total assets	<u>\$ 9,765,518</u>	<u>\$ 8,576,373</u>

	December 31	
	2015	2014
	<i>(As Adjusted)</i>	
	<i>(In Thousands)</i>	
Liabilities and net assets		
Current liabilities:		
Long-term debt – current portion	\$ 72,300	\$ 84,180
Accounts payable and accrued expenses	480,644	473,669
Accrued salaries and related liabilities	256,030	225,226
Pension and postretirement benefit liabilities – current portion	16,822	12,834
Professional liabilities and other – current portion	81,264	72,520
Other current liabilities	192,266	167,013
Due to related organizations – net	–	5,697
Total current liabilities	<u>1,099,326</u>	<u>1,041,139</u>
Long-term debt	1,931,625	1,182,204
Professional liabilities and other	437,370	414,301
Pension liability	330,090	321,471
Postretirement benefit liability	50,602	55,815
Deferred revenue	2,266	2,985
Other noncurrent liabilities	398,535	405,424
Total liabilities	<u>4,249,814</u>	<u>3,423,339</u>
Commitments and contingencies :		
Net assets:		
Unrestricted	3,749,026	3,341,999
Temporarily restricted:		
NYP/Lawrence Hospital	14,136	18,675
NYP/Hudson Valley	1,543	–
NYP/Queens	1,927	1,708
Held by related organizations	1,486,642	1,527,247
Total temporarily restricted	<u>1,504,248</u>	<u>1,547,630</u>
Permanently restricted:		
NYP/Lawrence Hospital	4,684	4,684
NYP/Hudson Valley	1,675	–
NYP/Queens	9,105	9,100
Held by related organizations	246,966	249,621
Total permanently restricted	<u>262,430</u>	<u>263,405</u>
Total net assets	<u>5,515,704</u>	<u>5,153,034</u>
Total liabilities and net assets	<u>\$ 9,765,518</u>	<u>\$ 8,576,373</u>

The New York and Presbyterian Hospital

Consolidated Statements of Operations

	Year Ended December 31	
	2015	2014
	<i>(As Adjusted)</i> <i>(In Thousands)</i>	
Operating revenues		
Net patient service revenue	\$ 5,739,444	\$ 5,043,585
Provision for bad debts	(119,286)	(70,887)
Net patient service revenue, less provision for bad debts	5,620,158	4,972,698
Other revenue	308,059	290,044
Total operating revenues	5,928,217	5,262,742
Operating expenses		
Salaries and wages	2,716,382	2,419,523
Employee benefits	755,906	686,593
Supplies and other expenses	1,847,697	1,588,439
Interest and amortization of deferred financing fees	77,800	55,556
Depreciation and amortization	304,040	286,753
Total operating expenses	5,701,825	5,036,864
Operating income	226,392	225,878
Investment (loss) return	(26,039)	70,296
Excess of revenues over expenses before inherent contribution of unrestricted net assets received in the acquisitions of NYP/Lawrence Hospital and NYP/Hudson Valley	200,353	296,174
Inherent contribution of unrestricted net assets received in the acquisition of NYP/Lawrence Hospital	-	82,218
Inherent contribution of unrestricted net assets received in the acquisition of NYP/Hudson Valley	102,818	-
Excess of revenues over expenses	303,171	378,392
Other changes in unrestricted net assets:		
Net asset transfer to related party	(824)	-
Net assets released from restrictions for the purchase of fixed assets	5,397	137
Deed of property, building and equipment to Royal Charter Properties, Inc.	(10,748)	(16,160)
Distributions from New York-Presbyterian Fund, Inc. for the purchase of fixed assets	105,460	83,186
Change in pension and postretirement benefit liabilities to be recognized in future periods	4,571	(231,075)
Change in unrestricted net assets	\$ 407,027	\$ 214,480

New York-Presbyterian/Lawrence Hospital and Subsidiaries

Consolidated Statements of Financial Position
(In Thousands)

	December 31	
	2015	2014
Assets		
Current assets:		
Cash and cash equivalents	\$ 19,070	\$ 20,233
Patient accounts receivable – less allowance for uncollectibles (2015 – \$4,563; 2014 – \$2,551)	31,821	28,286
Inventory	2,957	2,701
Prepaid expenses and other current assets	3,487	1,590
Assets limited as to use – current portion	4,473	2,932
Due from related organizations	693	2,503
Total current assets	<u>62,501</u>	<u>58,245</u>
Assets limited as to use – net of current portion	102,948	116,493
Property, buildings, and equipment – net	126,469	103,782
Estimated insurance recoveries and related deposits	22,083	12,053
Total assets	<u>\$ 314,001</u>	<u>\$ 290,573</u>
Liabilities and net assets		
Current liabilities:		
Current portion of long-term debt	\$ 3,011	\$ 2,881
Accounts payable	9,614	11,543
Accrued salaries and related benefits	13,277	9,995
Accrued expenses and other liabilities	17,097	14,437
Current portion of estimated settlements with third-party payors	4,416	5,284
Estimated professional liabilities – current	2,242	630
Total current liabilities	<u>49,657</u>	<u>44,770</u>
Long-term debt – net of current portion	29,034	32,045
Estimated professional liabilities – net of current portion	37,416	22,450
Accrued retirement benefits	91,972	97,584
Estimated settlements with third-party payors – net of current portion	2,566	3,051
Other long-term liabilities	8,980	11,782
Total liabilities	<u>219,625</u>	<u>211,682</u>
Commitments and contingencies		
Net assets:		
Unrestricted	75,556	55,532
Temporarily restricted	14,136	18,675
Permanently restricted	4,684	4,684
Total net assets	<u>94,376</u>	<u>78,891</u>
Total liabilities and net assets	<u>\$ 314,001</u>	<u>\$ 290,573</u>

New York-Presbyterian/Lawrence Hospital and Subsidiaries

Consolidated Statements of Operations
(In Thousands)

	Year Ended December 31, 2015	Period From July 1, 2014 to December 31, 2014	Predecessor Company Period From January 1, 2014 to June 30, 2014
Revenues:			
Net patient service revenue	\$ 256,718	\$ 110,386	\$ 116,699
Provision for bad debts	(11,521)	(2,551)	(4,852)
Net patient service revenue, less provision for bad debts	245,197	107,835	111,847
Other operating revenue	3,624	2,729	1,920
Net assets released from restrictions – operations	–	15	77
Total revenues	248,821	110,579	113,844
Expenses:			
Salaries and wages	124,241	58,126	57,030
Employee benefits	35,244	14,147	15,741
Supplies and other	87,586	36,538	40,356
Interest	506	283	301
Depreciation	7,146	3,411	4,383
Total expenses	254,723	112,505	117,811
Operating loss	(5,902)	(1,926)	(3,967)
Nonoperating items:			
Professional liability captive insurer (loss development experience) retroactive premium reduction	(4,767)	–	18,237
Investment return	1,446	(441)	595
Contributions and other	627	404	1,645
Total nonoperating items	(2,694)	(37)	20,477
(Deficiency) excess of revenues and nonoperating items over expenses	(8,596)	(1,963)	16,510
Other changes in unrestricted net assets:			
Change in pension and postretirement benefit liabilities to be recognized in future periods	10,212	(24,723)	(37,725)
Change in unrealized gains and losses on investments – other-than-trading securities	–	–	1,097
Net assets released from restrictions for purchases of property, buildings and equipment	4,820	–	–
Distribution from The New York and Presbyterian Hospital for the purchase of property, buildings and equipment	13,588	–	–
Change in unrestricted net assets	\$ 20,024	\$ (26,686)	\$ (20,118)

The New York Methodist Hospital
Consolidated Statements of Financial Position

	December 31 2015
	<u>(In Thousands)</u>
Assets	
Current assets:	
Cash and cash equivalents	\$ 130,159
Short-term investments	307,105
Accounts receivable:	
Patient care, less allowance for uncollectibles (2015 – \$28,823; 2014 – \$23,456)	53,970
Other – net	4,082
	<u>58,052</u>
Other current assets	15,015
Assets limited as to use – current portion <i>(Note 3)</i>	19,468
Total current assets	<u>529,799</u>
Assets limited as to use	
Donor restricted	6,587
Investments held by captive insurance companies	181,495
Deferred employee compensation plan	8,610
	<u>196,692</u>
Less assets limited as to use – current portion	19,468
Assets limited as to use – noncurrent	<u>177,224</u>
Property, buildings, and equipment – net	178,445
Investments in real estate – net	538
Other noncurrent assets	2,842
Insurance recovery receivable	13,358
Total assets	<u>\$ 902,206</u>

	December 31
	2015
	<i>(In Thousands)</i>
Liabilities and net assets	
Current liabilities:	
Current portion of long-term debt	\$ 2,461
Accounts payable and accrued expenses	50,724
Accrued salaries and related liabilities	46,724
Due to affiliates, net	1,177
Professional insurance liabilities – current	19,468
Other current liabilities	37,484
Total current liabilities	<u>158,038</u>
Long-term debt, less current portion	33,604
Accrued retirement liabilities	26,150
Deferred employee compensation plan liabilities	8,610
Professional insurance liabilities – noncurrent	153,034
Other noncurrent liabilities	87,467
Insurance claims liability	13,358
Total liabilities	<u>480,261</u>
Commitments and contingencies	
Net assets:	
Unrestricted	398,831
Temporarily restricted	16,527
Permanently restricted	6,587
Total net assets	<u>421,945</u>
Total liabilities and net assets	<u><u>\$ 902,206</u></u>

The New York Methodist Hospital
Consolidated Statements of Operations

	Year Ended December 31
	2015
	<u>(In Thousands)</u>
Revenue, gains, and other support	
Net patient service revenue	\$ 891,695
Provision for bad debts	<u>(32,217)</u>
Net patient service revenue, less provision for bad debts	859,478
Other revenue	65,545
Net assets released from restrictions for operations	<u>925</u>
Total revenue, gains, and other support	925,948
Operating expenses	
Salaries and wages	328,629
Employee benefits	110,916
Supplies and other expenses	382,808
Interest and amortization of deferred financing fees	1,143
Depreciation and amortization	<u>22,155</u>
Total operating expenses	<u>845,651</u>
Excess of revenue over expenses	80,297
Other changes in unrestricted net assets	
Change in unrealized gains and losses on investments – other-than-trading securities	(15,081)
Net assets released from restrictions for purchases of property, buildings, and equipment	776
Change in pension liability to be recognized in future periods	<u>6,334</u>
Increase in unrestricted net assets	<u>\$ 72,326</u>

New York Methodist Hospital
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As of May 31, 2016 and December 31, 2015
(IN THOUSANDS)

	New York Methodist Hospital	Other Entities	Total	Eliminations	As of May 31, 2016	As of Dec. 31, 2015
Assets						
Current assets:						
Cash and cash equivalents	165,082	8,784	173,866		173,866	130,159
Short-term investments	322,172		322,172		322,172	307,105
Total cash, cash equivalents & short-term investments	487,254	8,784	496,038	-	496,038	437,264
Patient accounts receivable, net	53,524	6,955	60,479	-	60,479	53,970
Other current assets *	16,143	1,196	17,339		17,339	19,097
Assets limited as to use - current portion	19,468		19,468		19,468	19,468
Beneficial interest in net assets held by related organizations - current portion			-		-	-
Professional liabilities insurance recoveries receivables - current portion			-		-	-
Due from related organizations	106,039		106,039	(106,039)	-	-
Total current assets	682,428	16,935	699,363	(106,039)	593,324	529,799
Assets whose use is limited:						
Under debt agreements			-		-	-
Captive investment - net of current portion	166,433		166,433		166,433	162,027
Trustee Held - (Deferred emp comp plan)			-		-	-
Permanently Restricted			-		-	-
Donor - Restricted	6,587		6,587		6,587	6,587
Board designated			-		-	-
Board designated depreciation fund			-		-	-
Board designated-self-insurance fund			-		-	-
Total assets whose use is limited	173,020	-	173,020	-	173,020	168,614
Other non-current assets	9,032		9,032		9,032	11,990
Property, plant and equipment, net	179,742	172	179,913		179,913	178,445
Professional liabilities insurance recoveries receivables	13,358		13,358		13,358	13,358
Assets held by related organization						
Investments, less current portion			-		-	-
Pledges receivable			-		-	-
Total assets held by related organization	-	-	-	-	-	-
Total assets	1,057,579	17,107	1,074,686	(106,039)	968,647	902,206
Liabilities and net assets						
Long-term debt - current portion	2,863		2,863		2,863	2,461
Accounts payable and accrued expenses	46,634	3,695	50,329		50,329	50,724
Accrued salaries and related liabilities	48,576	5,855	54,431		54,431	46,724
Pension and postretirement liabilities - current portion			-		-	-
Other current liabilities	34,766	138	34,904	(6)	34,898	37,484
Professional liabilities - current portion	19,468		19,468		19,468	19,468
Due to related organizations*	1,239	106,033	107,272	(106,033)	1,239	1,177
Total current liabilities	153,546	115,721	269,267	(106,039)	163,228	158,038
Professional liabilities	157,874		157,874		157,874	153,034
Postretirement benefit liabilities (def emp comp plan)	4,038		4,038		4,038	8,610
Accrued pension liability	28,933		28,933		28,933	26,130
Other long-term liabilities	109,854		109,854		109,854	100,825
Deferred revenue			-		-	-
Long-term obligations, less current portion	33,398		33,398		33,398	33,604
Total liabilities	487,643	115,721	603,364	(106,039)	497,325	480,261
Net assets:						
Unrestricted	546,315	(98,614)	447,701		447,701	398,831
Temporarily restricted - held by related	17,034		17,034		17,034	16,527
Permanently restricted - held by related	6,587		6,587		6,587	6,587
Total net assets	569,936	(98,614)	471,322	-	471,322	421,945
Total Total liabilities and net assets	1,057,579	17,107	1,074,686	(106,039)	968,647	902,206
	(0)	-	(0)	-	(0)	-

New York Methodist Hospital
CONSOLIDATING STATEMENT OF OPERATIONS
May 31, 2016
(IN THOUSANDS)

	New York Methodist Hospital	Other Entities	Total	Eliminations	YTD At 5/31/16	Budget	Variance Fav/(Unfav)	Prior Year Actual YTD
REVENUE								
Net inpatient revenue	257,698		257,698		257,698	248,158	9,540	232,968
Net outpatient revenue	84,253	52,974	137,227		137,227	128,445	8,782	121,063
Provision for bad debts	(15,809)	(5,747)	(21,556)		(21,556)	(13,668)	(7,888)	(11,345)
Net patient service revenue less provision for bad debts	326,142	47,227	373,369	-	373,369	362,935	10,434	342,686
			-		-		-	
Other revenue **	30,146	7,138	37,284	(18,791)	18,493	14,776	3,717	16,752
Total revenue	356,288	54,365	410,653	(18,791)	391,862	377,711	14,151	359,438
EXPENSES								
Salaries and Wages	137,564	29,776	167,340	(3,562)	163,778	162,809	(969)	132,431
Employee Benefits	41,039	4,615	45,654	(519)	45,135	46,183	1,048	39,931
Supplies and other expenses	120,842	27,771	148,613	(14,710)	133,903	137,448	3,545	146,700
Depreciation and amortization	8,971	22	8,993		8,993	9,072	79	8,544
Insurance	7,893		7,893		7,893	6,014	(1,879)	4,960
Interest	417	3	420	(3)	417	731	314	482
Leases and rentals			-		-		-	
Total expenses	316,726	62,187	378,913	(18,794)	360,119	362,257	2,138	333,048
OPERATING INCOME (LOSS)	39,562	(7,822)	31,740	3	31,743	15,454	16,289	26,390
Prior year settlements and other items			-	-	-		-	
ADJUSTED OPERATING INCOME (LOSS)	39,562	(7,822)	31,740	3	31,743	15,454	16,289	26,390
Investment Income *	17,155	0	17,155	(3)	17,152	215	16,937	13,065
NET GAIN (LOSS)	56,717	(7,822)	48,895	(0)	48,895	15,669	33,226	39,455
OTHER CHANGES IN UNRESTRICTED NET ASSETS								
Change in additional minimum pension liability			-		-		-	
Fair Value Capital Assets			-		-		-	
Deferred Financing			-		-		-	
Retro Premium Reduction			-		-		-	
Assets released for capital	196		196		196		196	1
Other	(221)		(221)		(221)		(221)	(1,002)
	(25)		(25)		(25)		(25)	(1,001)
INCREASE / (DECREASE) IN UNRESTRICTED NET ASSETS	56,692	(7,822)	48,870	(0)	48,870	15,669	33,201	38,454

The New York and Presbyterian Hospital
Consolidated Statements of Financial Position

	December 31 2015
	<i>(As Adjusted)</i>
	<i>(In Thousands)</i>
Assets	
Current assets:	
Cash, cash equivalents and short-term investments:	
Cash and cash equivalents	\$ 276,147
Short-term investments	1,175,753
Total cash, cash equivalents and short-term investments	<u>1,451,900</u>
Patient accounts receivable, less allowance for uncollectibles (2015 – \$252,638; 2014 – \$225,754)	659,763
Other current assets	142,535
Assets limited as to use – current portion	43,502
Professional liabilities insurance recoveries receivable and related deposit – current portion	71,745
Beneficial interest in net assets held by related organizations – current portion	73,635
Due from related organizations – net	72
Total current assets	<u>2,443,152</u>
Assets limited as to use – noncurrent	2,359,209
Property, buildings, and equipment – net	3,080,559
Other noncurrent assets – net	20,953
Professional liabilities insurance recoveries receivable and related deposit – noncurrent	201,672
Beneficial interest in net assets held by related organizations – noncurrent	1,659,973
Total assets	<u><u>\$ 9,765,518</u></u>

	December 31 2015
	<i>(As Adjusted)</i>
	<i>(In Thousands)</i>
Liabilities and net assets	
Current liabilities:	
Long-term debt – current portion	\$ 72,300
Accounts payable and accrued expenses	480,644
Accrued salaries and related liabilities	256,030
Pension and postretirement benefit liabilities – current portion	16,822
Professional liabilities and other – current portion	81,264
Other current liabilities	192,266
Due to related organizations – net	–
Total current liabilities	1,099,326
Long-term debt	1,931,625
Professional liabilities and other	437,370
Pension liability	330,090
Postretirement benefit liability	50,602
Deferred revenue	2,266
Other noncurrent liabilities	398,535
Total liabilities	4,249,814
Commitments and contingencies	
Net assets:	
Unrestricted	3,749,026
Temporarily restricted:	
NYP/Lawrence Hospital	14,136
NYP/Hudson Valley	1,543
NYP/Queens	1,927
Held by related organizations	1,486,642
Total temporarily restricted	1,504,248
Permanently restricted:	
NYP/Lawrence Hospital	4,684
NYP/Hudson Valley	1,675
NYP/Queens	9,105
Held by related organizations	246,966
Total permanently restricted	262,430
Total net assets	5,515,704
Total liabilities and net assets	\$ 9,765,518

The New York and Presbyterian Hospital
Consolidated Statements of Operations

	Year Ended December 31 2015
	<i>(As Adjusted)</i>
	<i>(In Thousands)</i>
Operating revenues	
Net patient service revenue	\$ 5,739,444
Provision for bad debts	<u>(119,286)</u>
Net patient service revenue, less provision for bad debts	5,620,158
Other revenue	<u>308,059</u>
Total operating revenues	5,928,217
Operating expenses	
Salaries and wages	2,716,382
Employee benefits	755,906
Supplies and other expenses	1,847,697
Interest and amortization of deferred financing fees	77,800
Depreciation and amortization	<u>304,040</u>
Total operating expenses	5,701,825
Operating income	226,392
Investment (loss) return	<u>(26,039)</u>
Excess of revenues over expenses before inherent contribution of unrestricted net assets received in the acquisitions of NYP/Lawrence Hospital and NYP/Hudson Valley	200,353
Inherent contribution of unrestricted net assets received in the acquisition of NYP/Lawrence Hospital	-
Inherent contribution of unrestricted net assets received in the acquisition of NYP/Hudson Valley	<u>102,818</u>
Excess of revenues over expenses	303,171
Other changes in unrestricted net assets:	
Net asset transfer to related party	(824)
Net assets released from restrictions for the purchase of fixed assets	5,397
Deed of property, building and equipment to Royal Charter Properties, Inc.	(10,748)
Distributions from New York-Presbyterian Fund, Inc. for the purchase of fixed assets	105,460
Change in pension and postretirement benefit liabilities to be recognized in future periods	<u>4,571</u>
Change in unrestricted net assets	<u>\$ 407,027</u>

NEW YORK-PRESBYTERIAN HOSPITAL
Statement of Financial Position
As of May 31, 2016 and December 31, 2015

UNAUDITED

NYPH Only

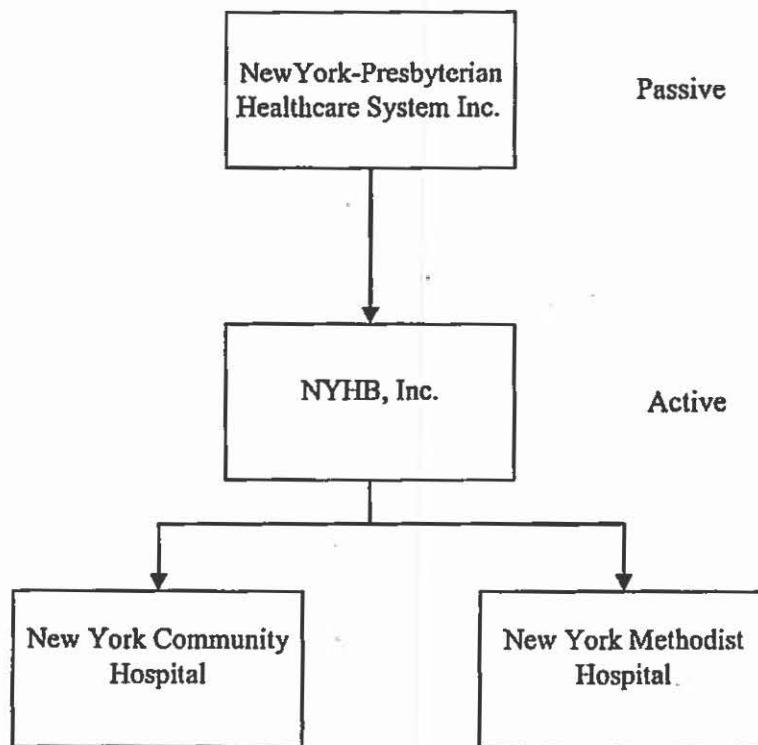
	May 31, 2016	December 31, 2015		May 31, 2016	December 31, 2015
Assets			Liabilities and net assets		
Current assets:			Current liabilities:		
Cash and cash equivalents	\$ 333,215	\$ 227,515	Long-term debt - current portion	\$ 54,114	\$ 55,375
Short-term investments	1,103,970	1,087,581	Accounts payable and accrued expenses	439,262	390,604
Total cash, cash equivalents & short-term investments	<u>1,437,185</u>	<u>1,315,096</u>	Accrued salaries and related liabilities	238,084	216,114
Patient accounts receivable, net	576,453	516,992	Accrued interest payable	10,421	13,101
Other current assets	130,428	114,249	Pension and postretirement liabilities - current portion	16,014	16,014
Assets limited as to use - current portion	27,822	29,640	Other current liabilities	179,560	169,250
Beneficial interest in net assets held by related organizations - current portion	64,646	73,635	Professional liabilities - current portion	69,322	69,322
Professional liabilities insurance recoveries receivables - current portion	69,322	69,322	Due to related organizations	-	-
Due from related organizations	10,704	7,427			
Total current assets	<u>2,316,560</u>	<u>2,126,361</u>	Total current liabilities	<u>1,006,777</u>	<u>929,780</u>
Assets whose use is limited:			Professional liabilities	311,669	309,468
Under debt agreements	388,105	477,861	Postretirement benefit liabilities	23,824	23,846
Capital acquisition under lease agreement	-	-	Accrued pension liability	258,195	182,432
Board designated for capital	729,779	706,559	Other long-term liabilities	302,791	289,682
Board designated depreciation fund	935,352	921,093	Deferred revenue	1,951	2,266
Board designated-self-insurance fund	15,112	15,204	Long-term obligations, less current portion	<u>1,634,990</u>	<u>1,651,884</u>
Total assets whose use is limited	<u>2,068,348</u>	<u>2,120,717</u>	Total liabilities	<u>3,540,197</u>	<u>3,389,358</u>
Other non-current assets	3,029	3,029	Net assets:		
Property, plant and equipment, net	2,703,184	2,546,518	Unrestricted	3,657,979	3,505,334
Professional liabilities insurance recoveries receivables	171,702	171,702	Temporarily restricted - held by related	1,470,198	1,486,642
Assets held by related organization			Permanently restricted - held by related	244,181	246,966
Investments, less current portion	1,224,566	1,212,521	Total net assets	<u>5,372,358</u>	<u>5,238,942</u>
Pledges receivable	425,166	447,452	Total liabilities and net assets	<u>\$ 8,912,555</u>	<u>\$ 8,628,300</u>
Total assets held by related organization	<u>1,649,732</u>	<u>1,659,973</u>			
Total assets	<u>\$ 8,912,555</u>	<u>\$ 8,628,300</u>			

NEW YORK-PRESBYTERIAN HOSPITAL
STATEMENT OF CHANGES IN UNRESTRICTED NET ASSETS
May 31, 2016
(IN THOUSANDS)

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	VAR. FAV(UNFAV)	PRIOR YEAR ACTUAL	PRIOR YEAR INC(DEC)	ACTUAL	BUDGET	VAR. FAV(UNFAV)	PRIOR YEAR ACTUAL	PRIOR YEAR INC(DEC)
REVENUE										
Net inpatient revenue	5332,136	5328,937	53,199	5294,029	538,107	51,574,332	51,573,637	5715	51,416,390	5157,962
Net outpatient revenue	98,516	102,832	(4,316)	88,341	10,175	488,732	492,356	(3,624)	427,821	60,911
Provision for bad debts	(5,100)	(5,100)	-	(4,859)	(241)	(25,500)	(25,500)	-	(24,298)	(1,202)
Net patient service revenue less provision for bad debts	425,552	426,669	(1,117)	377,511	48,041	2,037,584	2,048,493	(2,909)	1,819,913	217,671
Other revenue	22,916	22,104	812	18,809	4,107	187,989	185,238	2,751	184,182	3,807
Total revenue	448,468	448,773	(305)	396,320	52,148	2,145,573	2,143,731	1,842	1,924,095	221,478
EXPENSES										
Salaries and wages	193,970	202,827	6,857	178,746	17,224	959,802	985,331	25,529	879,967	79,835
Employee benefits	54,319	54,399	80	49,840	4,479	267,189	273,785	6,596	230,779	16,410
Supplies and other expenses	129,384	130,372	1,088	112,799	16,585	629,619	640,692	11,073	566,408	63,211
Depreciation and amortization	23,116	23,116	-	22,186	930	113,345	113,345	-	107,936	5,409
Interest	5,219	5,214	(5)	5,717	(498)	26,586	26,924	338	26,528	58
Leases and rentals	6,128	6,181	53	5,671	457	30,988	31,058	180	28,333	2,555
Total expenses	414,856	422,109	8,053	374,959	39,097	2,027,429	2,071,145	43,716	1,839,951	167,478
OPERATING INCOME (LOSS)	34,412	26,664	7,748	21,361	13,051	118,144	72,586	45,558	64,144	54,000
Prior years settlements and other items	-	-	-	-	-	20,945	-	20,945	5,844	15,101
ADJUSTED OPERATING INCOME (LOSS)	34,412	26,664	7,748	21,361	13,051	139,089	72,586	66,503	69,988	69,101
Investment Income	10,597	8,094	2,503	2,994	7,603	55,076	40,417	14,659	65,315	(10,239)
NET GAIN(LOSS) BEFORE ACCRUAL OF NET FICA REFUND	45,009	34,758	10,251	24,355	20,654	194,165	113,003	81,162	135,303	58,862
Accrual of net FICA tax refund	-	-	-	-	-	-	-	-	-	-
NET GAIN(LOSS)	45,009	34,758	10,251	24,355	20,654	194,165	113,003	81,162	135,303	58,862
OTHER CHANGES IN UNRESTRICTED NET ASSETS										
Change in additional minimum pension liability	3,052	-	3,052	33,409	(30,357)	(84,119)	-	(84,119)	47,821	(131,940)
Fixed assets transfer to/from Royal Charter Properties, Inc.	-	-	-	-	-	-	-	-	-	-
Net assets transfer to/from Royal Charter Properties, Inc.	-	-	-	-	-	-	-	-	-	-
Net asset transfer to related party	(620)	-	(620)	-	(620)	(3,224)	-	(3,224)	-	(3,224)
Distributions from New York-Presbyterian Fund, Inc. for the purchase of fixed assets	4,741	-	4,741	8,321	(3,580)	45,823	-	45,823	52,968	(7,145)
INCREASE / (DECREASE) IN UNRESTRICTED NET ASSETS	\$52,182	\$34,758	\$17,424	\$66,085	(\$13,903)	\$152,645	\$113,003	\$39,642	\$236,092	(\$83,447)

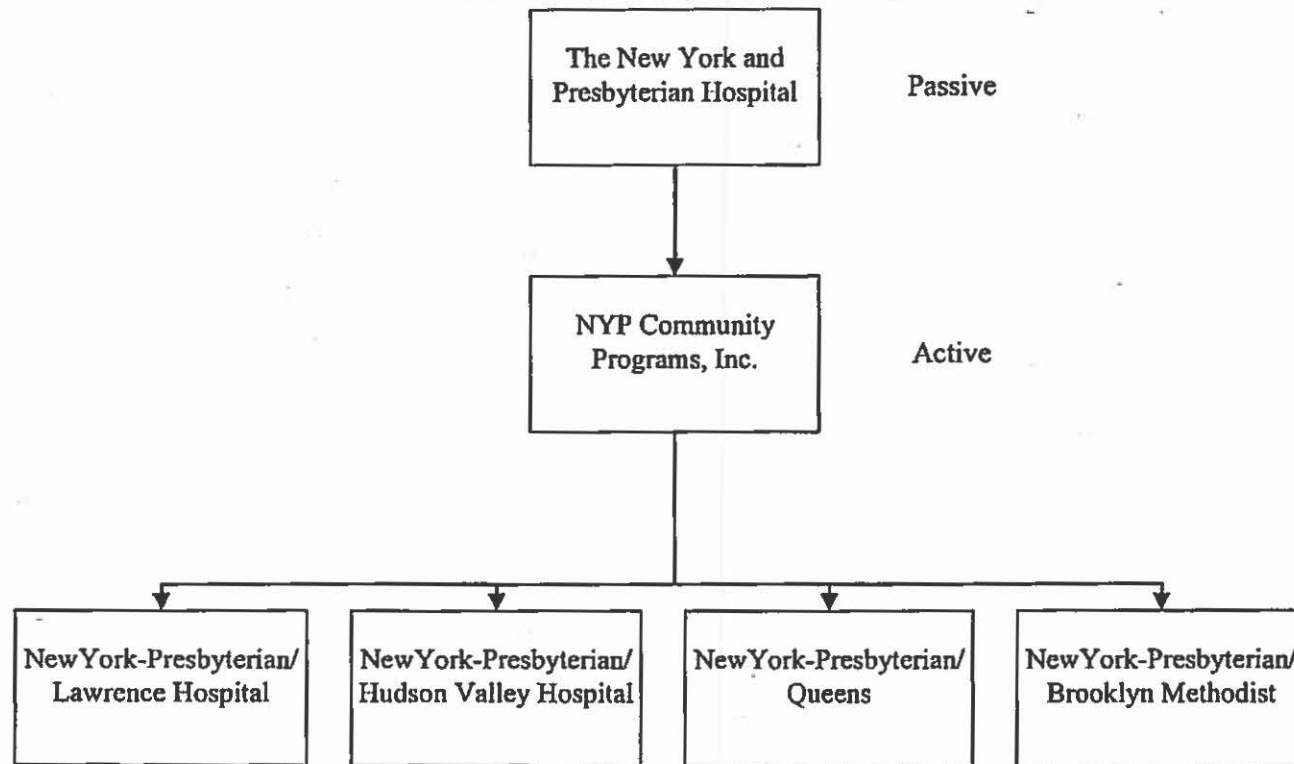
Current

NYHB, Inc. over New York Community Hospital and New York Methodist Hospital

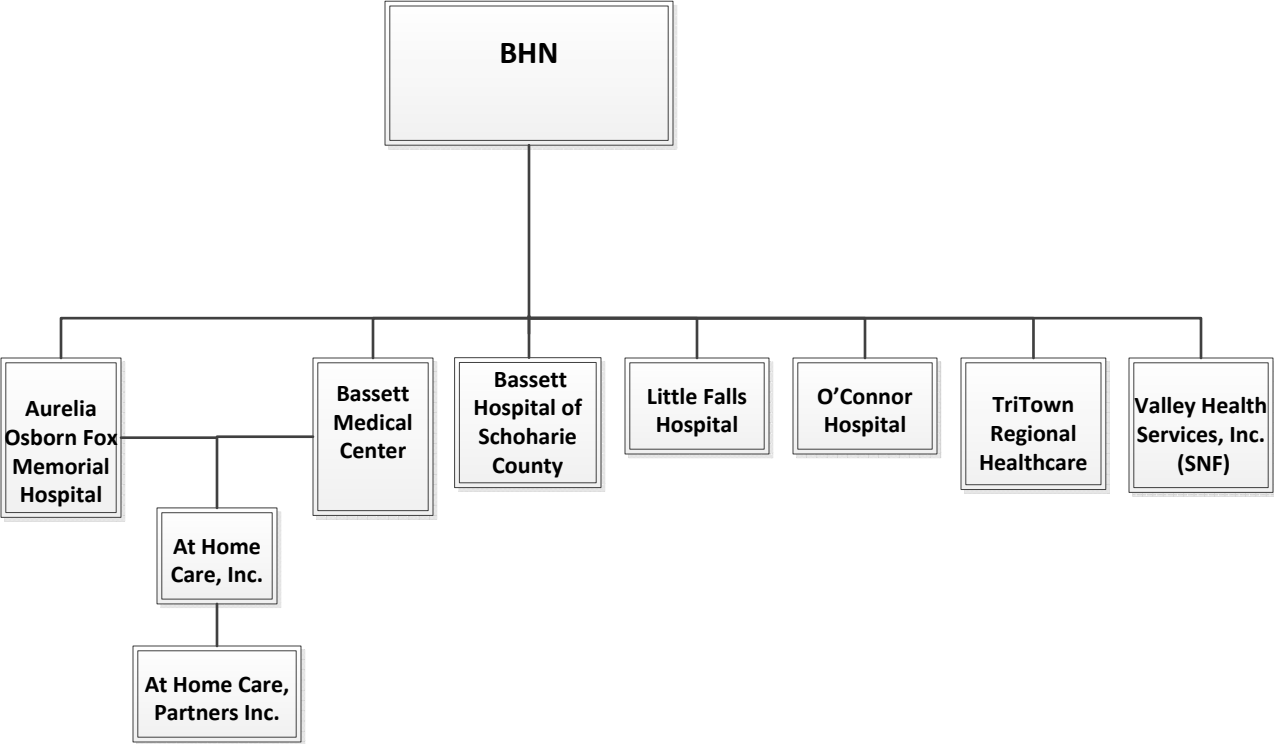


Future

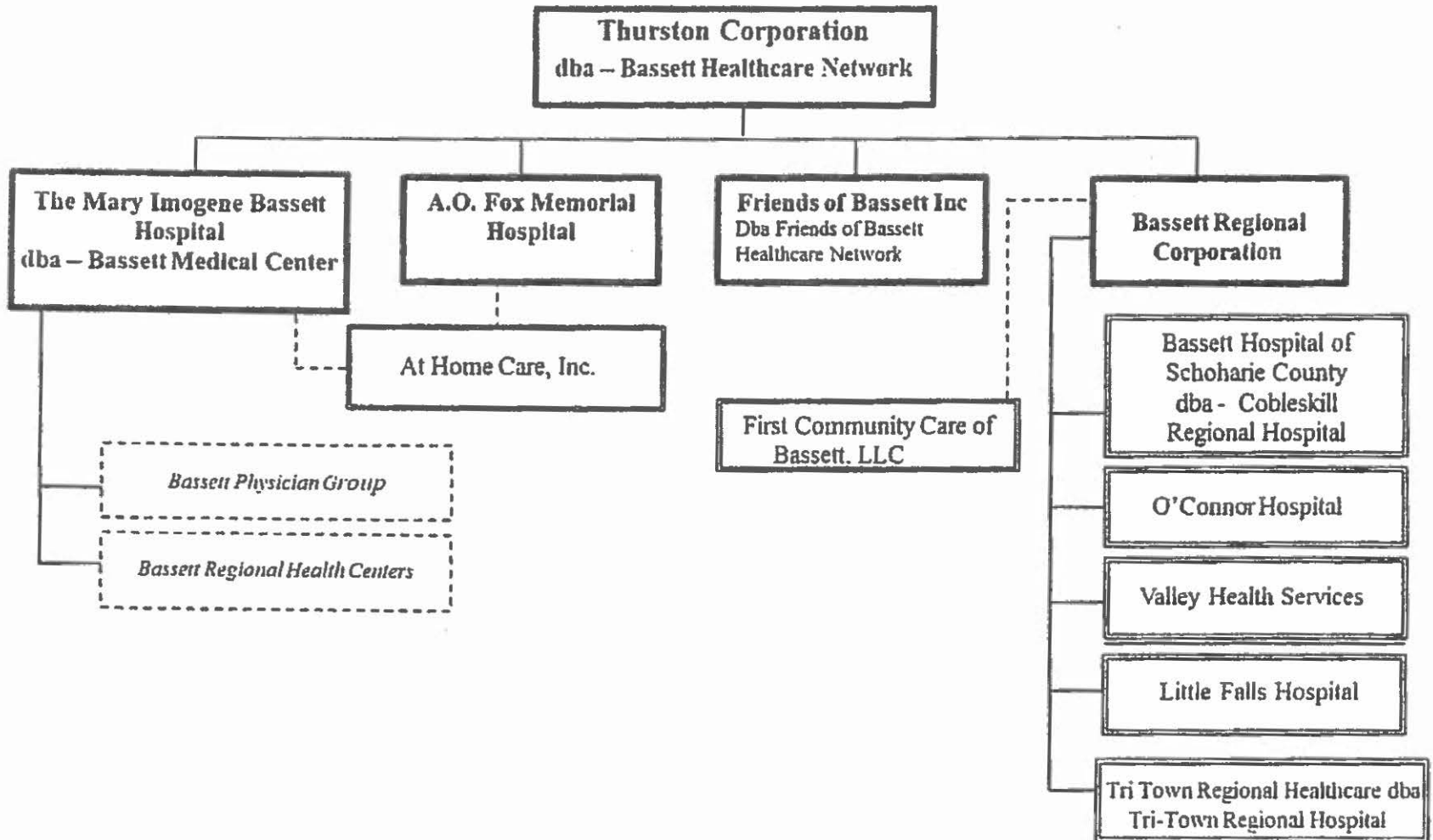
***NYP Community Programs, Inc. over NewYork-Presbyterian/Lawrence Hospital,
NewYork-Presbyterian/Hudson Valley Hospital, NewYork-Presbyterian/Queens and
NewYork-Presbyterian/Brooklyn Methodist***



The Bassett Healthcare Network



New Governance Model: Current Org Structure



THE MARY IMOGENE BASSETT HOSPITAL
(d/b/a Bassett Medical Center)

Balance Sheets

December 31, 2015 and 2014

Assets	<u>2015</u>	<u>2014</u>
Current assets:		
Cash and cash equivalents	\$ 5,112,743	13,034,358
Investments	7,877,424	10,289,963
Accounts receivable, net	54,290,607	46,500,672
Grants and other receivables	16,531,770	13,170,733
Inventories of materials and supplies	4,993,590	3,505,567
Prepaid expenses	<u>3,023,906</u>	<u>3,037,657</u>
Total current assets	<u>91,830,040</u>	<u>89,538,950</u>
Assets whose use is limited		
Internally designated for investing	54,437,733	56,303,737
Restricted by donors	66,043,439	69,280,639
Amounts held in escrow	<u>1,540,288</u>	<u>2,991,439</u>
	122,021,460	128,575,815
Property and equipment, net	172,769,579	162,435,187
Interest in net assets of Friends of Bassett, Inc.	2,276,783	2,652,988
Other assets	2,038,834	2,054,074
Deferred financing costs, net of accumulated amortization of \$3,555,846 in 2015 and \$2,799,422 in 2014	3,995,520	3,384,138
Total assets	<u>\$ 394,932,216</u>	<u>388,641,152</u>

BFA Attachment B
(Cont'd) CON 162036

Liabilities and Net Assets	<u>2015</u>	<u>2014</u>
Current liabilities:		
Borrowings under lines of credit	\$ 3,275,929	—
Accounts payable	26,464,686	9,758,489
Accrued salaries, wages, and related expenses	6,282,008	12,802,799
Other accrued expenses	10,187,652	7,314,018
Current installments of bonds payable	4,160,000	3,795,000
Current installments of obligations under leases	9,293,140	11,331,631
Estimated third-party payables and advances	8,279,269	8,728,273
Advanced funds for DSRIP program	5,609,459	—
Total current liabilities	<u>73,552,143</u>	<u>53,730,210</u>
Long-term liabilities, excluding current installments:		
Bonds payable	43,405,215	45,365,000
Obligations under capital leases	15,839,057	17,320,094
Accrued postretirement benefit obligation	6,056,378	6,945,995
Other accrued expenses (note 11)	1,776,316	1,551,316
Estimated third-party payables and advances	3,042,257	3,042,257
Total liabilities	<u>143,671,366</u>	<u>127,954,872</u>
Commitments and contingencies		
Net assets		
Unrestricted	184,738,465	184,415,074
Temporarily restricted	52,124,044	61,908,167
Permanently restricted	14,398,341	14,363,039
Total net assets	<u>251,260,850</u>	<u>260,686,280</u>
Total liabilities and net assets	<u>\$ 394,932,216</u>	<u>388,641,152</u>

THE MARY IMOGENE BASSETT HOSPITAL
(d/b/a Bassett Medical Center)

Statements of Operations and Changes in Net Assets

Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Unrestricted revenue, gains, and other support:		
Net patient service revenue	\$ 429,036,134	409,393,648
Provision for uncollectible accounts	(11,814,190)	(13,417,776)
Net patient service revenue, less provision for uncollectible accounts	417,221,944	395,975,872
Other operating revenue	46,635,799	44,418,126
Investment income	3,914,831	8,150,520
Net assets released from restrictions for operations	16,109,914	10,895,262
Total unrestricted revenue, gains, and other support	<u>483,882,488</u>	<u>459,439,780</u>
Expenses:		
Salaries and wages	251,759,850	238,260,395
Fringe benefits	37,389,664	37,380,426
Supplies and other	173,325,583	155,130,771
Depreciation and amortization	19,527,235	18,160,621
Interest	1,406,818	1,395,935
Total expenses	<u>483,409,150</u>	<u>450,328,148</u>
Operating margin	<u>473,338</u>	<u>9,111,632</u>
Nonoperating (losses) gains:		
Change in net unrealized gains and losses on unrestricted investments	(5,646,147)	(7,759,323)
Gains on disposal of assets	456,271	14,723
Other nonoperating income	2,897,709	—
Other nonoperating expense	(407,640)	(33,119)
Total nonoperating losses, net	<u>(2,699,807)</u>	<u>(7,777,719)</u>
(Deficiency) excess of unrestricted revenue, gains, and other support over expenses	<u>(2,226,469)</u>	<u>1,333,913</u>

BASSETT MEDICAL CENTER

BFA Attachment B
(Cont'd) CON 162036

BALANCE SHEET
April 30, 2016 and 2015

ASSETS

CURRENT:	2016	2015	VARIANCE
(2) OPERATING CASH	\$ 2,009,048	\$ 22,888,500	\$ (20,679,452)
RESTRICTED CASH	12,176,352	7,611,623	4,564,729
CASH HELD IN ESCROW	6,182,143	1,840,328	4,341,815
NET ACCOUNTS RECEIVABLE	58,313,807	50,412,936	5,900,871
GRANTS & OTHER RECEIVABLES	14,778,157	11,211,379	3,567,778
INVENTORIES OF MATERIALS AND SUPPLIES	5,175,631	3,985,015	1,190,616
PREPAID EXPENSES AND ADVANCES	3,329,362	3,444,374	(115,012)
TOTAL CURRENT ASSETS	99,965,500	101,194,155	(1,228,655)
PROPERTY, PLANT AND EQUIPMENT:			
NET PROPERTY, PLANT AND EQUIPMENT	174,795,799	163,079,938	11,715,861
UNAMORTIZED FEES	3,978,331	3,361,961	616,370
(1) TOTAL ASSETS	\$ 278,739,630	\$ 267,636,054	\$ 11,103,576
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
ACCOUNTS PAYABLE	\$ 10,926,176	\$ 9,609,818	\$ 1,316,358
ACCRUED SALARIES AND WAGES	7,593,209	6,342,992	1,250,217
OTHER ACCRUED EXPENSES	9,139,861	7,250,957	1,888,894
ESTIMATED THIRD PARTY PAYABLE	11,679,889	12,009,375	(329,686)
CURRENT PORTION BONDS PAYABLE	4,215,000	4,942,500	(727,500)
CURRENT PORTION LONG TERM DEBT	9,594,367	13,597,306	(4,002,939)
TOTAL CURRENT LIABILITIES	53,148,292	53,752,948	(604,656)
LONG TERM LIABILITIES:			
OBLIGATION UNDER CAPITAL LEASES	21,570,056	13,714,045	7,856,011
ACCRUED OTHER	1,876,318	1,581,318	295,000
ACCRUED POST RETIREMENT BENEFIT COST	6,219,778	7,109,395	(889,617)
NET LONG TERM BONDS PAYABLE	44,621,203	42,972,500	1,648,703
TOTAL LONG TERM LIABILITIES	74,287,353	65,377,256	8,910,097
NET ASSETS:			
UNRESTRICTED	133,363,036	136,702,640	(3,339,604)
TEMPORARILY RESTRICTED	17,940,949	11,803,210	6,137,739
TOTAL NET ASSETS	151,303,985	148,505,850	2,798,135
(1) TOTAL LIABILITIES AND NET ASSETS	\$ 278,739,630	\$ 267,636,054	\$ 11,103,576

- (1) Excludes Endowment Funds & Board Designated Funds
(2) Excludes cash held in our New York Office for investment.

**BASSETT MEDICAL CENTER
STATEMENT OF REVENUES & EXPENSES
APRIL 30, 2016 and 2015
YEAR-TO-DATE**

	2015 PRIOR YEAR ACTUAL	2016 BUDGET	2016 ACTUAL	VARIANCE	PERCENT VARIANCE
NET PATIENT REVENUES	\$ 142,678,346	\$ 149,036,656	\$ 154,676,366	5,639,709	3.8
MEANINGFUL USE	383,620	456,833	629,177	172,344	37.7
PRIOR YEAR ADJUSTMENTS	-	-	1,923,913	1,923,913	0.0
GRANTS AND OTHER REVENUES	<u>7,954,078</u>	<u>8,127,917</u>	<u>9,399,717</u>	<u>1,271,800</u>	<u>15.6</u>
TOTAL REVENUES	<u>151,016,044</u>	<u>157,621,406</u>	<u>166,629,172</u>	<u>9,007,766</u>	<u>5.7</u>
EXPENSES					
SALARY & WAGES	81,046,326	85,677,816	84,083,605	(1,594,210)	-1.9
AGENCY STAFFING	2,338,578	2,714,779	3,420,455	705,678	26.0
FRINGE BENEFITS	9,604,412	10,131,893	10,664,924	533,031	5.3
PENSION	3,220,381	3,456,890	3,474,107	17,217	0.5
CONTRACTED SERVICES	17,889,523	18,559,603	19,907,629	1,348,026	7.3
PATIENT CARE & OTHER SUPP	23,305,780	25,823,085	28,329,874	2,706,789	10.6
PROPERTY & EQUIPMENT	11,246,749	12,026,811	11,886,946	(139,865)	-1.2
OTHER	<u>3,758,296</u>	<u>2,954,828</u>	<u>3,108,514</u>	<u>153,686</u>	<u>5.2</u>
TOTAL EXPENSES	<u>152,410,047</u>	<u>161,145,704</u>	<u>164,876,054</u>	<u>3,730,350</u>	<u>2.3</u>
NET OPERATING GAIN/(LOSS)	<u>\$ (1,394,003)</u>	<u>\$ (3,524,298)</u>	<u>\$ 1,753,118</u>	<u>\$ 5,277,416</u>	

AURELIA OSBORN FOX MEMORIAL HOSPITAL SOCIETY AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2015 and 2014

<u>Assets</u>	<u>2015</u>	<u>2014</u>
Current assets:		
Cash and cash equivalents	\$ 1,768,346	1,522,179
Investments	159,956	544,909
Patient accounts receivable, net of allowance for doubtful accounts of approximately \$970,000 in 2015 and \$2,156,000 in 2014	8,437,822	8,530,631
Grants and other receivables, net	2,987,598	2,927,674
Inventories	1,567,775	1,632,940
Prepaid expenses	894,929	633,003
Estimated third-party payor settlements	<u>1,091,838</u>	<u>1,456,123</u>
Total current assets	<u>16,908,264</u>	<u>17,247,459</u>
Assets limited as to use	2,068,731	2,234,019
Investments	2,441,370	2,464,185
Grants and other receivables	664,670	813,952
Property and equipment, net	33,451,076	37,139,137
Other assets	109,285	109,285
Deferred financing costs, net of accumulated amortization of approximately \$25,000 in 2015 and \$5,000 in 2014	382,316	402,704
Investment in At Home Care, Inc.	<u>1,588,227</u>	<u>1,586,734</u>
Total assets	<u>\$ 57,613,939</u>	<u>61,997,475</u>

<u>Liabilities and Net Assets</u>	<u>2015</u>	<u>2014</u>
Current liabilities:		
Current portion of long-term debt	\$ 1,148,302	1,151,190
Accounts payable	9,438,691	9,319,810
Accrued payroll and benefits	3,037,310	3,370,567
Accrued expenses	1,917,245	1,707,676
Compensated absences	464,525	421,505
Deferred revenue	224,171	10,599
Due to affiliates, net	<u>3,283,738</u>	<u>582,110</u>
Total current liabilities	19,513,982	16,563,457
Long-term debt, net of current portion	13,735,715	14,873,030
Other liabilities	<u>2,628,376</u>	<u>3,004,267</u>
Total liabilities	<u>35,878,073</u>	<u>34,440,754</u>
Net assets:		
Unrestricted:		
A.O. Fox Memorial Hospital Society and Subsidiaries	17,057,015	22,774,617
Noncontrolling interest in Stamford Professional Associates	<u>89,441</u>	<u>92,116</u>
Total unrestricted net assets	17,146,456	22,866,733
Temporarily restricted	969,863	1,072,361
Permanently restricted	<u>3,619,547</u>	<u>3,617,627</u>
Total net assets	<u>21,735,866</u>	<u>27,556,721</u>
Commitments and contingencies		
Total liabilities and net assets	<u>\$ 57,613,939</u>	<u>61,997,475</u>

AURELIA OSBORN FOX MEMORIAL HOSPITAL SOCIETY AND SUBSIDIARIES

Consolidated Statements of Operations

Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Unrestricted revenues, gains and other support:		
Patient service revenue (net of contractual allowances and discounts)	\$ 68,156,788	68,406,427
Provision for bad debts	(2,631,831)	(4,409,521)
Net patient service revenue less provision for bad debts	<u>65,524,957</u>	<u>63,996,906</u>
Pharmacy sales, net cost of pharmaceutical goods sold	146,607	199,566
Membership dues	734,824	761,812
Other revenue	7,652,900	4,532,738
Net assets released from restrictions used for operations	<u>144,360</u>	<u>79,733</u>
Total unrestricted revenues, gains and other support	<u>74,203,648</u>	<u>69,570,755</u>
Expenses:		
Salaries	33,864,271	34,826,907
Employee benefits	10,621,044	9,539,341
Physician fees	1,086,704	1,782,408
Supplies and materials	8,676,615	8,068,510
Purchased and contracted services	13,074,276	12,710,258
Professional services	2,827,380	787,733
Insurance	1,025,455	1,063,446
Interest	823,899	1,177,653
Depreciation and amortization	5,299,760	6,051,675
Other direct expenses	<u>3,368,772</u>	<u>3,724,230</u>
Total expenses	<u>80,668,176</u>	<u>79,732,161</u>
Operating loss	(6,464,528)	(10,161,406)
Other income (loss):		
Contributions	63,433	49,926
Net realized gains on sales of investments and assets limited as to use	131,669	1,160,650
Other investment income	19,427	67,710
Loss on disposal of property and equipment	(144,607)	(701,034)
Loss on extinguishment of debt	-	(479,552)
Equity in earnings (loss) of At Home Care, Inc.	<u>1,493</u>	<u>(37,449)</u>
Total other income	<u>71,415</u>	<u>60,251</u>
Deficiency of revenues over expenses	(6,393,113)	(10,101,155)
Net loss attributable to noncontrolling interest in Stamford Professional Associates	<u>2,675</u>	<u>7,391</u>
Deficiency of revenues over expenses - A.O. Fox Memorial Hospital Society and Subsidiaries	(6,390,438)	(10,093,764)
Change in net unrealized gains and losses on investments and assets limited as to use	(187,571)	(1,213,824)
Pension-related changes other than net periodic benefit cost	274,394	(742,458)
Net assets released from restrictions used for purchase of property and equipment	<u>586,013</u>	<u>1,469,530</u>
Change in unrestricted net assets - A.O. Fox Memorial Hospital Society and Subsidiaries	<u>\$ (5,717,602)</u>	<u>(10,580,516)</u>

BFA Attachment C
(Cont'd) CON 162036

A.O. FOX MEMORIAL HOSPITAL
BALANCE SHEET
APRIL 2016

	APRIL 2016	MARCH 2016
ASSETS:		
CURRENT ASSETS:		
Cash and Cash Equivalents	1,228,616	1,045,117
Short term investments	174,522	63,918
Accounts Receivable	16,192,195	16,322,828
less: Estimated Uncollectibles	997,889	942,256
Estimated Contractual Allowances	5,544,169	5,942,576
Grants and Other Receivables	2,055,355	2,035,432
Inventories	1,223,209	1,214,824
Prepaid Expenses	1,581,999	1,690,649
TOTAL CURRENT ASSETS:	15,916,840	15,487,927
INVESTMENTS LIMITED AS TO USE:		
Externally Restricted Investments	2,030,990	2,142,627
LONG TERM INVESTMENTS		
Beneficial Interest in Net Assets of At Home Care	1,588,227	1,588,227
Due from Affiliates	3,694,856	3,637,387
Other Assets	109,285	109,285
Grants and Other Receivables	525,000	525,000
Property, Plant & Equipment, Net	32,253,370	32,556,087
Deferred Financing Costs	375,529	377,218
Beneficial Interest in Net Assets of A.O. Fox Foundation	2,948,976	2,948,976
TOTAL ASSETS	59,442,063	59,374,733
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable - trade	8,247,306	8,200,207
Accrued Payroll and Payroll related expenses	1,937,082	1,802,384
Accrued Expenses	3,296,793	3,153,737
Settlement amounts due from 3rd party payors	240,075	372,673
Compensated Absences	464,525	464,525
Due to Affiliates	3,796,682	3,573,038
Current portion of Long Term Debt	1,174,427	1,165,632
TOTAL CURRENT LIABILITIES	19,153,888	18,732,195
Long Term Debt - net of current portion	13,337,344	13,437,493
OTHER LIABILITIES	2,598,217	2,620,006
TOTAL LIABILITIES	35,089,449	34,789,695
NET ASSETS:		
Unrestricted	19,949,133	20,047,336
Temporarily Restricted	782,934	915,255
Permanently Restricted	3,619,547	3,619,547
TOTAL NET ASSETS	24,351,614	24,582,039
TOTAL	59,442,063	59,374,733

A.O. FOX MEMORIAL HOSPITAL
STATEMENTS OF REVENUE AND EXPENSE
APRIL 2016

BFA Attachment C
(Cont'd) CON 162036

	APRIL ACTUAL	APRIL BUDGET	YTD 2016 ACTUAL	YTD 2016 BUDGET	YTD 2015 ACTUAL
NET PATIENT SERVICE REVENUE	\$6,343,285	\$6,042,755	\$24,686,852	\$24,148,831	\$22,652,734
NET BAD DEBT	\$187,937	\$232,988	\$663,990	\$931,954	\$1,032,157
TOTAL NET PATIENT SERVICE REVENUE	6,155,348	5,809,767	24,022,862	23,216,878	21,620,577
Foundation Contributions	-	-	436	-	1,134
General Contributions	-	-	285	-	350,000
EHR Incentives	-	-	-	-	-
VAP Grant	-	-	639,649	639,573	632,309
VAPAP Grant	-	-	786,847	436,847	-
DSRIP	16,625	-	108,977	87,500	-
Other Operating Revenue	185,517	180,901	739,766	725,229	682,147
Net Assets Released from Restriction	1,407	-	3,686	-	7,601
TOTAL OPERATING REVENUE	\$6,358,897	\$5,990,668	\$26,302,508	\$25,106,027	\$23,293,768
EXPENSES					
Salary & Wages	\$2,716,691	\$2,691,009	\$10,995,552	\$10,910,154	\$10,737,966
Agency Staffing	93,310	62,803	255,898	251,213	321,749
Fringe Benefits	638,013	660,432	2,927,106	2,738,656	2,520,564
Pension	154,548	153,998	622,401	615,992	553,190
Medical Supplies	426,214	408,542	1,771,288	1,634,169	1,383,395
Pharmaceuticals	148,523	226,754	590,940	908,051	666,288
Non-Medical Supplies	106,748	135,087	480,854	530,314	596,384
Contracted Services	988,947	954,873	3,766,735	3,802,322	3,975,309
Network Shared Services	470,126	478,955	1,685,653	1,677,021	957,982
Property & Equipment	201,497	197,722	741,125	821,342	824,911
Risk / Malpractice	90,548	93,222	356,097	372,174	362,139
Other Expense	76,552	89,615	288,808	354,958	411,833
Total Operating Expenses	6,111,716	6,153,012	24,482,457	24,616,366	23,311,710
EBIDA	247,181	(162,344)	1,820,051	489,661	(17,942)
Depreciation	389,805	389,805	1,559,220	1,559,220	1,696,744
Interest	62,917	1,188	235,879	123,142	257,830
Amortization	10,693	10,693	42,774	42,774	50,992
TOTAL EXPENSES	\$6,575,131	\$6,554,698	\$26,320,329	\$26,341,501	\$25,317,275
OPERATING MARGIN GAIN / (LOSS)	(\$216,234)	(\$564,030)	(\$17,821)	(\$1,235,475)	(\$2,023,507)
Non Operating Gain / (Loss)	(\$667)	\$0	\$519	\$0	\$91,431
EBIDA %	3.9%	-2.7%	6.9%	2.0%	-0.1%
OPERATING MARGIN %	-3.40%	-9.4%	-0.1%	-4.9%	-8.7%

AT HOME CARE, INCORPORATED AND AFFILIATE

**CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
ASSETS		
CURRENT ASSETS:		
Cash and equivalents	\$ 1,552,083	\$ 1,814,093
Accounts receivable, net	2,026,925	1,914,181
Prepaid expenses	49,334	33,862
Deposits	7,741	14,012
	<hr/>	<hr/>
Total current assets	3,636,089	3,776,148
BUILDING, FURNITURE, AND EQUIPMENT, net	<u>789,452</u>	<u>1,030,478</u>
	<hr/>	<hr/>
Total assets	<u>\$ 4,425,535</u>	<u>\$ 4,806,626</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	108,085	122,317
Accrued salaries and other liabilities	250,909	503,088
Due to third-party payors	30,212	63,692
Deferred revenue	396,865	481,052
	<hr/>	<hr/>
Total current liabilities	786,071	1,170,149
OTHER LIABILITIES:		
Long-term loan payable to member organization	<u>463,010</u>	<u>463,010</u>
	<hr/>	<hr/>
Total other liabilities	463,010	463,010
	<hr/>	<hr/>
Total liabilities	1,249,081	1,633,159
NET ASSETS	<u>3,176,454</u>	<u>3,173,467</u>
	<hr/>	<hr/>
Total liabilities and net assets	<u>\$ 4,425,535</u>	<u>\$ 4,806,626</u>

AT HOME CARE, INCORPORATED AND AFFILIATE

**CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
REVENUE AND SUPPORT:		
Net patient service revenue	\$ 9,875,676	\$ 10,161,492
Other operating revenue	139,969	9,705
	<hr/>	<hr/>
Total revenue and support	10,015,645	10,171,197
EXPENSES:		
Salaries and related expenses	7,518,460	7,695,344
Transportation	452,365	583,294
Supplies and computer expenses	501,616	532,588
Other general and administrative	371,095	412,253
Professional fees and contracted services	425,123	453,613
Occupancy	138,849	142,161
Depreciation	301,656	174,741
Telephone	153,227	132,933
Provision for bad debts	150,275	94,631
Interest	92	3,413
	<hr/>	<hr/>
Total expenses	10,012,658	10,224,951
CHANGE IN NET ASSETS	2,987	(53,754)
NET ASSETS - beginning of year	<hr/> 3,173,467	<hr/> 3,227,221
NET ASSETS - end of year	<hr/> \$ 3,176,454	<hr/> \$ 3,173,467

At Home Care
Balance Sheet
June 30, 2016

	<u>6/30/2016</u>	<u>12/31/2015</u>
ASSETS		
CURRENT ASSETS:		
Cash & Cash Equivalents	365,433.86	230,745.79
Money Market - NBT	1,514,962.35	1,304,011.32
Accounts Receivable - medicare	813,620.82	763,592.60
Accounts Receivable - nonmedicare	<u>1,204,440.37</u>	<u>1,181,326.92</u>
	2,018,060.99	1,944,919.52
less: contractual allowances/BD reserves	(218,865.97)	(211,081.89)
Net Accounts Receivable	-10.85% 1,799,195.02	-10.85% 1,733,837.63
Other Receivables	5,248.42	165,356.42
Prepaid Expenses	40,686.69	48,333.79
Deposits	7,741.27	7,741.27
Due from AHC Partners	<u>242,982.82</u>	<u>252,594.50</u>
Total Current Assets	3,976,250.43	3,742,620.72
BUILDING, FURNITURE & EQUIPMENT	652,658.14	789,451.00
Total Assets	<u>4,628,908.22</u>	<u>4,532,071.72</u>
LIABILITIES & NET ASSETS		
CURRENT LIABILITIES:		
Accounts Payable	78,206.32	104,728.74
Accrued Salaries and Related Taxes	316,500.80	96,323.26
Accrued Vacation	84,609.56	64,609.56
Accrued Herkimer Settlement	0.00	0.00
Accrued Other Expenses	99,741.80	89,977.10
Due to Third Party Payors	10,511.89	(5,090.41)
Due to Medicare - Sequestration	41,782.78	35,301.69
Due to NYS - EPS Rate Reduction	0.00	
Deferred Revenue - PPS	298,033.48	396,864.75
Due to AHC Partners	-	-
Total Current Liabilities	909,386.63	782,714.69
OTHER LIABILITIES:		
Mortgage Payable	0.00	0.00
Line of Credit Payable	0.00	0.00
Loan Payable to Member Organization	<u>463,010.00</u>	<u>463,010.00</u>
Total Liabilities	1,372,396.63	1,245,724.69
NET ASSETS:		
Unrestricted	3,286,462.61	3,238,929.73
Net Income/(Loss)	<u>(29,838.24)</u>	<u>47,418.12</u>
Total Net Assets	3,256,624.37	3,286,347.85
Total Liabilities & Net Assets	<u>4,628,908.22</u>	<u>4,532,071.72</u>

At Home Care
Statement of Activities for the period ending June 30, 2016

	Month to Date 6/30/2016	Month Budget 6/30/2016	Variance	Year to Date 6/30/2016	Year Budget 6/30/2016	Variance
Revenues:						
Net Patient Service Revenue:						
Medicare PPS	429,229	455,258	(26,029)	2,636,286	2,753,757	(117,471)
Medicare Sequestration Adj	(7,698)	(9,105)	1,407	(52,417)	(55,075)	2,658
Medicare HMO PPS	70,225	62,907	7,318	394,707	380,510	14,196
Medicare HMO FFS	47,167	43,399	3,768	293,515	262,509	31,006
Medicaid - FFS	0	1,136	(1,136)	2,542	6,871	(4,328)
Medicaid PPS	57,340	51,842	5,498	383,728	313,579	70,150
Commercial	158,038	165,595	(7,557)	1,043,950	1,001,646	42,304
Self Pay	1,590	3,026	(1,436)	(6,027)	18,302	(24,329)
Charity Care Adjustment	0	(410)	410	(3,422)	(2,480)	(942)
Lifeline	0	0	0	0	0	0
Medicaid MCH	0	25	(25)	132	152	(21)
Other - FFS	0	181	(181)	1,544	1,098	446
PRI	0	158	(158)	525	957	(432)
	<u>755,890</u>	<u>774,012</u>	<u>(18,121)</u>	<u>4,695,064</u>	<u>4,681,826</u>	<u>13,238</u>
Other Operating Revenues						
Partner's Management Fee	10,385	10,556	(171)	62,310	63,338	(1,028)
All Other	402	713	(311)	82,079	4,275	77,804
Total Revenues	<u>766,677</u>	<u>785,280</u>	<u>(18,603)</u>	<u>4,839,452</u>	<u>4,749,439</u>	<u>90,014</u>
Expenses:						
Salaries	482,409	463,969	(18,440)	2,954,423	2,806,445	(147,978)
Benefits	114,119	117,001	2,881	704,134	701,982	(2,152)
Transportation	39,021	35,111	(3,909)	225,482	212,382	(13,101)
Computer Services	20,328	25,250	4,922	141,538	151,500	9,962
Routine Supplies	10,683	11,759	1,076	57,003	70,552	13,549
Non Routine Medical Supplies	11,592	6,229	(5,363)	55,827	37,374	(18,454)
Telehealth Equipment Lease	10,987	10,330	(657)	64,263	61,983	(2,281)
Other general and administrative	13,724	16,931	3,207	82,426	101,587	19,160
Professional fees & contracted services	44,056	35,532	(8,524)	230,238	213,193	(17,045)
Occupancy	7,088	10,308	3,220	51,231	61,846	10,615
Insurance	1,496	3,125	1,629	21,198	18,751	(2,447)
Depreciation	24,794	25,113	319	145,361	150,679	5,318
Telephone	12,588	12,952	364	81,412	77,713	(3,700)
Provision for bad debts	7,537	7,679	142	54,756	46,071	(8,685)
Interest	0	10	10	0	62	62
Total Expenses	<u>800,422</u>	<u>781,299</u>	<u>(19,123)</u>	<u>4,869,291</u>	<u>4,712,116</u>	<u>(157,174)</u>
Change in Net Assets	(33,745)	3,982	(37,727)	(29,838)	37,323	(67,161)
	-4.4%	0.5%		-0.6%	0.8%	
Net Assets - beginning of year				<u>3,286,348</u>		
Net Assets - end of period				<u><u>3,256,510</u></u>		

BASSETT HOSPITAL OF SCHOHARIE COUNTY
(d/b/a COBLESKILL REGIONAL HOSPITAL)

Balance Sheets
December 31, 2015 and 2014

Assets	<u>2015</u>	<u>2014</u>
Current assets:		
Cash and cash equivalents	\$ 9,913,547	9,341,260
Patient accounts receivable, net	2,218,737	2,650,080
Other receivables	856,690	231,774
Interest in net assets of Friends of Bassett, Inc.	48,801	94,546
Inventory	275,386	190,141
Prepaid expenses	125,152	166,920
Total current assets	<u>13,438,313</u>	<u>12,674,721</u>
Assets whose use is limited		
Internally designated for investing	125,022	124,675
Restricted by donors	188,916	189,963
Restricted under grant agreement	—	24,350
	<u>313,938</u>	<u>338,988</u>
Property and equipment, net	<u>13,256,929</u>	<u>9,460,799</u>
Total assets	<u>\$ 27,009,180</u>	<u>22,474,508</u>
Liabilities and Net Assets		
Current liabilities:		
Current maturities of obligations under capital leases	\$ 140,331	24,915
Current maturities of obligations under M&T Loan	330,240	80,000
Accounts payable	1,193,162	1,740,323
Accrued expenses	713,418	778,371
Estimated payable to third party reimbursement agencies	1,023,963	1,232,292
Total current liabilities	<u>3,401,114</u>	<u>3,855,901</u>
Obligations under capital leases, excluding current installments	424,908	48,310
Obligations under M&T Loan, excluding current installments	3,588,971	—
Other liabilities	32,758	32,758
Total liabilities	<u>7,447,751</u>	<u>3,936,969</u>
Commitments and contingencies		
Net assets:		
Unrestricted	19,323,712	18,241,356
Temporarily restricted	59,027	117,493
Permanently restricted	178,690	178,690
Total net assets	<u>19,561,429</u>	<u>18,537,539</u>
Total liabilities and net assets	<u>\$ 27,009,180</u>	<u>22,474,508</u>

**BASSETT HOSPITAL OF SCHOHARIE COUNTY
(d/b/a COBLESKILL REGIONAL HOSPITAL)**

Statements of Operations and Changes in Net Assets
Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Unrestricted revenue, gains, and other support:		
Net patient service revenue	\$ 28,289,321	28,803,991
Provision for uncollectible patient accounts receivable	(1,194,180)	(1,898,960)
Net patient service revenue, less provision for bad debts	27,095,141	26,905,031
Other revenue	1,140,569	1,549,919
Interest income	14,631	17,860
Total unrestricted revenue, gains, and other support	<u>28,250,341</u>	<u>28,472,810</u>
Operating expenses:		
Salaries and professional fees	14,627,297	14,506,599
Employee benefits	2,427,187	2,301,374
Depreciation and amortization	1,507,555	1,215,142
Interest	76,337	9,867
Supplies and other expenses	9,034,251	8,800,187
Total operating expenses	<u>27,672,627</u>	<u>26,833,169</u>
Operating margin	<u>577,714</u>	<u>1,639,641</u>
Nonoperating revenue:		
(Loss) gain on disposal of assets	(1,550)	7,091
Change in fair value of interest rate swap	—	(124)
Other nonoperating revenue	69,430	72,270
Total nonoperating revenue, net	<u>67,880</u>	<u>79,237</u>
Excess of unrestricted revenue, gains, and other support over expenses	645,594	1,718,878
Net assets released from restrictions for property and equipment	436,762	593,688
Increase in unrestricted net assets	<u>1,082,356</u>	<u>2,312,566</u>
Temporarily restricted net assets:		
Contributions and grants	411,365	450,381
Change in interest in net assets of Friends of Bassett, Inc.	(33,069)	81,461
Net assets released from restrictions for property and equipment	(436,762)	(593,688)
Decrease in temporarily restricted net assets	<u>(58,466)</u>	<u>(61,846)</u>
Change in net assets	1,023,890	2,250,720
Net assets, beginning of year	<u>18,537,539</u>	<u>16,286,819</u>
Net assets, end of year	<u>\$ 19,561,429</u>	<u>18,537,539</u>



Bassett Healthcare Network Cobleskill Regional Hospital

BFA Attachment E
(Cont'd) CON 162036

Cobleskill Regional Hospital Balance Sheet - June 30, 2016

	<u>YTD</u> <u>2015</u>		<u>YTD</u> <u>2016</u>
Assets			
Cash and Investments	\$ 10,869,878	\$	10,411,020
Patient Receivables (net)	2,298,380		2,680,652
Other Current Assets	398,191		562,980
Long Term Assets	11,371,681		12,812,712
Total Assets	\$ 24,938,130	\$	26,467,364
Liabilities			
Current Liabilities	\$ 3,855,918	\$	2,557,535
Current Portion Long Term Debt	404,392		507,596
Long Term Liabilities	2,114,337		3,744,008
Total Liabilities	\$ 6,374,647	\$	6,809,139
Net Assets			
Unrestricted	\$ 18,199,605	\$	19,377,119
Temporarily Restricted	141,798		59,026
Permanently Restricted	222,080		222,080
Total Net Assets	\$ 18,563,483	\$	19,658,225
Total Liabilities and Net Assets	\$ 24,938,130	\$	26,467,364



Bassett Healthcare Network
Cobleskill Regional Hospital

Cobleskill Regional Hospital
Income Statement - YTD June 30, 2016

	YTD Actual 2015	YTD Budget 2016	YTD Actual 2016	Variance 2016
Revenue				
<i>Hospital Services</i>				
Hospital Inpatient	\$ 3,819,713	\$ 4,384,854	\$ 3,882,610	\$ (502,244)
Hospital Outpatient	26,509,852	27,107,837	27,208,331	100,494
Rate Enhancements-Low Volume	317,796	333,045	331,133	(1,912)
Contract Revenue-Laboratory	1,452,707	1,274,938	1,672,996	398,058
Other Revenue-Lifetime	47,725	46,800	28,999	(17,801)
Total Hospital & Health Services Revenue	\$ 32,147,793	\$ 33,147,474	\$ 33,124,069	\$ (23,405)
<i>Deductions From Hospital & Health Services Revenue</i>				
Hospital Inpatient Deductions	\$ 1,521,384	\$ 1,501,210	\$ 1,652,391	\$ (151,181)
Hospital Outpatient Deductions	16,355,948	16,302,159	16,486,473	(184,314)
Inpatient Charity Care	14,205	32,886	-	32,886
Outpatient Charity Care	63,851	147,205	54,933	92,272
Bad Debt	582,078	1,261,651	803,445	458,206
Total Deductions From Revenue	\$ 18,537,466	\$ 19,245,111	\$ 18,997,242	\$ 247,869
<i>Other Operating Revenue</i>				
Grants	35,785	40,000	47,042	7,042
Rental Revenue	777	8,172	8,174	2
Donations & Contributions	6,218	37,500	10,443	(27,057)
Assets Released from Restrictions	-	147,397	167,074	19,677
Other	75,885	93,049	80,827	(12,222)
Meaningful Use	-	-	-	-
DSRP	-	-	4,273	4,273
Prior Year Adjustments	-	-	-	-
Total Other Operating Revenue	\$ 118,665	\$ 326,118	\$ 317,833	\$ (8,285)
Total Net Revenue	\$ 13,728,992	\$ 14,228,481	\$ 14,444,660	\$ 216,179
Expenses				
Salary & Wages	\$ 5,071,557	\$ 5,618,486	\$ 5,129,527	\$ 489,959
Agency Staffing	672,478	156,969	568,417	(411,448)
Fringe Benefits	1,130,024	1,246,288	1,221,071	25,217
Pension	-	-	-	-
Medical Supplies	415,249	405,434	383,189	22,245
Pharmaceuticals	556,912	577,222	616,910	(39,088)
Non-Medical Supplies	265,457	291,720	267,406	24,314
Contracted Services	766,163	1,100,232	967,833	132,399
Network Contract-Laboratory	992,299	965,239	1,098,045	(132,806)
Network Shared Services	2,374,705	2,309,520	2,480,802	(171,282)
Property & Equipment	535,059	473,763	430,856	42,907
Risk / Malpractice	84,379	66,084	87,967	(21,883)
Other Expense	184,384	119,418	187,422	(68,004)
Total Operating Expenses	\$ 13,048,666	\$ 13,330,375	\$ 13,438,445	\$ (108,070)
EBIDA	\$ 680,326	\$ 898,106	\$ 1,006,215	\$ 108,109
Depreciation	695,136	806,550	798,247	8,303
Interest	7,814	91,550	92,358	(808)
Amortization	-	-	-	-
Total Expenses	\$ 13,751,616	\$ 14,228,475	\$ 14,329,050	\$ (100,575)
OPERATING MARGIN GAIN / (LOSS)	\$ (22,624)	\$ 6	\$ 115,610	\$ 115,604
Non Operating Gain / (Loss)	\$ 24,263	\$ 34,500	\$ (18,813)	\$ (53,313)
EBITDA %	5.0%	6.3%	7.0%	
OPERATING MARGIN %	-0.2%	0.0%	0.8%	

THE O'CONNOR HOSPITAL

Balance Sheets

December 31, 2015 and 2014

Assets	2015	2014
Current assets:		
Cash and cash equivalents	\$ 11,999,230	9,675,070
Patient accounts receivable, net	2,202,483	1,877,578
Grants and other receivables	167,507	335,575
Inventories	697,370	743,151
Prepaid expenses	66,998	90,620
Total current assets	<u>15,133,588</u>	<u>12,721,994</u>
Interest in net assets of Friends of Bassett, Inc.	165,635	443,005
Property and equipment, net	10,750,309	11,321,061
Total assets	<u>\$ 26,049,532</u>	<u>24,486,060</u>
Liabilities and Net Assets		
Current liabilities:		
Current portion notes payable	\$ 226,288	219,246
Accounts payable	313,057	296,420
Accrued salaries, wages, and related expenses	216,108	373,867
Accrued expenses	379,951	333,196
Estimated payable to third-party payors	508,100	555,683
Total current liabilities	<u>1,643,504</u>	<u>1,778,412</u>
Long-term liabilities:		
Notes payable	<u>1,625,656</u>	<u>1,854,623</u>
Total liabilities	<u>3,269,160</u>	<u>3,633,035</u>
Net assets:		
Unrestricted	22,533,727	20,509,987
Temporarily restricted	246,645	343,038
Total net assets	<u>22,780,372</u>	<u>20,853,025</u>
Total liabilities and net assets	<u>\$ 26,049,532</u>	<u>24,486,060</u>

THE O'CONNOR HOSPITAL
Statements of Operations and Changes in Net Assets
Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Unrestricted revenue, gains, and other support:		
Net patient service revenue	\$ 18,556,607	17,804,695
Provision for uncollectible accounts	(496,678)	(533,027)
Net patient service revenue, less provision for uncollectible accounts	<u>18,059,929</u>	<u>17,271,668</u>
Interest income	941	441
Other revenue	4,677,344	4,281,043
Net assets released from restrictions used for operations	37,970	41,143
Total unrestricted revenue, gains, and other support	<u>22,776,184</u>	<u>21,594,295</u>
Expenses:		
Salaries and wages	7,264,337	6,987,103
Fringe benefits	2,278,397	2,783,785
Supplies and other	10,392,436	9,920,376
Depreciation	1,190,273	1,200,390
Interest	60,831	84,111
Total expenses	<u>21,186,274</u>	<u>20,975,765</u>
Operating margin	<u>1,589,910</u>	<u>618,530</u>
Nonoperating revenue:		
Gain (loss) on disposal of assets	996	(10,161)
Other nonoperating revenue	107,021	105,855
Total nonoperating revenue	<u>108,017</u>	<u>95,694</u>
Excess of unrestricted revenue, gains, and other support over expenses	<u>1,697,927</u>	<u>714,224</u>

O'CONNOR HOSPITAL

BALANCE SHEET
April 30, 2016 and 2015

<u>ASSETS</u>	<u>2015</u>	<u>2016</u>
CURRENT:		
CASH AND EQUIVALENTS	\$9,622,650	\$12,228,984
NET ACCOUNTS RECEIVABLE	\$2,305,254	\$2,550,685
INVENTORIES	\$747,034	\$722,152
OTHER RECEIVABLES	\$379,984	\$487,912
PREPAID EXPENSES AND ADVANCES	\$108,276	\$106,318
TOTAL CURRENT ASSETS	\$13,163,198	\$16,096,050
PROPERTY, PLANT AND EQUIPMENT:		
NET PROPERTY, PLANT AND EQUIPMENT	\$11,247,179	\$10,675,333
TOTAL ASSETS	<u>\$24,410,377</u>	<u>\$26,771,383</u>
 <u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
ACCOUNTS PAYABLE	\$214,911	\$214,021
ACCRUED SALARIES AND WAGES	\$260,047	\$332,345
THIRD PARTY PAYABLES	\$516,365	\$506,676
OTHER ACCRUED EXPENSES	\$126,117	\$254,028
CURRENT PORTION LONG TERM DEBT	\$221,472	\$233,769
TOTAL CURRENT LIABILITIES	\$1,338,912	\$1,540,839
LONG TERM LIABILITIES:		
CATSKILL WATERSHED	\$311,996	\$237,467
DELAWARE NATIONAL BANK	\$1,467,991	\$1,306,072
TOTAL LONG TERM LIABILITIES	\$1,779,987	\$1,543,538
NET ASSETS:		
UNRESTRICTED	\$21,042,705	\$23,259,862
TEMPORARILY RESTRICTED	\$248,773	\$427,143
TOTAL NET ASSETS	\$21,291,478	\$23,687,006
 TOTAL LIABILITIES AND NET ASSETS	<u>\$24,410,377</u>	<u>\$26,771,383</u>

**O'CONNOR HOSPITAL
STATEMENT OF REVENUES & EXPENSES
APRIL 30, 2016 and 2015
YEAR TO DATE**

	<u>2015 ACTUAL</u>	<u>2016 BUDGET</u>	<u>2016 ACTUAL</u>	<u>VARIANCE</u>	<u>PERCENT VARIANCE</u>
NET PATIENT REVENUES	\$ 5,782,887	\$ 5,823,093	\$ 6,007,072	\$ 183,979	3.2%
NONPATIENT REVENUES	<u>1,444,540</u>	<u>\$1,590,239</u>	<u>\$1,603,343</u>	<u>13,104</u>	0.8%
TOTAL REVENUES	<u>7,227,427</u>	<u>7,413,332</u>	<u>7,610,415</u>	<u>197,083</u>	2.7%
EXPENSES:					
SALARY & WAGES	2,259,023	2,443,895	2,453,231	9,336	0.4%
FRINGE BENEFITS	805,328	748,421	631,074	(117,347)	-15.7%
PURCHASED SERVICES	1,772,402	1,873,967	1,901,722	27,755	1.5%
PATIENT CARE SUPPLIES	1,240,378	1,322,647	1,292,558	(30,089)	-2.3%
DEPRECIATION	398,412	403,288	403,847	559	0.1%
SUPPLIES & OTHER	<u>335,622</u>	<u>222,743</u>	<u>229,661</u>	<u>6,918</u>	3.1%
TOTAL EXPENSES	<u>6,811,163</u>	<u>7,014,961</u>	<u>6,912,093</u>	<u>(102,868)</u>	-1.5%
NET OPERATING GAIN/(LOSS)	<u>\$ 416,264</u>	<u>\$ 398,371</u>	<u>\$ 698,322</u>	<u>\$ 299,951</u>	

AUDITED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31, 2015 and 2014

ASSETS

	2015	2014
CURRENT ASSETS		
Cash	\$ 467,321	\$ 891,770
Restricted Cash	113,929	1,416,811
Resident Accounts Receivable, Net of Allowance for Doubtful Accounts of \$263,325 and \$296,291 in 2015 and 2014, Respectively	1,848,735	1,273,238
Accounts Receivable	25,274	2,333
Grant Receivable	1,331,250	5,040
Pledges Receivable	20,600	27,750
Inventories	64,183	44,613
Prepaid Expenses	145,141	180,759
Current Portion of Assets Limited as to Use	14,575	13,597
	<hr/>	<hr/>
Total Current Assets	4,031,008	3,855,911
ASSETS LIMITED AS TO USE, NET OF CURRENT PORTION		
	2,588,838	2,507,478
LAND, BUILDINGS AND EQUIPMENT, NET		
	14,154,328	14,522,846
OTHER ASSETS		
Deferred Financing Costs, Net of Accumulated Amortization of \$654,569 and \$609,467 in 2015 and 2014, Respectively	368,962	207,919
Investment in Non-Operating Property, Net of Accumulated Depreciation of \$190,129 and \$183,747 in 2015 and 2014, Respectively	33,101	39,483
Investment in Affiliate	30,000	30,000
Pledges Receivable, Net of Current Portion	26,000	42,496
	<hr/>	<hr/>
Total Other Assets	458,063	319,898
	<hr/>	<hr/>
TOTAL ASSETS	\$ 21,232,237	\$ 21,206,133

VALLEY HEALTH SERVICES, INC. AND AFFILIATE

LIABILITIES AND NET ASSETS

	2015	2014
CURRENT LIABILITIES		
Line of Credit	\$ 500,000	\$ 0
Current Portion of Long-Term Debt	821,426	498,754
Construction Loan	0	3,836,284
Accounts Payable	425,787	444,940
Accrued Payroll and Related Expenses	1,014,239	912,770
Accrued Interest	54,669	54,600
Estimated Third-Party Payor Settlements	959,449	616,786
	<hr/>	<hr/>
Total Current Liabilities	3,775,570	6,364,134
 PATIENT TRUST ACCOUNTS		
	249,729	161,612
 LONG-TERM LIABILITIES		
Long-Term Debt, Net of Current Portion	6,870,773	4,632,645
Other Liabilities	1,603,153	1,590,305
	<hr/>	<hr/>
Total Long-Term Liabilities	8,473,926	6,222,950
 Total Liabilities		
	12,499,225	12,748,696
 NET ASSETS		
Unrestricted	8,491,495	8,208,992
Temporarily Restricted	137,544	144,472
Permanently Restricted	103,973	103,973
	<hr/>	<hr/>
Total Net Assets	8,733,012	8,457,437
 TOTAL LIABILITIES AND NET ASSETS		
	<u>\$ 21,232,237</u>	<u>\$ 21,206,133</u>

VALLEY HEALTH SERVICES, INC. AND AFFILIATE

CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
Years Ended December 31, 2015 and 2014

	2015	2014
CHANGE IN UNRESTRICTED NET ASSETS		
Revenue:		
Net Resident Service Revenue	\$ 14,056,708	\$ 13,253,833
Other Revenue	434,513	1,486,016
Investment Income, Including Realized Gain of \$446 and \$3,104 in 2015 and 2014, Respectively	100,922	83,747
Net Assets Released from Restriction	58,000	0
	<hr/>	<hr/>
Total Revenue	14,650,143	14,823,596
Expenses:		
Nursing Services	5,302,482	5,180,752
Adult Day Care Services	454,308	451,899
Enriched Housing Facility Services	293,038	383
Other Professional Services	3,667,645	3,366,485
General and Administrative	3,788,958	2,897,091
Interest	450,088	349,167
Depreciation and Amortization	948,309	745,521
Provision for Bad Debt	70,414	41,468
Cash Receipt Assessment	698,274	690,876
	<hr/>	<hr/>
Total Expenses	15,673,516	13,723,642
Excess (Deficiency) of Revenue Over Expenses	(1,023,373)	1,099,954
Net Unrealized Loss on Investments	(140,928)	(17,212)
Contributions Received for Capital Acquisitions	1,444,826	2,517,408
Endowment (Appreciation) Depreciation Reclassification	1,978	(2,991)
	<hr/>	<hr/>
CHANGE IN UNRESTRICTED NET ASSETS	282,503	3,597,159
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS		
Contributions	53,050	105,760
Net Assets Released from Restriction	(58,000)	0
Endowment Appreciation (Depreciation) Reclassification	(1,978)	2,991
	<hr/>	<hr/>
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	(6,928)	108,751
CHANGE IN TOTAL NET ASSETS	275,575	3,705,910
Beginning of Year	8,457,437	4,751,527
	<hr/>	<hr/>
End of Year	\$ 8,733,012	\$ 8,457,437
	<hr/>	<hr/>

Valley Health Services - Herkimer, Ny
BALANCE SHEET
As Of 4/30/2016

BFA Attachment G
(Cont'd) CON 162036

Include Adjustment Periods: NO Include Closing Periods: NO
cluded: Valley Health Services - ADC, Valley Health Services, Inc.

	CURRENT PERIOD	PREVIOUS YEAR
	Actual \$	Actual \$
ASSETS		
CURRENT ASSETS		
CASH		
General Checking Account	409,173	391,886
Special Accounts	145,061	130,902
Cash Employee's Retirement Fund	954	879
Payroll Checking	37	38
Cash & Investments Held in Escrow	18,469	14,575
Cash Construction Account	0	0
Cash Heal 12 Account	12,888	4,054
TOTAL CASH	586,563	542,333
RECEIVABLES		
Accounts Receivable Inpatient	1,880,901	1,775,285
Accounts Receivable Outpatient	192,580	246,368
Allowance for Contractuals	(89,857)	(70,000)
Allowance for Bad Debt	(175,126)	(193,325)
Miscellaneous Receivables	5,110	25,274
Grants Receivable	0	0
Due To/From VRS	618,357	537,581
TOTAL RECEIVABLES	2,449,965	2,321,184
INVENTORIES	49,507	52,748
PREPAIDS		
Prepaid Insurance	41,571	47,002
Prepaid Items	58,935	88,449
TOTAL PREPAIDS	100,506	135,452
TOTAL CURRENT ASSETS	3,186,542	3,051,717
OTHER ASSETS		
RESTRICTED FUNDS		
Sinking Fund	184,255	180,904
Endowment Fund	108,852	116,607
Funded Depreciation Account	1,854,744	1,827,690
Cash Employee Assistance Program	12,693	13,168
CASH- FUND RAISING ACCOUNT	240,918	214,909
Cash Resident Funds	120,314	134,705
Due From Resident Petty Cash	100	100
TOTAL RESTRICTED FUNDS	2,521,878	2,487,083
INVESTMENT IN AFFILIATE	30,000	30,000
PLEDGES RECEIVABLE	37,788	48,600
TOTAL OTHER ASSETS	2,589,666	2,563,683

Valley Health Services - Herkimer, Ny
BALANCE SHEET
As Of 4/30/2016

BFA Attachment G
(Cont'd) CON 162036

	CURRENT PERIOD Actual \$	PREVIOUS YEAR Actual \$
PROPERTY, PLANT & EQUIPMENT		
Buildings & Land Improvements	14,218,758	14,218,756
Accumulated Depreciation - Bldg & Land Improve	(11,669,084)	(11,527,915)
Moveable & Fixed Equipment	6,175,862	6,060,344
Accumulated Depreciation Moveable & Fixed Equip	(4,929,821)	(4,855,773)
Leasehold Improvements	633,531	633,531
Accumulated Depreciation - Leasehold Improvements	(294,037)	(280,730)
Construction in Progress-Land Improvements	0	0
Organization Costs	0	0
Construction in Progress	158,360	35,488
Start-Up Costs	817,385	817,385
Accumulated Amortization - Start Up Costs	(659,421)	(649,541)
Non-Operating Property, Plant & Equipment	223,230	223,230
Accumulated Depreciation - Non-Operating Property	(191,631)	(190,129)
TOTAL PROPERTY, PLANT & EQUIPMENT	4,483,121	4,484,645
TOTAL ASSETS	10,259,329	10,100,045
LIABILITIES & NET ASSETS		
CURRENT LIABILITIES		
Current Portion of Long Term Debt	556,568	545,909
Line of Credit	0	0
Accounts Payable	403,954	438,146
Accrued Payroll	149,544	279,375
Payroll Deductions & Related Items	682,095	681,852
Accrued Interest Expense	21,717	37,878
Reserve NYS Sales Tax	184	61
Deferred Revenue	4,653	602
Advance Payments From Residents (NAMI)	6,023	6,023
Deferred Revenue - Medicaid	168,213	168,213
Estimated Third Party Payor Settlements	1,091,860	973,310
Patient Refunds	(425)	(42)
TOTAL CURRENT LIABILITIES	3,084,388	3,131,328
LONG TERM LIABILITIES		
Notes Payable	617,931	625,371
Mortgage Payable	3,339,224	3,520,919
Resident Fund Liability	117,439	134,705
Accrued Retirees' Health Insurance Expense	33,110	36,000
Estimated Third Party Payor Settlements	405,279	401,097
Accrued Interest - Long Term Debt	857,238	840,078
Deferred Bond Premium	130,151	137,283
TOTAL LONG TERM LIABILITIES	5,500,371	5,695,450
NET ASSETS		
Fund Balances	1,302,492	1,125,591
Unrealized Gains/Losses on Investments	(28,988)	(28,988)
Net Profit (+) / Loss (-)	401,068	176,665
TOTAL NET ASSETS	1,674,572	1,273,268
TOTAL LIABILITIES & NET ASSETS	10,259,329	10,100,045

Valley Health Services - Horkimer, NY
INCOME STATEMENT - SUMMARY CY. VS. BUDGET
 4/1/2016 to 4/30/16

BFA Attachment G
 (Cont'd) CON 162036

Include Adjustment Periods: NO Include Closing Periods: NO
 Included: Valley Health Services - ADC, Valley Health Services, Inc.

	CURRENT PERIOD				YEAR TO DATE			
	Actual	Budget	\$ Variance	% of Revenue	Actual	Budget	\$ Variance	% of Revenue
PATIENT SERVICE REVENUE								
ROUTINE SERVICES								
Room and Board	1,163,225	1,177,379	(14,154)	(98.82)	4,725,527	4,748,460	(22,933)	(93.06)
Gross Receipts Tax	35,279	40,082	(4,803)	(3.00)	279,180	161,682	117,518	(5.50)
Adult Day Care	93,880	99,255	(5,375)	(7.98)	402,645	401,745	901	(7.93)
TOTAL ROUTINE SERVICES	1,292,384	1,316,716	(24,332)	(109.80)	5,407,352	5,311,867	95,485	(106.49)
ANCILLARY SERVICES								
Orthotics	0	55	(55)	0.00	0	222	(222)	0.00
Prosthetics	0	0	0	0.00	0	0	0	0.00
Enteral Feeding Supplies	0	357	(357)	0.00	0	1,439	(1,439)	0.00
Ostomy Supplies	0	268	(268)	0.00	0	1,080	(1,080)	0.00
Wound Vac Therapy	0	0	0	0.00	0	0	0	0.00
Laboratory Supplies	2,442	3,851	(1,409)	(0.21)	8,781	15,520	(6,739)	(0.17)
Radiology	2,813	3,247	(434)	(0.24)	8,818	13,087	(4,469)	(0.17)
Oxygen Therapy	13,980	17,780	(3,820)	(1.19)	46,436	71,705	(25,269)	(0.91)
Pharmacy	24,062	30,600	(6,538)	(2.04)	82,698	123,409	(40,711)	(1.63)
Psychiatric Services	0	833	(833)	0.00	0	3,332	(3,332)	0.00
Physical Therapy	145,773	144,307	1,466	(12.38)	533,867	582,531	(48,664)	(10.51)
Occupational Therapy	82,489	62,488	19,981	(7.01)	310,801	251,942	58,859	(5.12)
Speech Therapy	18,214	16,189	2,025	(1.55)	68,548	65,169	(3,379)	(1.15)
Cardiac Rehabilitation	420	373	47	(0.04)	1,650	1,509	141	(0.03)
Massage Therapy	696	1,240	(544)	(0.06)	3,086	5,004	(1,908)	(0.06)
Transportation Services	834	368	466	(0.07)	3,373	1,483	1,890	(0.07)
TOTAL ANCILLARY SERVICES	291,682	281,956	9,726	(24.78)	1,057,867	1,137,432	(79,565)	(20.83)
CONTRACTUAL ALLOWANCES								
Gains & Losses Blue Cross	0	(36,796)	36,796	0.00	0	(148,404)	148,404	0.00
Gains & Losses Medicaid	(325,351)	(341,925)	16,575	27.84	(1,284,468)	(1,379,322)	94,854	25.30
Gains & Losses Medicare	(38,686)	(57,779)	19,091	3.29	(151,996)	(233,162)	81,166	2.99
Gains & Losses Medicare Replacement	(69,183)	(806)	(68,377)	5.88	(201,463)	(3,263)	(198,200)	3.97
Gains & Losses Commercial Insurance	(6,008)	(2,187)	(3,821)	0.51	(12,125)	(8,853)	(3,272)	0.24
Gains & Losses Hospice	(479)	0	(479)	0.04	(1,327)	0	(1,327)	0.03
Gains & Losses Workers' Compensation	0	(1,692)	1,692	0.00	0	(6,846)	6,846	0.00
Gains & Losses No Fault	(134)	(533)	399	0.01	(5,751)	(2,161)	(3,590)	0.11
Gains & Losses HMO	(1,657)	(501)	(1,156)	0.14	(3,233)	(2,027)	(1,206)	0.06
Gains & Losses Private Pay	(85)	(12,747)	12,662	0.01	(909)	(51,597)	50,688	0.02

Valley Health Services - Herkimer, Ny
INCOME STATEMENT - SUMMARY - CY. VS. BUDGET
 4/1/2016 to 4/30/2016

	CURRENT PERIOD				YEAR TO DATE			
	Actual	Budget	\$ Variance	% of Revenue	Actual	Budget	\$ Variance	% of Revenue
Gains & Losses Medicaid Managed Care (con't)								
Gains & Losses Medicaid Managed Care	762	(3,659)	4,421	(0.06)	(7,293)	(14,810)	7,517	0.14
Bad Debts	10	(2,500)	2,510	0.00	(375)	(10,000)	9,625	0.01
TOTAL CONTRACTUAL ALLOWANCES	(440,823)	(481,126)	20,303	37.45	(1,868,938)	(1,860,447)	191,509	32.87
TOTAL PATIENT SERVICE REVENUE	1,143,243	1,137,546	5,697	(97.13)	4,796,281	4,588,852	207,429	(94.45)
OTHER OPERATING REVENUE								
Other Operating Revenue	0	0	0	0.00	124,493	62,834	61,659	(2.45)
Nurse Aide Training Revenue	0	3,858	(3,858)	0.00	0	7,716	(7,716)	0.00
Cafeteria	1,345	1,480	(135)	(0.11)	6,408	5,971	437	(0.13)
Telephone & Telegraph Services	(11)	308	(319)	0.00	1,482	1,242	240	(0.03)
Cable TV Income	0	1,789	(1,789)	0.00	6,274	7,135	(1,861)	(0.10)
Medical Record & Abstract Fees	0	15	(15)	0.00	101	62	39	0.00
Sale of Scrap & Waste	0	0	0	0.00	40	0	40	0.00
Vending Machine Revenue	0	400	(400)	0.00	1,600	1,600	0	(0.03)
Rental Revenue-Clinic	3,108	3,017	91	(0.26)	12,432	12,068	364	(0.24)
Accounts Payable Discount	4,875	4,831	244	(0.41)	17,498	18,684	(1,188)	(0.34)
Rebates & Refunds	0	937	(937)	0.00	(2,046)	3,780	(5,828)	0.04
Sold Services	24,436	28,915	(4,479)	(2.08)	114,030	115,660	(1,630)	(2.25)
TOTAL OTHER OPERATING REVENUE	33,753	45,330	(11,577)	(2.87)	281,310	236,752	44,558	(5.54)
NON OPERATING REVENUE								
Income from Donations/Contributions	12,458	16,386	(3,928)	(1.08)	25,902	65,561	(39,659)	(0.51)
Gain/(Loss) on Sale of Property & Equipment	0	0	0	0.00	0	0	0	0.00
Income from Unrestricted Funds	69	66	3	(0.01)	300	268	32	(0.01)
Unrestricted Income From Endowments	(213)	880	(1,073)	0.02	(6,755)	3,489	(10,224)	0.13
Income From Other Unrestricted Funds	3,257	2,831	626	(0.28)	6,802	10,812	(3,810)	(0.13)
Non-Operating Revenue	391	0	391	(0.03)	1,823	0	1,823	(0.04)
TOTAL NON OPERATING REVENUE	15,963	19,943	(3,980)	(1.36)	28,072	79,910	(51,838)	(0.55)
TOTAL REVENUE	1,192,959	1,202,819	9,860	(101.35)	5,105,583	4,905,514	(200,149)	(100.55)
OPERATING EXPENSES								
NURSING ADMINISTRATION	46,372	48,158	2,786	(3.86)	184,112	192,626	8,514	(3.83)
NURSES STATION - SNF 1AT & 2ND	310,173	312,725	2,552	(26.35)	1,260,694	1,275,738	15,042	(24.83)
ADULT DAY CARE - HERKIMER	14,569	12,869	(1,880)	(1.24)	58,321	62,867	(4,544)	(1.15)
ADULT DAY CARE - LITTLE FALLS	25,045	26,374	1,329	(2.13)	88,459	106,065	19,806	(1.70)
MEDICAL SUPPLIES	11,428	11,186	(242)	(0.97)	39,034	45,134	6,100	(0.77)
ORTHOTICS	0	26	26	0.00	0	103	103	0.00

Valley Health Services - Herkimer, Ny
 INCOME STATEMENT - SUMMARY CY. VS. BUDGET
 4/1/2016 to 4/30/2016

	CURRENT PERIOD				YEAR TO DATE			
	Actual	Budget	\$ Variance	% of Revenue	Actual	Budget	\$ Variance	% of Revenue
PROSTHETICS (cont')								
PROSTHETICS	0	0	0	0.00	0	0	0	0.00
EXTERNAL FEEDING SUPPLIES	0	298	298	0.00	3	1,199	1,196	0.00
OSTOMY SUPPLIES	111	128	17	(0.01)	436	515	80	(0.01)
TRACHECSTOMY SUPPLIES	0	0	0	0.00	0	0	0	0.00
LABORATORY	3,228	1,984	(1,244)	(0.27)	10,849	10,636	(313)	(0.21)
INHALATION THERAPY	3,275	2,237	(1,038)	(0.28)	10,479	9,027	(1,452)	(0.21)
WOUND CARE SUPPLIES	0	4	4	0.00	0	16	16	0.00
UROLOGICAL SUPPLIES	0	0	0	0.00	0	0	0	0.00
RADIOLOGY	2,361	2,403	52	(0.20)	6,787	9,899	2,912	(0.13)
ACTIVITIES	8,812	10,700	888	(0.83)	44,996	43,420	(1,576)	(0.89)
PHARMACY	26,748	23,766	(2,982)	(2.27)	94,823	96,862	1,039	(1.87)
DENTAL SERVICES	1,200	1,470	270	(0.10)	5,037	5,929	892	(0.10)
PSYCHIATRIC SERVICES	1,680	1,463	(217)	(0.14)	7,241	5,852	(1,389)	(0.14)
PHYSICAL THERAPY	39,238	35,876	(3,362)	(3.33)	166,410	149,211	(17,199)	(3.28)
OCCUPATIONAL THERAPY	11,540	13,037	1,498	(0.98)	60,859	56,139	(4,720)	(1.00)
SPEECH THERAPY	5,314	5,910	596	(0.45)	22,827	25,031	2,204	(0.45)
CARDIAC REHABILITATION	3,494	3,304	(190)	(0.30)	17,124	13,707	(3,417)	(0.34)
MASSAGE THERAPY	1,398	1,120	(278)	(0.12)	5,763	4,692	(1,071)	(0.11)
OTHER THERAPEUTIC SERVICES	0	81	81	0.00	0	325	325	0.00
SOCIAL SERVICES	12,332	12,238	(94)	(1.05)	50,873	50,113	(760)	(1.00)
MEDICAL RECORDS	9,633	10,441	808	(0.82)	39,048	42,581	3,533	(0.77)
MEDICAL STAFF SERVICES	3,510	3,888	178	(0.30)	14,040	14,744	704	(0.28)
MEDICAL DIRECTOR	2,322	2,438	116	(0.20)	9,921	9,752	(169)	(0.20)
UTILIZATION REVIEW	6,886	5,065	(1,821)	(0.59)	27,893	20,836	(7,057)	(0.55)
NONPHYSICAN EDUCATION	0	0	0	0.00	0	0	0	0.00
DIETARY SERVICES	97,325	93,698	(3,627)	(8.27)	380,930	379,146	(1,784)	(7.50)
CAFETERIA	456	1,938	1,483	(0.04)	1,982	7,926	5,944	(0.04)
OPERATION & MAINTENANCE	40,411	55,909	15,498	(3.43)	198,742	235,846	37,103	(3.91)
HOUSEKEEPING SERVICES	25,997	25,473	(524)	(2.21)	106,780	102,498	(4,282)	(2.10)
LAUNDRY SERVICES	26,615	25,737	(878)	(2.25)	100,026	103,709	3,683	(1.97)
TRANSPORTATION	4,784	3,213	(1,571)	(0.41)	22,815	13,012	(9,803)	(0.45)
ADMINISTRATION	170,368	182,120	11,752	(14.47)	720,392	738,178	17,786	(14.19)
VOLUNTEERS	0	0	0	0.00	0	0	0	0.00
NONOPERATING EXPENSES	579	562	(17)	(0.05)	4,285	3,354	(931)	(0.08)
DEPRECIATION - LAND IMPROVEMENTS	316	316	0	(0.03)	1,281	1,260	(21)	(0.02)
DEPRECIATION - BUILDING	34,977	34,977	0	(2.97)	139,907	139,908	1	(2.76)
DEPRECIATION - MINOR EQUIPMENT	487	487	0	(0.04)	974	1,948	974	(0.02)
DEPRECIATION - MAJOR MOVABLE EQUIPMENT	12,266	12,266	0	(1.04)	49,064	49,064	0	(0.97)
DEPRECIATION - FIXED EQUIPMENT	8,002	8,002	0	(0.51)	24,009	24,008	(1)	(0.47)

Valley Health Services - Herkimer, Ny
INCOME STATEMENT - SUMMARY CY. VS. BUDGET
 4/1/2016 to 4/30/2016

BFA Attachment G
 (Cont'd) CON 162036

	CURRENT PERIOD				YEAR TO DATE			
	Actual	Budget	\$ Variance	% of Revenue	Actual	Budget	\$ Variance	% of Revenue
AMORTIZATION EXPENSE (con't)								
AMORTIZATION EXPENSE	2,470	2,470	0	(0.21)	9,880	9,880	0	(0.19)
AMORTIZATION EXPENSE - LEASEHOLD IMPROVEMENT	3,327	3,327	0	(0.28)	13,307	13,308	1	(0.28)
INTEREST EXPENSE	24,261	22,185	(2,076)	(2.06)	98,489	88,740	(9,749)	(1.94)
EMPLOYEE BENEFITS	162,442	158,298	(4,146)	(13.80)	600,928	629,458	28,530	(11.83)
FUND RAISING	4,928	3,935	(993)	(0.42)	16,797	16,008	(789)	(0.33)
TOTAL OPERATING EXPENSES	1,168,567	1,181,918	13,351	(99.28)	4,704,595	4,798,967	94,372	(92.85)
NET INCOME/(LOSS)	24,392	20,901	(3,491)	(2.07)	401,068	106,547	(294,521)	(7.90)

LITTLE FALLS HOSPITAL

Balance Sheets

December 31, 2015 and 2014

<u>Assets</u>	<u>2015</u>	<u>2014</u>
Current assets:		
Cash and cash equivalents	\$ 551,280	303,055
Investments	1,431,115	1,520,456
Patient accounts receivable, net of allowance for doubtful accounts of approximately \$939,000 in 2015 and \$1,049,000 in 2014	3,250,169	3,119,017
Inventories	473,166	467,466
Prepaid expenses and other current assets	717,925	1,594,068
Assets limited as to use	148,848	149,973
Net investment in direct financing lease	445,859	437,711
Estimated third-party payor settlements	<u>1,177,844</u>	<u>996,651</u>
Total current assets	8,196,206	8,588,397
Assets limited as to use	1,996,891	2,653,184
Beneficial interest in charitable remainder trusts	2,843,182	2,948,053
Net investment in direct financing lease	1,280,422	1,470,953
Property and equipment, net	18,815,928	19,829,176
Other assets	<u>430,906</u>	<u>404,935</u>
Total assets	<u>\$ 33,563,535</u>	<u>35,894,698</u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Current portion of long-term debt and capital lease obligations	626,824	623,455
Accounts payable and accrued expenses	3,088,691	3,310,386
Accrued salaries, payroll taxes and fringe benefits	551,356	522,262
Advance from third-party payor	<u>227,000</u>	<u>227,000</u>
Total current liabilities	4,493,871	4,683,103
Long-term debt and capital lease obligations, net of current portion	4,760,523	5,385,234
Accrued pension liability	2,253,619	2,267,860
Other liabilities	<u>187,810</u>	<u>238,220</u>
Total liabilities	<u>11,695,823</u>	<u>12,574,417</u>
Net assets:		
Unrestricted	17,407,027	18,729,570
Temporarily restricted	3,595,399	3,691,012
Permanently restricted	<u>865,286</u>	<u>899,699</u>
Total net assets	<u>21,867,712</u>	<u>23,320,281</u>
Commitments and contingencies		
Total liabilities and net assets	<u>\$ 33,563,535</u>	<u>35,894,698</u>

LITTLE FALLS HOSPITAL

Statements of Operations

Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Unrestricted revenues, gains and other support:		
Net patient service revenue (net of contractual allowances and discounts)	\$ 29,241,053	29,413,757
Provision for bad debts	<u>(1,483,959)</u>	<u>(1,783,252)</u>
Net patient service revenue less provision for bad debts	27,757,094	27,630,505
Contributions and grants	292,824	379,308
Other operating revenue	<u>1,565,601</u>	<u>1,373,970</u>
Total unrestricted revenues, gains and other support	<u>29,615,519</u>	<u>29,383,783</u>
Expenses:		
Salaries and wages	11,496,335	11,688,790
Employee benefits	3,054,632	2,780,469
Contracted services	9,374,076	8,038,321
Supplies and other expenses	3,913,402	4,043,391
Depreciation and amortization	2,269,663	2,277,971
Interest	200,463	172,095
Insurance	331,554	318,867
New York State cash receipts assessment	<u>88,828</u>	<u>87,076</u>
Total expenses	<u>30,728,953</u>	<u>29,406,980</u>
Operating loss	(1,113,434)	(23,197)
Non-operating income:		
Investment income	<u>73,579</u>	<u>130,942</u>
Excess (deficiency) of revenues over expenses	(1,039,855)	107,745
Change in net unrealized gains and losses on investments and assets limited as to use	(121,301)	(36,008)
Change in unrestricted interest in Friends of Bassett, Inc.	125,199	45,941
Contributions for long-lived assets	-	65,500
Pension-related changes other than net periodic benefit cost	<u>(286,586)</u>	<u>(289,610)</u>
Decrease in unrestricted net assets	<u>\$ (1,322,543)</u>	<u>(106,432)</u>

Little Falls Hospital
Balance Sheet - April 2016

(\$'s in Thousands)

	Audited YTD <u>2013</u>	Audited YTD <u>2014</u>	Audited YTD <u>2015</u>	Budget <u>2016</u>	April <u>2016</u>
Assets					
Cash and Investments	2,155	1,825	1,926	1,992	2,128
Patient Receivables (net)	3,075	3,119	3,250	3,108	3,482
Other Current Assets	2,384	3,644	2,893	2,573	3,060
Assets Whose Use Is Limited					
Internally designated for investing					
Restricted by donors	4,896	5,823	5,313	4,281	5,107
Net Property, Plant & Equipment	20,188	19,829	18,879	18,045	18,251
Other Long Term Assets	1,936	1,654	1,395	1,463	1,332
Total Assets	\$ 34,634	\$ 35,894	\$ 33,656	\$ 31,463	\$ 33,360
Liabilities					
Current Liabilities	4,319	4,060	3,909	3,191	4,181
Current Portion Long Term Debt	493	623	627	636	631
Net LT Bonds Payable					
Obligation under Capital Leases	575	416	267	114	213
Long Term Liabilities	6,147	7,475	6,986	6,153	6,746
Total Liabilities	11,534	12,574	11,789	10,093	11,771
Net Assets					
Unrestricted	18,836	18,729	17,407	17,433	17,120
Temporarily Restricted	3,382	3,691	3,595	3,085	3,605
Permanently Restricted	882	900	865	952	864
Total Net Assets	23,100	23,320	21,867	21,370	21,589
Total Liabilities and Net Assets	\$ 34,634	\$ 35,894	\$ 33,656	\$ 31,463	\$ 33,360



Bassett Healthcare Network

Little Falls Hospital
Income Statement - YTD as of April 2016

(\$'s in Thousands)

	April 2016	April 2016 Budget	Variance (Neg) 2016	April 2015
Revenue				
<i>Hospital Services</i>				
Hospital Inpatient	2,957	4,172	-1,214	2,865
Hospital Outpatient	17,165	15,756	1,409	15,552
Contract Revenue - Lab	623	637	-14	543
Total Hospital & Health Services Revenue	21,745	20,460	1,285	20,091
<i>Deductions From Hospital & Health Services Revenue</i>				
Hospital Inpatient Deductions	1,000	321	-679	307
Hospital Outpatient Deductions	10,745	9,522	-1,223	9,596
Inpatient Charity Care	0	6	6	5
Outpatient Charity Care	91	73	-18	35
Bad Debt	578	531	-47	561
Total Deductions From Revenue	12,414	10,963	-1,451	11,003
<i>Other Operating Revenue</i>				
Rental Revenue	145	156	-11	143
Donations & Contributions	12	25	-13	1
Assets Released from Restrictions	239	417	-178	246
Other	137	104	33	101
Meaningful Use	72	51	21	61
DSRIP	21	62	-41	0
Total Other Operating Revenue	619	814	-195	652
Total Net Revenue	9,945	10,310	-365	9,739
Expenses				
Salary & Wages	3,095	3,499	-404	3,514
Agency Staffing	155	118	37	154
Fringe Benefits	875	917	-42	757
Pension	224	203	21	162
Medical Supplies	442	420	22	494
Pharmaceuticals	239	233	6	207
Non-Medical Supplies	14	52	-38	1
Contracted Services	807	854	-47	775
Network Contract - Lab	592	579	13	520
Network Shared Services	1,553	1,777	-224	1,686
Property & Equipment	668	260	408	267
Risk / Malpractice	93	117	-24	116
Other Expense	128	156	-28	203
Total Operating Expenses	9,404	9,678	-274	9,204
EBIDA	541	632	-91	535
Depreciation	77	78	-1	74
Interest	74	68	6	61
Amortization	1	0	1	1
Total Expenses	10,257	10,524	-267	10,012
OPERATING MARGIN GAIN / (LOSS)	-312	-213	-98	-273
Non Operating Gain / (Loss)	31	0	31	1
EBITDA %	5.4%	6.1%		5.5%
OPERATING MARGIN %	-3.1%	-2.1%		-2.8%

TRI TOWN REGIONAL HEALTHCARE

Balance Sheets

December 31, 2015 and 2014

Assets	2015	2014
Current assets:		
Cash and cash equivalents	\$ 2,193,110	2,676,528
Patient accounts receivable, net	1,019,125	870,768
Grants and other receivables	181,266	170,604
Inventories	95,812	112,587
Prepaid expenses	30,566	29,355
Total current assets	3,519,879	3,859,842
Interest in net assets of Friends of Bassett, Inc.	17,599	30,806
Property and equipment, net	1,880,283	1,352,372
Total assets	\$ 5,417,761	5,243,020
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 398,434	217,039
Accrued expenses	471,123	1,052,028
Estimated payable to third-party payors	16,163	72,552
Current installments of loan payable	—	396,724
Total current liabilities	885,720	1,738,343
Long-term liabilities:		
Deferred revenue	—	14,565
Total liabilities	885,720	1,752,908
Net assets:		
Unrestricted	4,499,863	3,431,819
Temporarily restricted	32,178	58,293
Total net assets	4,532,041	3,490,112
Total liabilities and net assets	\$ 5,417,761	5,243,020

TRI TOWN REGIONAL HEALTHCARE
Statements of Operations and Changes in Net Assets
Years ended December 31, 2015 and 2014

	2015	2014
Unrestricted revenue, gains, and other support:		
Net patient service revenue	\$ 9,700,097	10,912,199
Provision for uncollectible accounts	(1,003,848)	(1,142,065)
Net patient service revenue, less provision for uncollectible accounts	8,696,249	9,770,134
Interest income	2,938	1,286
Other revenue	1,437,873	1,068,477
Net assets released from restrictions used for operations	47,183	79,011
Total unrestricted revenue, gains, and other support	10,184,243	10,918,908
Expenses:		
Contracted personnel services	3,651,906	3,549,587
Supplies and other	5,793,053	5,452,453
Depreciation and amortization	281,220	289,421
Interest expense	3,276	7,304
Total expenses	9,729,455	9,298,765
Operating margin	454,788	1,620,143
Excess of unrestricted revenue, gains, and other support over expenses	454,788	1,620,143
Unrestricted net assets:		
Net assets released from restrictions for property and equipment	613,256	155,911
Increase in unrestricted net assets	1,068,044	1,776,054
Temporarily restricted net assets:		
Contributions and grants and change in interest in Friends of Bassett, Inc.	634,324	244,099
Net assets released from restrictions for:		
Purchase of property and equipment	(613,256)	(155,911)
Operations	(47,183)	(79,011)
(Decrease) increase in temporarily restricted net assets	(26,115)	9,177
Change in net assets	1,041,929	1,785,231
Net assets, beginning of year	3,490,112	1,704,881
Net assets, end of year	\$ 4,532,041	3,490,112

TRI-TOWN REGIONAL HOSPITAL

BALANCE SHEET
April 30, 2016 and 2015

ASSETS

CURRENT:	2016	2015
CASH AND EQUIVALENTS	\$ 2,278,211	\$ 1,806,286
NET ACCOUNTS RECEIVABLE	1,259,851	1,240,814
INVENTORIES	113,838	112,587
OTHER RECEIVABLES	244,180	43,202
PREPAID EXPENSES AND ADVANCES	45,413	44,218
TOTAL CURRENT ASSETS	3,941,493	3,247,106
PROPERTY, PLANT AND EQUIPMENT:		
NET PROPERTY, PLANT AND EQUIPMENT	1,797,090	1,352,357
 TOTAL ASSETS	 \$ 5,738,583	 \$ 4,599,462
 <u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
ACCOUNTS PAYABLE	\$ 298,929	\$ 127,158
OTHER ACCRUED EXPENSES	492,136	574,117
CURRENT PORTION LONG TERM DEBT	-	277,955
THIRD PARTY PAYABLES	(36,339)	64,556
TOTAL CURRENT LIABILITIES	754,726	1,043,786
NET ASSETS:		
UNRESTRICTED	4,729,368	3,502,858
TEMPORARILY RESTRICTED	254,489	52,819
TOTAL NET ASSETS	4,983,857	3,555,676
 TOTAL LIABILITIES AND NET ASSETS	 \$ 5,738,583	 \$ 4,599,462

**TRI TOWN REGIONAL HEALTHCARE
 STATEMENT OF REVENUES & EXPENSES
 April 30, 2016
 YEAR-TO-DATE**

	<u>2015 ACTUAL</u>	<u>2016 BUDGET</u>	<u>2016 ACTUAL</u>	<u>VARIANCE</u>	<u>PERCENT VARIANCE</u>
NET PATIENT REVENUES	\$ 3,054,741	\$ 3,274,759	\$ 3,599,242	\$ 324,483	9.9%
NONPATIENT REVENUES	<u>37,369</u>	<u>40,026</u>	<u>34,049</u>	<u>(5,977)</u>	-14.0%
TOTAL REVENUES	<u>3,092,110</u>	<u>3,314,785</u>	<u>3,633,291</u>	<u>318,506</u>	9.6%
EXPENSES.					
SALARY & WAGES (LEASED STAFF)	962,610	1,012,885	1,003,315	(9,570)	-0.9%
FRINGE BENEFITS	211,805	225,494	224,188	(1,306)	-0.6%
CONTRACT & AGENCY	1,212,659	1,259,414	1,393,482	134,068	10.6%
PATIENT CARE SUPPLIES	321,712	361,744	461,037	99,293	27.4%
PROPERTY & EQUIPMENT	264,632	282,556	284,935	2,379	0.8%
SUPPLIES & OTHER	<u>59,381</u>	<u>51,068</u>	<u>36,828</u>	<u>(14,240)</u>	-27.9%
TOTAL EXPENSES	<u>3,032,799</u>	<u>3,193,161</u>	<u>3,403,784</u>	<u>210,624</u>	6.6%
NET OPERATING GAIN/(LOSS)	<u>\$ 59,311</u>	<u>\$ 121,624</u>	<u>\$ 229,506</u>	<u>\$ 107,882</u>	

MOUNT SINAI AMBULATORY VENTURES
Comparative Balance Sheet
December 31, 2015

	<u>12/31/15</u>	<u>Audited 12/31/14</u>	<u>Change</u>
Current Assets			
Receivables for patient care, net	-	-	\$ -
Total current assets	<u>-</u>	<u>-</u>	<u>-</u>
Property, plant and equipment, net	105,392	121,751	(16,359)
Due from affiliated organizations	8,560,298	-	8,560,298
Equity Investments	2,142,946	2,714,369	(571,423)
Total assets	<u>\$ 10,808,636</u>	<u>\$ 2,836,120</u>	<u>\$ 7,972,516</u>
Current Liabilities			
Accrued expenses	\$ 7,658	\$ 34,992	\$ (27,334)
Accrued salaries	-	-	-
Total current liabilities	<u>7,658</u>	<u>34,992</u>	<u>(27,334)</u>
Investments held for SLR	799,952	799,952	-
Due to affiliated organizations	-	110,028	(110,028)
Total liabilities	<u>807,610</u>	<u>944,972</u>	<u>(137,362)</u>
Unrestricted net assets/(deficit)	<u>10,001,026</u>	<u>1,891,148</u>	<u>8,109,878</u>
Total liabilities and net assets	<u>\$ 10,808,636</u>	<u>\$ 2,836,120</u>	<u>\$ 7,972,516</u>

MOUNT SINAI AMBULATORY VENTURES
Statement of Operations
For the Twelve Months Ended Dec 31, 2015

	Month-to-Date			Year-to-Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenue:						
Net patient service revenue	\$ 801,932	\$ -	\$ 801,932	\$ 791,025	\$ -	\$ 791,025
Net revenue	<u>801,932</u>	<u>-</u>	<u>801,932</u>	<u>791,025</u>	<u>-</u>	<u>791,025</u>
Expenses:						
Salaries and wages	16,087	68	(16,019)	571	(4,635)	(5,206)
Employee benefits	18	18	-	190	190	-
Supplies and other expenses	343	7,434	7,091	97,653	89,131	(8,522)
Depreciation	1,363	1,363	-	16,359	16,356	(3)
Total operating expenses	<u>17,811</u>	<u>8,883</u>	<u>(8,928)</u>	<u>114,773</u>	<u>101,042</u>	<u>(13,731)</u>
Gain / (loss) from operations	784,121	(8,883)	793,004	676,252	(101,042)	777,294
Income from equity investments	4,934,142	333,852	4,600,290	8,904,977	3,899,993	5,004,984
Lost Investment in Joint Venture	-	-	-	-	-	-
Gain / (loss) before Investment distributions	<u>5,718,263</u>	<u>324,969</u>	<u>5,393,294</u>	<u>9,581,229</u>	<u>3,798,951</u>	<u>5,782,278</u>
Investment Distribution	<u>35,143</u>	<u>154,086</u>	<u>(118,943)</u>	<u>1,471,351</u>	<u>1,800,003</u>	<u>(328,652)</u>
Increase/(Decrease) in unrestricted net assets	<u>\$ 5,683,120</u>	<u>\$ 170,883</u>	<u>\$ 5,512,237</u>	<u>\$ 8,109,878</u>	<u>\$ 1,998,948</u>	<u>\$ 6,110,930</u>

NORTHERN WESTCHESTER FACILITY PROJECT, LLC

Pro Forma Balance Sheet

ASSETS

Cash	\$780,010
Leasehold Improvements	\$3,501,056
Moveable Equipment	\$2,062,506

TOTAL ASSETS \$6,343,572

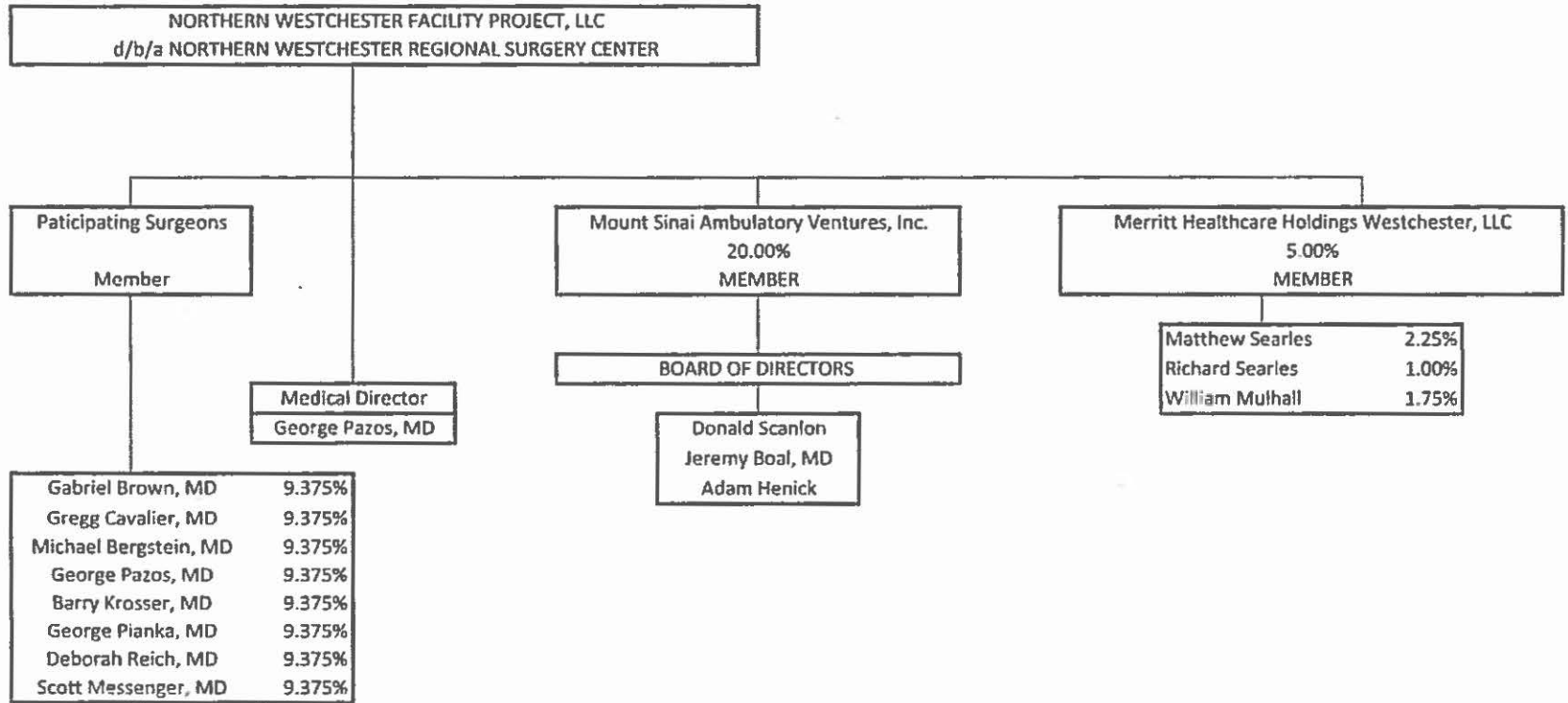
LIABILITIES AND MEMBERS' EQUITY

Permanent Mortgage	\$5,000,000
Working Capital Loan	\$310,000
TOTAL LIABILITIES	\$5,310,000

TOTAL MEMBERS EQUITY \$1,033,572

TOTAL LIABILITIES & MEMBERS
EQUITY \$6,343,572

Northern Westchester Regional Surgery Center



Carnegie Hill Endo, LLC

Name of Owner	Current % of Ownership	Original % of Ownership
Paul Basuk	4.240%	4.59%
Peter K. Chang	5.840%	4.59%
Bradley A. Connor	4.000%	4.59%
Robert Cooper	3.800%	4.59%
Angie Eng	5.600%	4.59%
Steve S. Fochios		4.59%
James George	5.440%	4.59%
Eric S. Goldstein	3.800%	4.59%
Barry W. Jaffin	5.140%	4.59%
Asher Kornbluth	2.200%	4.59%
Peter Legnani	5.540%	4.59%
Blair Lewis	6.640%	5.59%
Jeffrey M. Loria	4.200%	4.59%
Paul Miskovitz	2.500%	4.59%
Ron Palmon	4.900%	4.59%
Anthony Weiss	3.800%	4.59%
Susan Lucak	1.400%	
David Berman	2.150%	
Charles Saha	2.150%	
Audrey Woolrich	1.300%	
Moshe Rubin	2.550%	
LH & DG Holding Co	7.400%	
Barry Tanner	2.800%	4.17%
John Poisson		4.17%
Karen Sablyak	2.800%	4.17%
Frank Principati	2.800%	
Beth Israel Ambulatory Care Services Corp.	7.010%	13.00%
	100.000%	100.0%

CARNEGIE HILL ENDOSCOPY, L.L.C.

BALANCE SHEETS

DECEMBER 31, 2015 AND 2014

ASSETS

	<u>2015</u>	<u>2014</u>
Current assets:		
Cash	\$ 1,499,255	\$ 1,488,646
Accounts receivable, net	2,340,974	1,865,136
Other receivables	372,347	333,821
Prepaid expenses	<u>183,195</u>	<u>168,479</u>
Total current assets	4,395,771	3,856,082
Property and equipment, net	4,345,415	5,086,548
Other assets	<u>33,600</u>	<u>33,600</u>
Total assets	<u>\$ 8,774,786</u>	<u>\$ 8,976,230</u>

LIABILITIES AND MEMBERS' EQUITY

Current liabilities:		
Accounts payable and accrued expenses	\$ 1,695,252	\$ 1,682,633
Due to related party	58,003	49,476
Current portion of long-term debt	<u>1,114,797</u>	<u>1,039,712</u>
Total current liabilities	2,868,052	2,771,821
Deferred payment on equipment	975,518	937,329
Allowance for leasehold improvements	337,500	360,000
Long-term debt, net of current portion	<u>1,541,653</u>	<u>2,611,692</u>
Total liabilities	5,722,723	6,680,842
Members' equity:		
Class A members	2,581,738	1,941,664
Class B members	256,376	192,817
Class C members	<u>213,949</u>	<u>160,907</u>
Total members' equity	3,052,063	2,295,388
Total liabilities and members' equity	<u>\$ 8,774,786</u>	<u>\$ 8,976,230</u>

CARNEGIE HILL ENDOSCOPY, L.L.C.

STATEMENTS OF INCOME

YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Revenue:		
Net patient revenue	\$ 14,507,222	\$ 13,545,556
Service fees and other revenue	<u>3,829,892</u>	<u>3,478,900</u>
Net revenue	<u>18,337,114</u>	<u>17,024,456</u>
Operating expenses:		
Salaries and benefits	2,318,921	2,198,564
Rent	923,537	930,330
Medical supplies and medications	803,703	737,433
Depreciation	780,478	796,279
Billing and administrative fees	726,764	690,240
Taxes and licenses	434,298	441,403
Repairs and maintenance	306,108	300,479
Bank and collection charges	192,734	127,455
Telephone and utilities	119,954	127,581
Medical director fees	100,000	100,000
Professional fees	93,301	94,972
Insurance	79,111	67,230
Office supplies	76,094	82,371
Other	56,661	90,104
Laundry and linens	45,537	44,812
Travel and entertainment	26,039	38,105
Recruiting	6,528	6,893
Printing	<u>80</u>	<u>140</u>
Operating expenses	<u>7,089,848</u>	<u>6,874,391</u>
Income from operations	11,247,266	10,150,065
Other expenses:		
Loss on disposal of equipment	(2,418)	(79)
Interest expense	<u>(181,223)</u>	<u>(232,220)</u>
Net income	<u>\$ 11,063,625</u>	<u>\$ 9,917,766</u>

**Carnegie Hill Endoscopy
Balance Sheet
Unaudited**

Assets	<u>March 31, 2016</u>	<u>March 31, 2015</u>
Current Assets		
Cash	\$ 1,457,271	\$ 1,143,157
Accounts Receivable, Net	2,391,677	2,137,003
Due From Anesthesia	691,447	533,654
Due To/From Related Parties	(0)	(47,126)
Prepaid Expenses and Short Term Deposits	170,249	200,577
	<u>4,710,644</u>	<u>3,967,265</u>
Net Property and Equipment		
Property and Equipment	6,521,765	6,659,496
Accumulated Depreciation	(2,341,244)	(1,774,803)
	<u>4,180,521</u>	<u>4,884,692</u>
Long Term Assets		
Other Assets	7,800	7,800
Non-Depreciable Assets	33,600	33,600
	<u>41,400</u>	<u>41,400</u>
Total Assets	<u>\$ 8,932,566</u>	<u>\$ 8,893,358</u>
Liabilities and Member's Equity		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 821,551	\$ 766,772
Current Portion of Debt	1,114,797	1,039,712
	<u>1,936,348</u>	<u>1,806,484</u>
Long Term Liabilities		
Accrued Rent & Other Long Term Liabilities	2,566,406	2,489,427
Long Term Debt, net of current portions	1,266,212	2,356,813
	<u>3,832,618</u>	<u>4,846,240</u>
Total Liabilities	<u>5,768,966</u>	<u>6,652,724</u>
Member's Equity		
Members Capital	1,192,578	1,192,578
Retained Earnings - Prior yrs	1,859,487	1,102,808
Distribution to Partners	(2,817,123)	(2,171,430)
Net Income (Loss)	2,928,657	2,116,678
Members Equity	<u>3,163,599</u>	<u>2,240,634</u>
Total Liabilities and Members Equity	<u>\$ 8,932,566</u>	<u>\$ 8,893,358</u>

Carnegie Hill Endoscopy LLC
Statement of Operations
For the Period Ending 03/31/2016
UNAUDITED

	JAN 2016	FEB 2016	MAR 2016	FY2016	FY2015	Variance
	PTD	PTD	PTD	LLC	LLC	YOY
INCOME						
Gross Charges	\$2,726,400	\$2,793,206	\$3,249,575	\$8,769,181	\$7,375,000	\$1,394,181
Estimated Contractual Adjustment	(1,546,759)	(1,568,410)	(1,859,522)	(4,974,691)	(4,232,412)	(742,279)
Net Charges	1,179,641	1,224,796	1,390,053	3,794,490	3,142,588	651,902
Net Anesthesia Income	286,949	291,424	379,983	958,356	745,585	212,771
Other Income	20	0	53	73	345	(272)
Net Revenue & Other Income	1,466,611	1,516,220	1,770,068	4,752,919	3,888,519	884,400
DIRECT OPERATING EXPENSES						
Salary & Wages	127,987	127,020	162,215	417,221	443,332	(26,111)
Non-Employee Compensation	16,108	15,699	22,704	54,510	19,088	35,422
Payroll Taxes	14,614	14,303	6,188	35,106	46,868	(11,762)
Employee Benefits - Insurance	16,131	11,421	12,849	40,402	40,149	253
Employee Benefits - 401K Match & PSP	6,953	7,258	6,782	20,993	22,462	(1,469)
Drugs & Medications	10,452	6,188	8,629	25,269	16,415	8,854
Marketing	4,465	3,020	4,150	11,636	6,771	4,865
Medical Supplies	65,366	59,798	62,438	187,601	156,819	30,782
Office & Miscellaneous Expenses	9,460	5,789	8,892	24,141	19,468	4,673
Postage & Printing	48	145	64	257	475	(218)
Recruiting Costs	599	325	1,485	2,409	1,887	521
Repairs, Maintenance & Cleaning	27,817	27,932	23,467	79,216	80,020	(804)
Uniforms & Laundry	5,059	5,282	4,766	15,108	10,693	4,415
TOTAL DIRECT OPERATING EXPENSES	305,058	284,181	324,630	913,869	864,447	49,422
Direct Operating Exp %	26%	23%	23%	24%	28%	8%
Operating Income (Loss) before Other Expense	1,161,553	1,232,039	1,445,459	3,839,051	3,024,072	814,978
OTHER EXPENSES						
Accounting & Consulting	6,019	5,180	6,921	18,119	24,673	(6,553)
Bank Fees & Collection Fees	14,100	16,742	8,595	39,437	28,988	10,450
Billing and Administrative Service Fees	59,075	60,335	68,231	187,640	161,594	26,046
Equipment Rental	353	370	955	1,677	1,469	208
Insurance	6,952	7,077	6,971	21,000	17,796	3,204
Legal Fees	2,644	2,398	7,097	12,139	1,913	10,227
Medical Director Fees	8,333	8,333	8,333	25,000	25,000	0
Rent Expense	76,480	70,231	76,480	223,192	229,769	(6,577)
Taxes, Licenses and Fees	3,337	102	2,840	6,279	14,682	(8,403)
Telephone & Utilities	8,386	9,349	9,597	27,333	34,006	(6,674)
Travel & Entertainment	251	676	1,241	2,169	5,070	(2,901)
TOTAL OTHER EXPENSES	185,930	180,794	197,262	563,986	544,959	19,027
EBITDA	975,622	1,051,245	1,248,197	3,275,064	2,479,113	795,952
Depreciation	(60,815)	(60,816)	(61,065)	(182,695)	(210,566)	27,870
Interest	(10,181)	(9,953)	(9,724)	(29,857)	(55,870)	26,012
Income Tax Expense	(36,275)	(50,484)	(47,096)	(133,855)	(96,000)	(37,855)
Net Income (Loss)	\$868,352	\$929,993	\$1,130,312	\$2,928,657	\$2,116,678	\$811,979

Manhattan Endoscopy Center, LLC

	Original	6/30/2016
Members	%	%
Baiocco, Peter, M.D.	10%	8.137%
Bonheur, Jennifer, M.D.	4%	4.111%
Chun, Alexander, M.D.	5%	4.069%
Haber, Gregory, M.D.	6%	4.882%
Harary, Albert, M.D.	5%	4.069%
Iwahara, Makoto, M.D.	6%	4.882%
Kim, Peter S., M.D.	10%	8.137%
Krumholz, Michael, M.D.	10%	8.137%
McDougall, Carl, M.D.	10%	8.137%
Morgenstern, Eric, M.D.	6%	4.882%
Pacheco, Paulo, M.D.	10%	8.137%
Robbins, David, M.D.	4%	3.255%
Warman, Jonathan, M.D.	4%	3.255%
Zlatanic, Jusuf, M.D.	10%	8.137%
Fochios, Steven, M.D.		2.734%
Foont, Julie, M.D.		2.734%
Metz, Yasmin, M.D.		2.734%
Pullano, William, M.D.		
Satchi, Mylan, M.D.		2.734%
Weisberg, Ilan, M.D.		2.734%
Vinod, Jeevan, M.D.		
Frontier Healthcare Associates, LLC		1.366%
Borcich, Anthony, M.D.		<u>2.734%</u>
	<hr/>	
	100%	100%

Manhattan Endoscopy Center, LLC and Affiliates
Consolidated Balance Sheets
December 31, 2015 and 2014

	2015	2014
Assets		
Current assets		
Cash	\$ 1,047,463	\$ 658,788
Accounts receivable, net	4,282,664	3,558,040
Prepaid expenses and other current assets	210,894	163,246
Total current assets	5,541,021	4,380,074
Property and equipment, net	4,057,364	3,325,444
Other assets		
Restricted cash	373,500	373,100
Deferred tax assets	144,000	-
Total other assets	517,500	373,100
Total assets	\$ 10,115,885	\$ 8,078,618
Liabilities and Members' Equity		
Current liabilities		
Bank lines of credit	\$ 2,258,070	\$ 1,485,070
Term loans payable, current portion	905,317	493,088
Capital leases payable, current portion	-	24,847
Accounts payable and accrued expenses	1,019,367	837,837
Income tax payable	109,108	42,477
Due to affiliates	28,138	87,450
Deferred tax liabilities	134,000	111,000
Total current liabilities	4,454,000	3,081,769
Long-term liabilities		
Term loans payable, net of current portion	3,099,593	2,268,533
Capital leases payable, net of current portion	-	6,328
Deferred rent payable	1,338,727	1,081,377
Deferred lease incentives	491,993	560,847
Deferred tax liabilities	41,000	2,000
Total long-term liabilities	4,971,313	3,919,085
Total liabilities	9,425,313	7,000,854
Members' equity	690,572	1,077,764
Total liabilities and members' equity	\$ 10,115,885	\$ 8,078,618

**Manhattan Endoscopy Center, LLC and Affiliates
Consolidated Statements of Income
For the Years Ended December 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
Revenues, net		
Facility service revenue, net	\$ 16,893,947	\$ 14,482,882
Anesthesia revenue, net	6,247,560	7,449,548
Patient care revenue, net	996,685	101,405
Provision for bad debts	<u>(540,406)</u>	<u>(100,514)</u>
Net revenues	<u>23,597,786</u>	<u>21,933,321</u>
Operating expenses		
Compensation and related costs	6,800,536	4,632,478
Medical supplies, waste and linens	1,338,787	1,018,600
Occupancy	1,607,331	1,300,498
Administrative	2,977,063	2,213,135
Financial	330,545	306,070
Depreciation and amortization	<u>729,415</u>	<u>701,289</u>
Total operating expenses	<u>13,783,677</u>	<u>10,172,070</u>
Income from operations	9,814,109	11,761,251
Organizational start-up costs	<u>-</u>	<u>45,091</u>
Income before provision for income taxes	9,814,109	11,716,160
Provision for income taxes	<u>419,276</u>	<u>465,000</u>
Net income including noncontrolling interests in variable interest entities	9,394,833	11,251,160
Less: Net loss attributable to the noncontrolling interests in variable interest entities	<u>(2,911,063)</u>	<u>(826,333)</u>
Net income attributable to Manhattan Endoscopy Center, LLC	<u>\$ 12,305,896</u>	<u>\$ 12,077,493</u>

**Manhattan Endoscopy Center, LLC and Affiliates
Consolidated Statements of Members' Equity
For the Years Ended December 31, 2015 and 2014**

	Manhattan Endoscopy Center, LLC	Noncontrolling Interest - MPG Medical Services, PLLC	Noncontrolling Interest - Gotham Medical Associates, PLLC	Total
Balance at January 1, 2014	\$ 3,750,055	\$ 98,421	\$ -	\$ 3,848,476
Net income	12,077,493	43,570	(869,903)	11,251,160
Members' capital contributions	52,380	-	506,984	559,364
Members' distributions	<u>(13,974,236)</u>	<u>(100,002)</u>	<u>(506,998)</u>	<u>(14,581,236)</u>
Balance at December 31, 2014	1,905,692	41,989	(869,917)	1,077,764
Net Income (loss)	12,305,896	8,490	(2,919,553)	9,394,833
Members' contributions	-	-	1,686,197	1,686,197
Members' distributions	<u>(11,418,224)</u>	<u>(49,998)</u>	<u>-</u>	<u>(11,468,222)</u>
Balance at December 31, 2015	<u>\$ 2,793,364</u>	<u>\$ 481</u>	<u>\$ (2,103,273)</u>	<u>\$ 690,572</u>

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Cash Basis

Manhattan Endoscopy Center LLC
Balance Sheet
As of June 30, 2016
Jun 30, 16

Project # 161456
BFA Attachment B cont

ASSETS

Current Assets

Checking/Savings

100.00 · Cash 1,151,304.58

110.00 · Restricted Cash 373,236.68

Total Checking/Savings 1,524,541.26

Total Other Current Assets 177,328.28

Total Current Assets 1,701,869.54

Fixed Assets

300.00 · Prop & Eqpmnt, Net Eqpmnt 1,661,940.36

310.00 · Leasehold Improvements 2,538,529.30

320.00 · Software cost 393,163.00

330.00 · Accumulated Depreciation -2,470,776.28

Total Fixed Assets 2,122,856.38

Other Assets

340.00 · Intangible Assets 16,250.00

345 · Deferred Rent -808,871.00

350.00 · Developmental Stage Expenses 8,874.54

Total Other Assets -782,746.46

TOTAL ASSETS 3,041,979.48

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

400.00 · Accounts Payable 258,053.76

Total Accounts Payable 258,053.76

Credit Cards

409.00 · American Express 14,199.25

409.01 · Chase Ink 205.85

Total Credit Cards 14,404.90

Total Other Current Liabilities 104,497.12

Total Current Liabilities 376,955.78

Total Long Term Liabilities 1,313,576.37

Total Liabilities 1,690,532.15

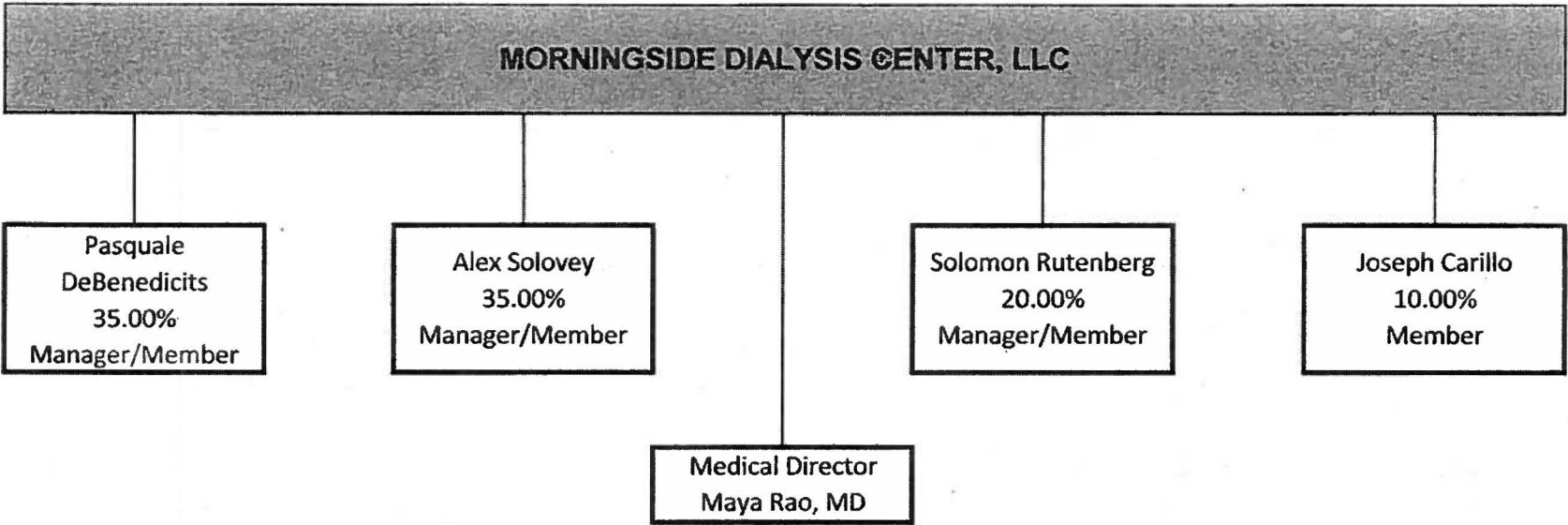
Total Equity 1,351,447.31

TOTAL LIABILITIES & EQUITY 3,041,979.48

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 Cash Basis

Manhattan Endoscopy Center LLC
Profit & Loss
 January through June 2016
Jan - Jun 16

Ordinary Income/Expense	
Income	
500.00 · Revenue	14,798,129.53
Total Income	<u>14,798,129.53</u>
Gross Profit	14,798,129.53
Expense	
600.00 · Medical & Non-Medical Supplies	644,678.03
700.00 · Payroll and Benefits	1,245,545.34
701.20 · Anesthesia Staffing Costs	1,248,400.21
710.00 · Occupancy	563,929.88
720.00 · Revenue Cycle Management	392,872.97
730.00 · General and Administrative	295,812.21
740.00 · Professional Fees	447,532.01
Total Expense	<u>4,838,770.65</u>
Net Ordinary Income	9,959,358.88
Other Income/Expense	
Other Expense	
732.16 · Taxes	361,627.20
800.00 · Depreciation and Amortization	268,757.52
900.00 · Eqpmnt Rental/Maintenance Agr	233,196.05
910.00 · Interest Expense	45,438.17
999 · Ask My Accountant	0.00
Total Other Expense	<u>909,018.94</u>
Net Other Income	<u>-909,018.94</u>
Net Income	<u><u>9,050,339.94</u></u>



CASSENA CARE DIALYSIS AT MORNINGSIDE

PRO FORMA BALANCE SHEET

ASSETS

Cash	\$716,932
Equipment	\$0
Leasehold Improvements	\$0

TOTAL ASSETS \$716,932

LIABILITIES AND MEMBERS EQUITY

Working Capital Loan	\$358,466
Permanent Financing	\$0

Total Liabilities \$358,466

Members Equity \$358,466

TOTAL LIABILITIES AND MEMBERS EQUITY \$716,932

Financial Summary of Affiliated Dialysis Centers

Morningside Dialysis Center, LLC d/b/a Cassena Care Dialysis at Morningside

Carillon Dialysis Center

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$520,438	\$515,040	\$909,932
Non-Current Assets			
Total Assets	\$520,438	\$515,040	\$909,932
Current Liabilities	66,735	41,394	39,290
Long Term Liabilities	<u>744,549</u>	<u>964,549</u>	<u>1,039,549</u>
Total Liabilities	811,284	1,005,943	1,078,839
Net Assets	(\$290,846)	(\$490,903)	(\$168,907)
Working Capital Position	\$453,703	\$473,646	\$870,642
Operating Revenues	\$1,696,679	\$1,638,349	\$1,717,888
Operating Expenses	<u>1,496,622</u>	<u>1,635,345</u>	<u>1,415,271</u>
Operating Net Income	\$200,057	\$3,004	\$302,617

Workmen's Circle Dialysis

	<u>From-Aug 2015</u> <u>2015-Internal</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$1,318,993		
Non-Current Assets			
Total Assets	\$1,318,993	\$0	\$0
Current Liabilities	396,146		
Long Term Liabilities	<u>4,019</u>		
Total Liabilities	400,165	0	0
Net Assets	\$918,828	\$0	\$0
Working Capital Position	\$922,847	\$0	\$0
Operating Revenues	\$1,464,471		
Operating Expenses	<u>1,304,668</u>		
Operating Net Income	\$159,803	\$0	\$0

East Neck Dialysis Center

	<u>From-Sept 11, 2015</u> <u>2015-Internal</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$354,077		
Non-Current Assets	<u>22,404</u>		
Total Assets	\$376,481	\$0	\$0
Current Liabilities	240,225		
Long Term Liabilities	<u>300,828</u>		
Total Liabilities	541,053	0	0
Net Assets	(\$164,572)	\$0	\$0
Working Capital Position	\$113,852	\$0	\$0
Operating Revenues	\$277,880		
Operating Expenses	<u>592,452</u>		
Operating Net Income	(\$314,572)	\$0	\$0

Financial Summary

**Morningside Acquisition I, LLC(RHCF)
d/b/a Morningside Nursing & Rehabilitation Center**

FISCAL PERIOD ENDED	<u>As of 04/30/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
ASSETS - CURRENT	\$16,359,242	\$16,233,603	\$16,454,227
ASSETS - FIXED AND OTHER	2,628,188	1,271,513	348,539
LIABILITIES - CURRENT	7,467,085	8,377,276	7,928,587
LIABILITIES - LONG-TERM	<u>8,686,306</u>	<u>7,433,833</u>	<u>7,434,133</u>
EQUITY	\$2,834,039	\$1,694,007	\$1,440,046
<hr/>			
INCOME	\$12,413,910	\$37,580,647	\$19,421,169
EXPENSE	<u>11,321,300</u>	<u>37,326,686</u>	<u>18,031,123</u>
NET INCOME	\$1,092,610	\$253,961	\$1,390,046
<hr/>			
NUMBER OF BEDS	314	314	314

Average Working Capital	\$8,424,708
Average Net Assets	\$1,989,364
Average Net Income (Loss)	\$912,206

**MORNINGSIDE ACQUISITION I, LLC
D/B/A MORNINGSIDE NURSING AND REHABILITATION CENTER,
MORNINGSIDE ACQUISITION II, LLC
AND MORNINGSIDE ACQUISITION III, LLC**

COMBINED BALANCE SHEET

DECEMBER 31, 2014

ASSETS

Current assets	
Cash and cash equivalents	\$ 3,226,864
Accounts receivable, net of allowance for doubtful accounts of \$200,000	14,924,677
Patient funds	242,845
Prepaid expenses and other assets	511,939
Total current assets	18,906,325
Noncurrent assets	
Unamortized mortgage costs (Note 4)	1,333,183
Fixed assets - net (Note 3)	24,361,426
License	736,395
Total noncurrent assets	26,431,004
Total assets	\$ 45,337,329

LIABILITIES AND MEMBERS' EQUITY

Liabilities	
Current liabilities	
Accounts payable	\$ 2,729,002
Accrued payroll and other benefits	2,251,517
Accrued expenses	1,093,296
Patient funds	242,845
Due to third parties (Note 9)	1,647,673
Total current liabilities	7,964,333
Noncurrent liabilities	
Long-term debt (Note 6)	35,000,000
Loans from members (Note 7)	4,000,000
Total liabilities	46,964,333
Members' equity (deficit)	
Members' equity	57,072
Retained earnings	(1,684,076)
Total members' equity (deficit) (Exhibit C)	(1,627,004)
Total liabilities and members' equity	\$ 45,337,329

**MORNINGSIDE ACQUISITION I, LLC
D/B/A MORNINGSIDE NURSING AND REHABILITATION CENTER,
MORNINGSIDE ACQUISITION II, LLC
AND MORNINGSIDE ACQUISITION III, LLC**

COMBINED INCOME STATEMENT

YEAR ENDED DECEMBER 31, 2014

	<u>Combined Amount</u>	<u>Per Day/Visit</u>
Income		
Skilled operating facility	\$ 17,992,349	\$ 348.39
Home health care	236,308	266.41
Adult day care	<u>843,669</u>	186.86
Net patient service income (net of contractual allowances and discounts) (Note 2)	19,072,326	
Provision for bad debts	<u>(200,000)</u>	(3.87)
Net patient service	18,872,326	
Other operating income	<u>552,530</u>	10.70
Total income	<u>19,424,856</u>	

**MORNINGSIDE ACQUISITION I, LLC
D/B/A MORNINGSIDE NURSING AND REHABILITATION CENTER,
MORNINGSIDE ACQUISITION II, LLC
AND MORNINGSIDE ACQUISITION III, LLC**

COMBINED INCOME STATEMENT

YEAR ENDED DECEMBER 31, 2014

	<u>Combined Amount</u>	<u>Per Day/Visit</u>
Operating expenses		
Administrative services	\$ 3,211,464	\$ 62.18
Fiscal services	345,697	6.70
Plant, operations and maintenance	2,280,626	44.15
Patient food services	1,366,690	26.46
Housekeeping services	736,731	14.27
Laundry services	258,188	5.01
Nursing administration	731,475	14.16
Medical care services	291,170	5.64
Leisure time activities	192,011	3.72
Social services and admitting	241,657	4.68
Ancillary service centers	1,872,563	36.25
Program service centers	4,728,757	91.57
Home health care	347,903	392.22
Daycare	766,210	169.70
Medicaid assessment	663,590	12.85
	<u>18,034,732</u>	
Total operating expenses		
	<u>18,034,732</u>	
Net income (Exhibits C and D)	\$ <u>1,390,124</u>	

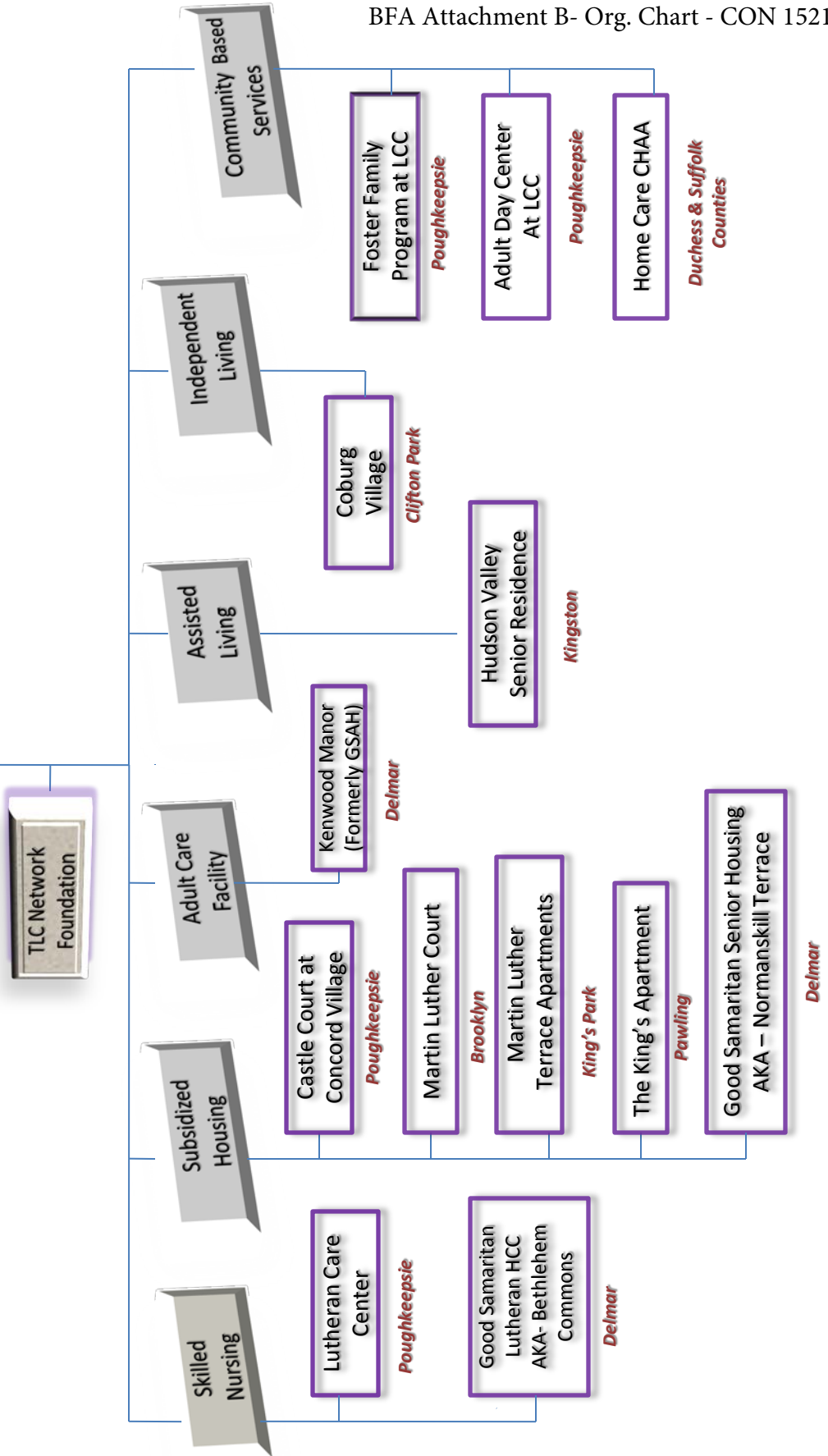
**MORNINGSIDE ACQUISITION I, LLC
D/B/A MORNINGSIDE NURSING AND REHABILITATION CENTER,
MORNINGSIDE ACQUISITION II, LLC
AND MORNINGSIDE ACQUISITION III, LLC**

COMBINED STATEMENT OF CHANGES IN EQUITY

YEAR ENDED DECEMBER 31, 2014

	<u>Members'</u> <u>Equity</u>	<u>Retained</u> <u>Earnings</u>	<u>Total</u>
Equity (deficit) - beginning of year	\$ 57,072	\$ (74,200)	\$ (17,128)
Net income (Exhibits B and D)		1,390,124	1,390,124
Distributions		<u>(3,000,000)</u>	<u>(3,000,000)</u>
Equity (deficit) - end of year (Exhibit A)	<u>\$ 57,072</u>	<u>\$ (1,684,076)</u>	<u>\$ (1,627,004)</u>

Organization Chart by Programs and Services



DELMAR ACQUISITION 1 LLC
D/B/A BETHLEHEM COMMONS AT GOOD SAMARITAN
(a limited liability company)
BALANCE SHEET
JANUARY 1, 2017

ASSETS

Current assets

Cash and cash equivalents	\$ 1,750,000
Supplies on hand	<u>10,000</u>
Total current assets	1,760,000

Property and equipment - net	350,000
Intangible assets - net	<u>100,000</u>

TOTAL ASSETS	\$ <u><u>2,210,000</u></u>
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LIABILITIES AND MEMBERS' EQUITY

Current liabilities

Working capital loan	\$ <u>875,000</u>
Total liabilities	875,000

Members' equity	<u>1,335,000</u>
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TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ <u><u>2,210,000</u></u>
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Good Samaritan Health Care Center, Inc.

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$6,383,756	\$1,573,870	\$1,831,585
Non-Current Assets	<u>0</u>	<u>3,531,477</u>	<u>3,916,670</u>
Total Assets	\$6,383,756	\$5,105,347	\$5,748,255
Current Liabilities	7,040,882	4,620,097	5,347,686
Long Term Liabilities	<u>0</u>	<u>672,096</u>	<u>479,743</u>
Total Liabilities	7,040,882	5,292,193	5,827,429
Net Assets	(\$657,126)	(\$186,846)	(\$79,174)
Working Capital Position	(\$657,126)	(\$3,046,227)	(\$3,516,101)
Operating Revenues	\$10,441,204	\$10,301,636	\$10,968,881
Operating Expenses	<u>10,849,306</u>	<u>10,891,893</u>	<u>10,953,371</u>
	(\$408,102)	(\$590,257)	\$15,510
Number of Beds	120	120	120
Percent Occupancy	N/A	94.9%	94.4%
<u>Percent by Payor Source</u>			
Medicaid	54.0%	50.5%	55.7%
Medicare	14.0%	18.0%	9.3%
Private Pay and other	32.0%	31.5%	35.0%

GOOD SAMARITAN LUTHERAN HEALTH CARE CENTER, INC.**STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
ASSETS		
CURRENT ASSETS:		
Cash	\$ 291,475	\$ 93,687
Cash - Resident funds	-	126,406
Accounts receivable, net of allowance for doubtful accounts	1,063,534	749,292
Due from third party payors	113,746	266,167
Other receivables	-	10,984
Due from affiliated companies	415,833	218,623
Inventories	-	45,087
Prepaid expenses and other current assets	64,082	63,624
Assets whose use is limited	1,000,000	-
Assets held for sale	3,435,086	-
	<u>6,383,756</u>	<u>1,573,870</u>
Total current assets	6,383,756	1,573,870
PROPERTY AND EQUIPMENT, net	<u>-</u>	<u>3,531,477</u>
	<u>\$ 6,383,756</u>	<u>\$ 5,105,347</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Current portion of long-term debt	\$ 3,040,001	\$ 3,221,662
Accounts payable	497,525	680,052
Accrued expenses	389,670	489,225
Estimated third-party settlements	109,454	-
Due to affiliated companies	1,697,085	670,789
Resident deposits	-	126,406
Deferred revenue	1,000,000	102,752
Liabilities held for sale	307,147	-
	<u>7,040,882</u>	<u>5,290,886</u>
Total current liabilities	7,040,882	5,290,886
LONG-TERM DEBT, net of current portion	<u>-</u>	<u>1,307</u>
Total liabilities	<u>7,040,882</u>	<u>5,292,193</u>
NET DEFICIT - UNRESTRICTED	<u>(657,126)</u>	<u>(186,846)</u>
	<u>\$ 6,383,756</u>	<u>\$ 5,105,347</u>

GOOD SAMARITAN LUTHERAN HEALTH CARE CENTER, INC.**STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
NET RESIDENT SERVICE REVENUE	\$ 10,236,557	\$ 10,086,984
OTHER OPERATING REVENUE:		
Management fees	134,153	134,152
Miscellaneous	<u>70,494</u>	<u>80,500</u>
Total operating revenue	<u>10,441,204</u>	<u>10,301,636</u>
OPERATING EXPENSES:		
Direct care of residents	4,908,343	4,835,447
Service departments	1,404,538	1,394,582
Administrative	1,171,299	1,095,819
Non-departmental	<u>3,365,126</u>	<u>3,566,045</u>
Total operating expenses	<u>10,849,306</u>	<u>10,891,893</u>
LOSS FROM OPERATIONS	<u>(408,102)</u>	<u>(590,257)</u>
NON-OPERATING REVENUE (EXPENSES):		
Contributions, gifts and bequests	1,175	2,935
Prior year rate settlements, net	(63,353)	229,650
Grant from affiliate - Debt forgiveness	<u>-</u>	<u>250,000</u>
Total non-operating revenue (expense), net	<u>(62,178)</u>	<u>482,585</u>
CHANGE IN NET ASSETS	(470,280)	(107,672)
NET DEFICIT - beginning of year	<u>(186,846)</u>	<u>(79,174)</u>
NET DEFICIT - end of year	<u>\$ (657,126)</u>	<u>\$ (186,846)</u>

Lizer Jozefovic Ownership In affiliated RHCF

RHCF:	Beds	Date	NY Location	Ownership %
Sky View Rehab & Health Care Center, LLC-RHCF	192	Oct-13	Croton on Hudson	25.50%
Salem Hill Rehab & Health Care-RHCF	126	Oct-05	Purdy	70.10%
Waterview Hills Rehab & Health Care-RHCF	130	Oct-05	Purdy	70.10%
Middletown Park Rehabilitation & Health Care Center	230	Mar-10	Middletown	29.00%
Putnam Rehabilitation & Health Care Center	160	Jul-16	Holmes	42.00%

Financial Summary of Affiliated RHCFC

Delmar Acquisition I, LLC

Skyview Rehabilitation & Health Care Center, LLC

	Internal		
	<u>8/31/2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$3,531,822	\$3,939,624	\$4,321,853
Non-Current Assets	<u>12,725,242</u>	<u>12,735,897</u>	<u>17,635,854</u>
Total Assets	\$16,257,064	\$16,675,521	\$21,957,707
Current Liabilities	14,811,180	14,985,373	5,659,289
Long Term Liabilities	<u>328,290</u>	<u>454,992</u>	<u>16,212,935</u>
Total Liabilities	15,139,470	15,440,365	21,872,224
Net Assets	\$1,117,594	\$1,235,156	\$85,483
Working Capital Position	(\$11,279,358)	(\$11,045,749)	(\$1,337,436)
Operating Revenues	\$15,164,156	\$22,474,275	\$20,857,409
Operating Expenses	<u>14,956,204</u>	<u>21,886,456</u>	<u>22,569,538</u>
Operating Net Income	\$207,952	\$587,819	(\$1,712,129)

Salem Hill Rehabilitation & Healthcare, LLC

	Internal		
	<u>12/31/2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$2,968,136	\$2,968,970	\$2,546,483
Non-Current Assets	<u>5,677,017</u>	<u>6,059,670</u>	<u>5,401,016</u>
Total Assets	\$8,645,153	\$9,028,640	\$7,947,499
Current Liabilities	1,928,098	2,119,056	2,768,215
Long Term Liabilities	<u>4,292,004</u>	<u>4,888,952</u>	<u>3,426,213</u>
Total Liabilities	6,220,102	7,008,008	6,194,428
Net Assets	\$2,425,051	\$2,020,632	\$1,753,071
Working Capital Position	\$1,040,038	\$849,914	(\$221,732)
Operating Revenues	\$12,992,333	\$12,627,212	\$12,026,994
Operating Expenses	<u>12,493,444</u>	<u>12,290,477</u>	<u>12,077,814</u>
Operating Net Income	\$498,889	\$336,735	(\$50,820)

Waterview Hills Rehabilitation & Healthcare

	Internal		
	<u>12/31/2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$3,028,400	\$2,979,504	\$2,793,875
Non-Current Assets	<u>1,600,999</u>	<u>9,901,174</u>	<u>9,061,113</u>
Total Assets	\$4,629,399	\$12,880,678	\$11,854,988
Current Liabilities	4,499,737	3,315,139	3,627,503
Long Term Liabilities	<u>64,039</u>	<u>103,457</u>	<u>83,820</u>
Total Liabilities	4,563,776	3,418,596	3,711,323
Net Assets	\$65,623	\$9,462,082	\$8,143,665
Working Capital Position	(\$1,471,337)	(\$335,635)	(\$833,628)
Operating Revenues	\$14,957,513	\$15,237,864	\$13,768,443
Operating Expenses	<u>14,245,341</u>	<u>13,902,482</u>	<u>13,730,571</u>
Operating Net Income	\$712,172	\$1,335,382	\$37,872

Middletown Park Rehabilitation & Health

	<u>12/31/2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$6,715,521	\$5,561,000	\$6,425,000
Non-Current Assets	<u>11,599,078</u>	<u>10,274,000</u>	<u>7,303,000</u>
Total Assets	\$18,314,599	\$15,835,000	\$13,728,000
Current Liabilities	6,686,368	13,195,000	12,056,000
Long Term Liabilities	<u>7,637,392</u>	<u>194,000</u>	<u>275,000</u>
Total Liabilities	14,323,760	13,389,000	12,331,000
Net Assets	\$3,990,839	\$2,446,000	\$1,397,000
Working Capital Position	\$29,153	(\$7,634,000)	(\$5,631,000)
Operating Revenues	\$24,329,776	\$23,556,000	\$21,508,000
Operating Expenses	<u>22,334,288</u>	<u>22,486,000</u>	<u>22,520,000</u>
Operating Net Income	\$1,995,488	\$1,070,000	(\$1,012,000)

Putnam Nursing & Rehab Center

	<u>12/31/2015</u>	From 07/2014 <u>12/31/2014</u>	<u>2013</u>
Current Assets	\$1,923,840	\$2,480,301	\$2,107,000
Non-Current Assets	<u>4,924,533</u>	<u>4,788,257</u>	<u>589,000</u>
Total Assets	\$6,848,373	\$7,268,558	\$2,696,000
Current Liabilities	4,111,443	3,390,334	2,818,000
Long Term Liabilities	<u>3,820,672</u>	<u>3,891,522</u>	<u>1,052,000</u>
Total Liabilities	7,932,115	7,281,856	3,870,000
Net Assets	(\$1,083,742)	(\$13,298)	(\$1,174,000)
Working Capital Position	(\$2,187,603)	(\$910,033)	(\$711,000)
Operating Revenues	\$10,678,153	\$5,114,690	\$10,321,000
Operating Expenses	<u>11,568,597</u>	<u>5,127,988</u>	<u>10,367,000</u>
Operating Net Income	(\$890,444)	(\$13,298)	(\$46,000)

Project # 161156
BFA Attachment B

Renaissance Healthcare Group, LLC
d/b/a Renaissance Rehabilitation and Nursing Center

R & B Renaissance Realty, LLC

Member	%
Raphael Yenowitz	50%
Barbara Hurwitz	50%

Financial Summary

**Hyde Park Nursing Home, Inc
d/b/a Renaissance Rehabilitation and Nursing Care Center**

FISCAL PERIOD ENDED	Internal			
	<u>3/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>	<u>12/31/2013</u>
ASSETS - CURRENT	\$2,962,039	\$2,223,543	\$1,810,844	\$2,097,000
ASSETS - FIXED AND OTHER	1,824,188	2,241,413	2,112,248	1,890,000
LIABILITIES - CURRENT	3,587,672	3,521,561	1,143,531	2,868,000
LIABILITIES - LONG-TERM	<u>589,195</u>	<u>597,415</u>	<u>2,426,299</u>	<u>745,000</u>
EQUITY	\$609,360	\$345,980	\$353,262	\$374,000
INCOME	\$2,931,832	\$9,190,996	\$8,076,773	\$8,003,000
EXPENSE	<u>2,665,672</u>	<u>9,198,278</u>	<u>7,856,184</u>	<u>7,631,000</u>
NET INCOME	\$266,160	(\$7,282)	\$220,589	\$372,000
NUMBER OF BEDS	120	120	120	120
PERCENT OF OCCUPANCY (DAY)	98.37%	89.75%	90.36%	90.70%
PERCENT OCCUPANCY (DAYS):				
MEDICAID	71.47%	82.95%	86.40%	84.30%
MEDICARE	15.75%	10.27%	5.93%	5.70%
PRIVATE/OTHER	12.78%	6.78%	7.67%	10.00%
	100.00%	100.00%	100.00%	100.00%
Average Working Capital		(\$506,835)		
Average Net Assets		\$420,651		
Average Net Income (Loss)		\$261,990		
Average Occupancy		92.30%		

HYDE PARK NURSING HOME, INC.
D/B/A RENAISSANCE REHABILITATION AND NURSING CARE CENTER
(an S corporation)
BALANCE SHEETS

	At December 31	
	2015	2014
ASSETS		
Current assets		
Cash and cash equivalents	\$ 594,270	\$ 524,037
Cash - restricted, patient funds	44,988	50,263
Accounts receivable, less allowance for doubtful accounts of \$87,000 and \$65,000	1,341,426	976,895
Supplies on hand	35,000	35,000
Due from related party	43,973	-
Prepaid expenses and other	163,886	224,649
Total current assets	<u>2,223,543</u>	<u>1,810,844</u>
Property and equipment - net	1,825,922	1,693,171
Goodwill - net	25,375	29,000
Cash - restricted	390,116	390,077
TOTAL ASSETS	<u>\$ 4,464,956</u>	<u>\$ 3,923,092</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Notes payable-bank	\$ 72,707	\$ 69,895
Accounts payable	1,318,349	715,557
Accrued expenses	231,921	201,568
Accrued and withheld taxes	22,609	28,813
Patients' funds and deposits payable	126,797	123,210
Deposit on contract (note 6)	1,734,323	-
Capital lease obligations - net	12,833	2,217
Other payables	2,022	2,271
Total current liabilities	<u>3,521,561</u>	<u>1,143,531</u>
Notes payable-bank	75,390	148,000
Notes payable-officers	6,513	1,740,836
Due to related party (r)	367,500	367,500
Deferred rent payable	61,667	-
Due to third party payers	42,458	169,774
Capital lease obligations - net	43,887	189
Total liabilities	<u>4,118,976</u>	<u>3,569,830</u>
Stockholders' equity		
Common stock, no par value; 200 shares authorized, issued and outstanding	20,000	20,000
Additional paid-in capital	283,539	283,539
Retained earnings	42,441	49,723
Total stockholders' equity	<u>345,980</u>	<u>353,262</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 4,464,956</u>	<u>\$ 3,923,092</u>

HYDE PARK NURSING HOME, INC.
D/B/A RENAISSANCE REHABILITATION AND NURSING CARE CENTER
(an S corporation)
STATEMENTS OF OPERATIONS AND RETAINED EARNINGS

	Years ended December 31	
	2015	2014
Revenues	\$ 9,190,214	\$ 8,075,806
Operating expenses	<u>9,195,278</u>	<u>7,852,434</u>
Earnings (loss) from operations	(5,064)	223,372
Other income		
Interest income	<u>782</u>	<u>967</u>
Earnings (loss) before income taxes	(4,282)	224,339
Provision for income taxes	<u>3,000</u>	<u>3,750</u>
NET EARNINGS (LOSS)	(7,282)	220,589
Retained earnings - beginning of year	<u>49,723</u>	<u>69,970</u>
	42,441	290,559
Dividends	<u>-</u>	<u>(240,836)</u>
RETAINED EARNINGS- END OF YEAR	<u>\$ 42,441</u>	<u>\$ 49,723</u>

HYDE PARK NURSING HOME, INC.
D/B/A RENAISSANCE REHABILITATION AND NURSING CARE CENTER
(an S corporation)
BALANCE SHEETS

	At March 31,	
	2016	2015
ASSETS		
Current assets		
Cash and cash equivalents	\$ 564,285	\$ 522,712
Cash - restricted, patient funds	53,395	60,896
Cash - restricted, other	390,116	390,087
Accounts receivable - net	1,570,539	963,415
Supplies on hand	35,000	35,000
Due from related party	191,823	-
Prepaid expenses and other	156,881	195,668
Total current assets	<u>2,962,039</u>	<u>2,167,778</u>
Property and equipment - net	1,798,813	1,624,796
Goodwill - net	25,375	29,000
Total assets	<u>\$ 4,786,227</u>	<u>\$ 3,821,574</u>
 LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Notes payable - bank	\$ 130,188	\$ 200,622
Accounts payable	1,324,782	574,480
Accrued expenses	278,653	321,415
Accrued and withheld taxes	10,729	43,053
Patients' funds and deposits payable	106,975	98,238
Deposit on contract	1,734,323	-
Due to third party payers	100,045	165,067
Notes payable - officers	6,513	1,740,836
Due to related party	367,500	367,500
Deferred rent liability	61,667	-
Capital lease obligations - net	53,470	1,863
Other payables	2,022	2,261
Total liabilities	<u>4,176,867</u>	<u>3,515,335</u>
 Stockholders' equity		
Common stock, no par value; 200 shares authorized, issued and outstanding	20,000	20,000
Additional paid-in capital	283,539	283,539
Retained earnings	305,821	2,700
Total stockholders' equity	<u>609,360</u>	<u>306,239</u>
Total liabilities and stockholders' equity	<u>\$ 4,786,227</u>	<u>\$ 3,821,574</u>

HYDE PARK NURSNG HOME, INC.
D/B/A RENAISSANCE REHABILITATION AND NURSING CARE CENTER
(an S corporation)
STATEMENTS OF EARNINGS AND RETAINED EARNINGS
THREE MONTHS ENDED MARCH 31, 2016 AND 2015

	2016	2015
Revenues	\$ 2,931,832	\$ 1,937,177
Operating expenses	<u>2,665,672</u>	<u>1,981,359</u>
Earnings (loss) from operations	266,160	(44,182)
Other income (expense)		
Interest income	<u>220</u>	<u>159</u>
Earnings (loss) before income taxes	266,380	(44,023)
Provision for income taxes	<u>3,000</u>	<u>3,000</u>
NET EARNINGS (LOSS)	263,380	(47,023)
Retained earnings - beginning of year	<u>42,441</u>	<u>49,723</u>
	305,821	2,700
Dividends	<u>-</u>	<u>-</u>
RETAINED EARNINGS -		
- MARCH 31, 2016 AND 2015	<u>\$ 305,821</u>	<u>\$ 2,700</u>

HYDE PARK NURSING HOME, INC.
D/B/A RENAISSANCE REHABILITATION AND NURSING CARE CENTER
(an S corporaton)
SUPPLEMENTARY SCHEDULES
REVENUES
THREE MONTHS ENDED MARCH 31, 2016 AND 2015

	2016	Per Patient Day	2015	Per Patient Day
Revenues - current year				
Medicaid	\$ 1,548,251		\$ 1,392,248	
Private	314,598		162,255	
Medicare - part A	880,561		311,909	
Medicare - part B	38,239		11,549	
Hospice	-		-	
Managed care	<u>137,319</u>		<u>56,930</u>	
	<u>2,918,968</u>	<u>\$ 271.73</u>	<u>1,934,891</u>	<u>\$ 208.16</u>
Revenues - prior years				
Medicaid	-		338	
Private	-		-	
Medicare - part A	-		-	
Medicare - Part B	<u>-</u>		<u>-</u>	
	<u>-</u>		<u>338</u>	
Revenues - other				
Miscellaneous	<u>12,864</u>		<u>1,948</u>	
	<u>12,864</u>		<u>1,948</u>	
TOTAL REVENUES	<u>\$ 2,931,832</u>		<u>\$ 1,937,177</u>	

HYDE PARK NURSING HOME, INC.
(an S corporation)
SUPPLEMENTARY SCHEDULES
PATIENT DAYS
THREE MONTHS ENDED MARCH 31, 2016 AND 2015

	2016	Percent of Total	2015	Percent of Total
Medicaid	7,677	71.47 %	7,802	83.94 %
Private	953	8.87 %	564	6.07 %
Medicare - Part A	1,692	15.75 %	776	8.35 %
Other insurance	420	3.91 %	153	1.65 %
Hospice	-	- %	-	- %
	<u>10,742</u>	<u>100.00 %</u>	<u>9,295</u>	<u>100.00 %</u>
Percent occupancy		<u>98.37%</u>		<u>86.06%</u>

RENAISSANCE HEALTHCARE GROUP, LLC
(a limited liability company)
BALANCE SHEET
JANUARY 1, 2017

ASSETS

Current assets

Cash and cash equivalents

\$ 1,800,000

Total current assets

1,800,000

Property and equipment - net

800,000

Intangible assets - net

1,000,000

TOTAL ASSETS

\$ 3,600,000

LIABILITIES AND MEMBERS' EQUITY

Liabilities

-

Members' equity

\$ 3,600,000

**TOTAL LIABILITIES AND
MEMBERS' EQUITY**

\$ 3,600,000

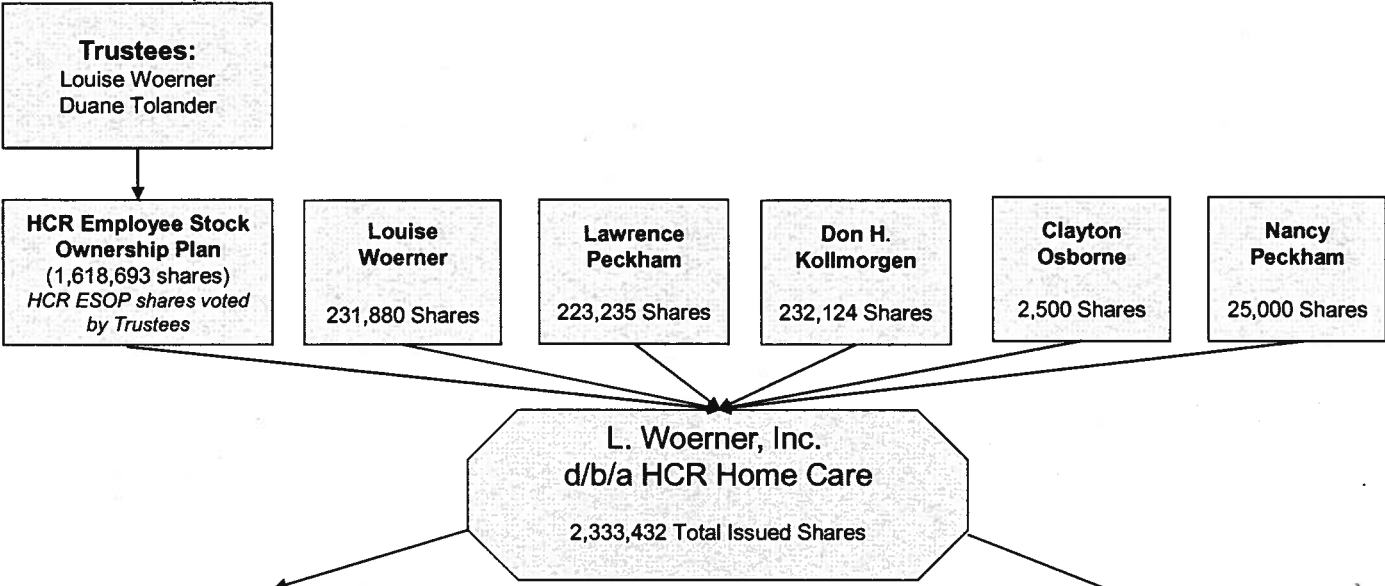
Sensitized with Payer Mix at March 2016 Level Allowing Utilization to Increase					
1st year budget utilization of 98.33% closely matches 97.24% utilization through August 31, 2016					
161156 Renaissance Rehab & Nursing				120	Beds
				43,800	Max Days
				43,070	Yr 1 Occup.
				98.33%	Yr 1 Occup. %
Budget Sensitivity Year 1					
	% Util by				
	payor	Revised		Revised	
Payor:	(Budgeted)	Budgeted Days	Per Diem*	Revenues	
Medicaid	0.715	30,782	\$177.89	\$5,475,810	
Medicare	0.158	6,784	\$465.04	\$3,154,831	
Commercial	0.000	0	\$0.00	\$0	
Private/Other	<u>0.128</u>	<u>5,504</u>	<u>\$375.01</u>	<u>\$2,064,055</u>	
	1.000	43,070	\$248.31		
Revenues Using project Utilization and 1st quarter 2016 Payor Mix:				\$10,694,696	
Total Revenues as budgeted for first year				<u>\$11,064,340</u>	
Increase (Decrease) in Budgeted Revenues:				(\$369,644)	
Budgeted Cost Year 1				\$9,865,800	
Budgeted Net Income Year 1				\$1,198,540	
Sensitized Year 1 Net Income				\$828,896	
Incremental Loss per Sensitized Budget				(\$369,644)	
* Budgeted Year One rates are based on applicants submitted budget.					

162141
The Bethel Methodist Home
(Westchester County)

TO BE DISTRIBUTED UNDER SEPARATE COVER

Attachment # 3B-I.G.

L. Woerner, Inc. d/b/a HCR Corporate Structure (PRE- Transaction)



CHHA

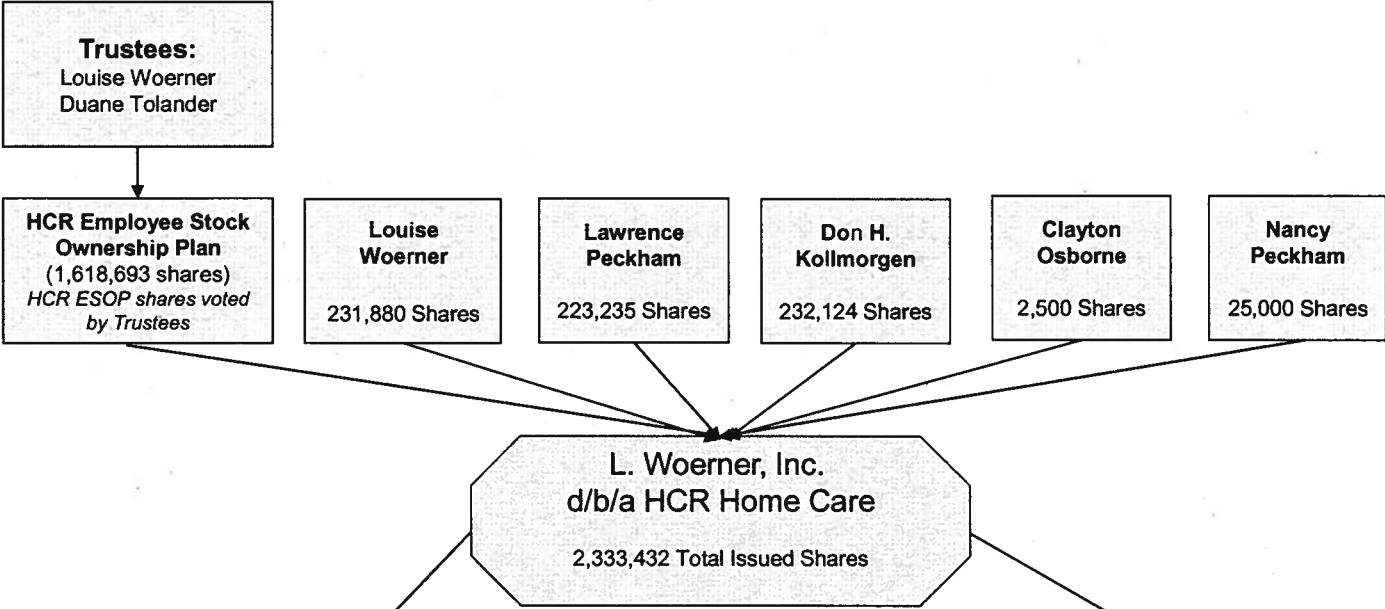
LTHHCP

<u>Provider Number</u>	<u>Counties Served</u>
Monroe (2701603)	Monroe, Genesee, Orleans, Wayne, Ontario, Livingston
Cortland (1101601)	Cortland
Madison (2627601)	Madison, Jefferson, Cayuga, Onondaga, Oswego
Schoharie (4724601)	Schoharie, Otsego
Delaware (1257602)	Delaware
Clinton (0901601)	Clinton, Essex, Franklin, Hamilton, Warren, St. Law
Washington (5726601)	Washington

<u>Provider Number</u>	<u>Counties Served</u>
• Genesee (2701909L)	Genesee
• Madison (2627902L)	Madison
• Delaware (1257902L)	Delaware
• Clinton (0901902L)	Clinton
• Washington (5726902L)	Washington

Attachment # 21G-I.

L. Woerner, Inc. d/b/a HCR Corporate Structure (POST- Transaction)



CHHA

<u>Provider Number</u>	<u>Counties Served</u>
Monroe (2701603)	Monroe, Genesee, Orleans, Wayne, Ontario, Livingston
Madison (2627601)	Madison, Jefferson, Cayuga, Onondaga, Oswego, Cortland
Schoharie (4724601)	Schoharie, Otsego, Delaware
Clinton (0901601)	Clinton, Essex, Franklin, Hamilton, Warren, St. Lawrence, Washington

LTHHCP

<u>Provider Number</u>	<u>Counties Served</u>
• Genesee (2701909L)	Genesee
• Madison (2627902L)	Madison
• Schoharie (4724601)	Delaware
• Clinton (0901902L)	Clinton, Washington

L.Woerner, Inc. dba HCR
Unaudited Balance Sheet
December 31, 2015

Project # 161393
BFA Attachment C

ASSETS:

Current Assets

Cash	\$25,286
Accounts Receivable	8,052,849
Prepaid Expenses	263,458

Total Current Assets 8,341,593

Total Property, Plant & Equipment 924,934

Other Assets

Intangibles and Security Deposits	4,793,426
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TOTAL ASSETS \$14,059,953

Liabilities:

Current Liabilities

Accounts Payable and Accrued Expenses	\$3,139,828
Unearned Revenue	1,397,388
Current Portion of Long Term Debt	
Line of Credit Payable	4,110,000
Current portion of long-term debt	1,029,621
Third Party Payor Settlements	654,611

Total Current Liabilities 10,331,447

Long Term Debt- less current portion 7,451,430

TOTAL LIABILITIES 17,782,877

STOCKHOLDERS' EQUITY:

Common Stock	2,402
Additional Paid In Capital	8,865,656
Treasury Stock	(1,896,686)
Retained Earnings	(10,694,295)

TOTAL STOCKHOLDERS' EQUITY (3,722,923)

TOTAL LIABILITIES & STOCKHOLDERS' EQUITY \$14,059,953

L. Woerner, Inc. d/b/a HCR
Unaudited Profit/(Loss) Statement
YTD December 2015

Revenues	\$ 50,687,936
Direct Costs	<u>31,075,826</u>
Gross Margin	\$ 19,612,110
Indirect Costs	
Payroll and Related Expenses	12,026,314
Other Indirect Expenses	<u>7,834,729</u>
Total Indirect Expenses	<u>\$ 19,861,043</u>
Net Profit/(Loss)	<u>\$ (248,933)</u>

L. WOERNER, INC.
d/b/a HCR
BALANCE SHEETS
December 31,

ASSETS	2014	2013
Current assets:		
Cash	\$ 6,128	\$ 25,989
Accounts receivable, less allowance for doubtful accounts of approximately \$675,000 (\$323,000 - 2013)	8,800,508	6,745,428
Prepaid expenses and other current assets	218,606	484,174
Total current assets	9,025,242	7,255,591
Property and equipment, net	1,356,280	1,242,416
Intangible assets	4,793,426	4,743,426
Total assets	\$ 15,174,948	\$ 13,241,433
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	\$ 847,068	\$ 870,116
Accrued expenses - current portion	3,236,109	2,642,202
Unearned revenue	1,536,518	1,751,755
Demand notes payable	6,500,000	6,030,000
Due to third-party payors - current portion	795,537	900,241
Acquisition payable - current portion	479,161	485,828
Promissory notes payable - stockholders	900,000	100,000
Capital lease obligations - current portion	86,193	-
Total current liabilities	14,380,586	12,780,142
Long-term liabilities:		
Accrued expenses	1,204,841	1,304,810
Due to third-party payors	1,633,574	2,088,106
Acquisition payable	705,562	1,184,728
Capital lease obligations	351,170	-
Security deposits	41,966	48,001
Total long-term liabilities	3,937,113	4,625,645
Total liabilities	18,317,699	17,405,787
Stockholders' deficit:		
Common stock - .001 par value, 4,000,000 shares authorized, 2,401,359 shares issued (2,079,785 - 2013), including 27,695 unallocated ESOP shares (93,084 - 2013)	2,402	2,080
Treasury stock, 113,381 shares at cost (50,395 - 2013)	(1,308,839)	(666,445)
Additional paid-in capital	8,609,051	4,810,449
Accumulated deficit	(10,445,365)	(8,310,438)
Total stockholders' deficit	(3,142,751)	(4,164,354)
Total liabilities and stockholders' deficit	\$ 15,174,948	\$ 13,241,433

L. WOERNER, INC.
d/b/a HCR
STATEMENTS OF OPERATIONS
Years Ended December 31,

Project # 161393
 BFA Attachment C cont

	<u>2014</u>	<u>2013</u>
Revenues	\$ 47,476,164	\$ 43,364,695
Operating expenses:		
Payroll	31,207,694	28,427,804
Payroll taxes and employee benefits	6,826,324	5,950,735
Outside services	1,902,785	1,676,631
Travel	1,732,857	1,555,301
Equipment rental, repairs and maintenance	1,062,658	856,188
Bad debt expense	1,001,981	439,000
Medical supplies expense	989,893	921,739
Utilities	914,174	887,041
Depreciation	722,993	726,976
Rent	529,966	489,161
Office expense	485,467	322,306
Legal and accounting	257,047	293,798
Training and recruitment	238,299	206,604
Insurance	215,528	191,831
Cash receipt assessment	161,671	162,101
Miscellaneous	92,867	99,429
Real estate taxes	71,096	70,928
Dues and subscriptions	52,336	57,658
Total operating expenses	<u>48,465,636</u>	<u>43,335,231</u>
Pre-ESOP operating (loss) income	(989,472)	29,464
ESOP contribution	425,497	1,000,000
Post-ESOP operating loss	(1,414,969)	(970,536)
Other expense:		
Former workers' compensation trust deficit	-	1,382,722
Interest expense	715,458	508,584
	<u>715,458</u>	<u>1,891,306</u>
Loss before taxes	(2,130,427)	(2,861,842)
Tax expense	(4,500)	(4,525)
Net loss	\$ (2,134,927)	\$ (2,866,367)

L. WOERNER, INC.

d/b/a HCR

STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT

For the Years ended December 31, 2014 and 2013

	Number of Shares	Common Stock	Treasury Stock	Additional Paid-in Capital	Retained Earnings	Total Stockholders' Deficit
Balance January 1, 2013	1,961,107	\$ 93,500	\$ (534,675)	\$ 1,918,513	\$ (5,444,071)	\$ (3,966,733)
Adjustment for declaration of par value of \$.001	-	(91,539)	39	91,500	-	-
Repurchase of ESOP shares	(11,502)	(12)	(131,809)	-	-	(131,821)
Share issued for cash	2,500	3	-	24,997	-	25,000
Cash received for shares issued January 1, 2014	-	-	-	500,000	-	500,000
Shares issued in satisfaction of debt	127,680	128	-	1,276,552	-	1,276,680
Contribution to ESOP	-	-	-	998,887	-	998,887
Net loss	-	-	-	-	(2,866,367)	(2,866,367)
Balance December 31, 2013	2,079,785	\$ 2,080	\$ (666,445)	\$ 4,810,449	\$ (8,310,438)	\$ (4,164,354)
Repurchase of ESOP shares	(62,986)	(63)	(642,394)	-	-	(642,457)
Shares issued for cash received in prior year	50,000	50	-	(50)	-	-
Shares issued for cash	197,060	197	-	1,999,803	-	2,000,000
Shares issued in satisfaction of debt	137,500	138	-	1,374,862	-	1,375,000
Contribution to ESOP	-	-	-	423,987	-	423,987
Net loss	-	-	-	-	(2,134,927)	(2,134,927)
Balance December 31, 2014	2,401,359	\$ 2,402	\$ (1,308,839)	\$ 8,609,051	\$ (10,445,365)	\$ (3,142,751)

Project # 161393
BFA Attachment C cont

L.Woerner, Inc. dba HCR
Balance Sheet
June 30, 2016

ASSETS:

Current Assets

Cash	\$	90,234
Accounts Receivable		8,481,577
Prepaid Expenses		218,868

Total Current Assets **8,790,679**

Total Property, Plant & Equipment **661,323**

Other Assets

Intangibles and Security Deposits		4,793,426
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TOTAL ASSETS **\$ 14,245,428**

Liabilities:

Current Liabilities

Accounts Payable and Accrued Expenses	\$	3,355,246
Unearned Revenue		1,283,427
Current Portion of Long Term Debt		6,463,503

Total Current Liabilities **11,102,176**

Other Liabilities

Long Term Debt		6,607,103
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TOTAL LIABILITIES **17,709,279**

TOTAL STOCKHOLDERS' EQUITY **(3,463,851)**

TOTAL LIABILITIES & STOCKHOLDERS' EQUITY **\$ 14,245,428**

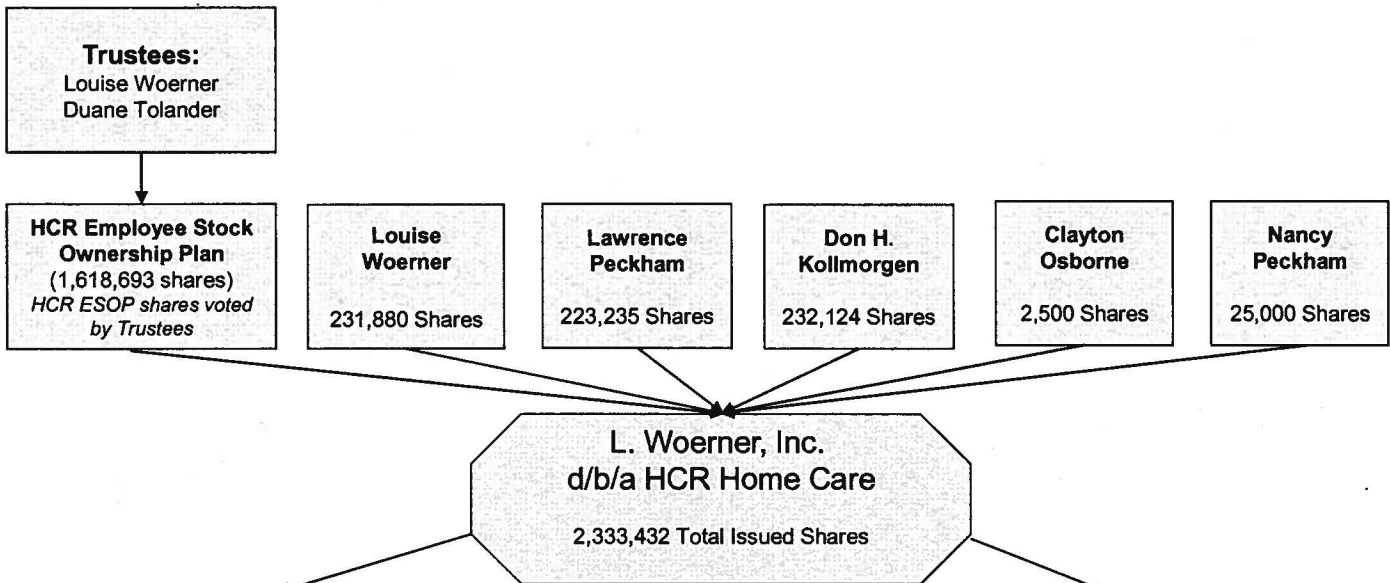
**L. Woerner, Inc. d/b/a HCR
Profit/(Loss) Statement
2016 Profit and Loss Statement
For the Month Ended June 30, 2016**

	Month June 30	YTD June 30
Revenues	\$4,282,975	\$25,237,843
Direct Costs	<u>2,584,595</u>	<u>15,353,709</u>
Gross Margin	\$1,698,380	\$9,884,134
Indirect Costs		
Payroll and Related Expenses	\$940,488	\$5,791,836
Other Indirect Expenses	<u>615,389</u>	<u>3,791,399</u>
Total Indirect Expenses	<u>\$1,555,877</u>	<u>\$9,583,235</u>
Net Profit/(Loss)	<u>\$142,503</u>	<u>\$300,899</u>

HCR is showing a profit of \$301,000 as of June 30, 2016.
The most recent month showed a profit of over \$140,000.
We are on path to exceed our year end budget.

Attachment # 3B-I.G.

L. Woerner, Inc. d/b/a HCR Corporate Structure (PRE- Transaction)



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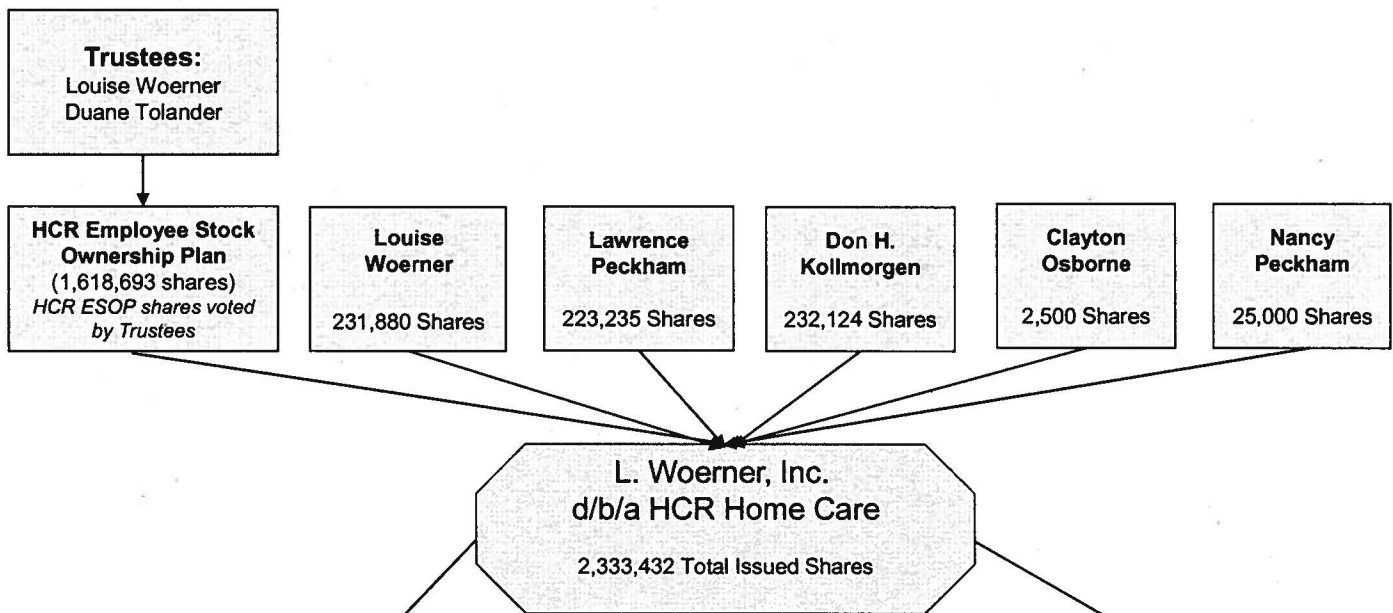
<u>Provider Number</u>	<u>Counties Served</u>
Monroe (2701603)	Monroe, Genesee, Orleans, Wayne, Ontario, Livingston
Cortland (1101601)	Cortland
Madison (2627601)	Madison, Jefferson, Cayuga, Onondaga, Oswego
Schoharie (4724601)	Schoharie, Otsego
Delaware (1257602)	Delaware
Clinton (0901601)	Clinton, Essex, Franklin, Hamilton, Warren, St. Law
Washington (5726601)	Washington

LTHHCP

<u>Provider Number</u>	<u>Counties Served</u>
• Genesee (2701909L)	Genesee
• Madison (2627902L)	Madison
• Delaware (1257902L)	Delaware
• Clinton (0901902L)	Clinton
• Washington (5726902L)	Washington

Attachment # 21G-I.

L. Woerner, Inc. d/b/a HCR Corporate Structure (POST- Transaction)



CHHA

<u>Provider Number</u>	<u>Counties Served</u>
Monroe (2701603)	Monroe, Genesee, Orleans, Wayne, Ontario, Livingston
Madison (2627601)	Madison, Jefferson, Cayuga, Onondaga, Oswego, Cortland
Schoharie (4724601)	Schoharie, Otsego, Delaware
Clinton (0901601)	Clinton, Essex, Franklin, Hamilton, Warren, St. Lawrence, Washington

LTHHCP

<u>Provider Number</u>	<u>Counties Served</u>
• Genesee (2701909L)	Genesee
• Madison (2627902L)	Madison
• Schoharie (4724601)	Delaware
• Clinton (0901902L)	Clinton, Washington

**L.Woerner, Inc. dba HCR
Unaudited Balance Sheet
December 31, 2015**

ASSETS:

Current Assets

Cash	\$25,286
Accounts Receivable	8,052,849
Prepaid Expenses	263,458

Total Current Assets 8,341,593

Total Property, Plant & Equipment 924,934

Other Assets

Intangibles and Security Deposits	4,793,426
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TOTAL ASSETS \$14,059,953

Liabilities:

Current Liabilities

Accounts Payable and Accrued Expenses	\$3,139,828
Unearned Revenue	1,397,388
Current Portion of Long Term Debt	
Line of Credit Payable	4,110,000
Current portion of long-term debt	1,029,621
Third Party Payor Settlements	654,611

Total Current Liabilities 10,331,447

Long Term Debt- less current portion 7,451,430

TOTAL LIABILITIES 17,782,877

STOCKHOLDERS' EQUITY:

Common Stock	2,402
Additional Paid In Capital	8,865,656
Treasury Stock	(1,896,686)
Retained Earnings	(10,694,295)

TOTAL STOCKHOLDERS' EQUITY (3,722,923)

TOTAL LIABILITIES & STOCKHOLDERS' EQUITY \$14,059,953

L. Woerner, Inc. d/b/a HCR
Unaudited Profit/(Loss) Statement
YTD December 2015

Revenues	\$ 50,687,936
Direct Costs	<u>31,075,826</u>
Gross Margin	\$ 19,612,110
Indirect Costs	
Payroll and Related Expenses	12,026,314
Other Indirect Expenses	<u>7,834,729</u>
Total Indirect Expenses	<u>\$ 19,861,043</u>
Net Profit/(Loss)	<u>\$ (248,933)</u>

L. WOERNER, INC.
d/b/a HCR
BALANCE SHEETS
December 31,

Project # 161394
BFA Attachment C cont

ASSETS	2014	2013
Current assets:		
Cash	\$ 6,128	\$ 25,989
Accounts receivable, less allowance for doubtful accounts of approximately \$675,000 (\$323,000 - 2013)	8,800,508	6,745,428
Prepaid expenses and other current assets	218,606	484,174
Total current assets	9,025,242	7,255,591
Property and equipment, net	1,356,280	1,242,416
Intangible assets	4,793,426	4,743,426
Total assets	\$ 15,174,948	\$ 13,241,433
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	\$ 847,068	\$ 870,116
Accrued expenses - current portion	3,236,109	2,642,202
Unearned revenue	1,536,518	1,751,755
Demand notes payable	6,500,000	6,030,000
Due to third-party payors - current portion	795,537	900,241
Acquisition payable - current portion	479,161	485,828
Promissory notes payable - stockholders	900,000	100,000
Capital lease obligations - current portion	86,193	-
Total current liabilities	14,380,586	12,780,142
Long-term liabilities:		
Accrued expenses	1,204,841	1,304,810
Due to third-party payors	1,633,574	2,088,106
Acquisition payable	705,562	1,184,728
Capital lease obligations	351,170	-
Security deposits	41,966	48,001
Total long-term liabilities	3,937,113	4,625,645
Total liabilities	18,317,699	17,405,787
Stockholders' deficit:		
Common stock - .001 par value, 4,000,000 shares authorized, 2,401,359 shares issued (2,079,785 - 2013), including 27,695 unallocated ESOP shares (93,084 - 2013)	2,402	2,080
Treasury stock, 113,381 shares at cost (50,395 - 2013)	(1,308,839)	(666,445)
Additional paid-in capital	8,609,051	4,810,449
Accumulated deficit	(10,445,365)	(8,310,438)
Total stockholders' deficit	(3,142,751)	(4,164,354)
Total liabilities and stockholders' deficit	\$ 15,174,948	\$ 13,241,433

L. WOERNER, INC.
d/b/a HCR
STATEMENTS OF OPERATIONS
Years Ended December 31,

Project # 161394
 BFA Attachment C cont

	<u>2014</u>	<u>2013</u>
Revenues	\$ 47,476,164	\$ 43,364,695
Operating expenses:		
Payroll	31,207,694	28,427,804
Payroll taxes and employee benefits	6,826,324	5,950,735
Outside services	1,902,785	1,676,631
Travel	1,732,857	1,555,301
Equipment rental, repairs and maintenance	1,062,658	856,188
Bad debt expense	1,001,981	439,000
Medical supplies expense	989,893	921,739
Utilities	914,174	887,041
Depreciation	722,993	726,976
Rent	529,966	489,161
Office expense	485,467	322,306
Legal and accounting	257,047	293,798
Training and recruitment	238,299	206,604
Insurance	215,528	191,831
Cash receipt assessment	161,671	162,101
Miscellaneous	92,867	99,429
Real estate taxes	71,096	70,928
Dues and subscriptions	52,336	57,658
Total operating expenses	<u>48,465,636</u>	<u>43,335,231</u>
Pre-ESOP operating (loss) income	(989,472)	29,464
ESOP contribution	425,497	1,000,000
Post-ESOP operating loss	(1,414,969)	(970,536)
Other expense:		
Former workers' compensation trust deficit	-	1,382,722
Interest expense	715,458	508,584
	<u>715,458</u>	<u>1,891,306</u>
Loss before taxes	(2,130,427)	(2,861,842)
Tax expense	(4,500)	(4,525)
Net loss	\$ (2,134,927)	\$ (2,866,367)

L. WOERNER, INC.

d/b/a HCR

STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT

For the Years ended December 31, 2014 and 2013

	Number of Shares	Common Stock	Treasury Stock	Additional Paid-in Capital	Retained Earnings	Total Stockholders' Deficit
Balance January 1, 2013	1,961,107	\$ 93,500	\$ (534,675)	\$ 1,918,513	\$ (5,444,071)	\$ (3,966,733)
Adjustment for declaration of par value of \$.001	-	(91,539)	39	91,500	-	-
Repurchase of ESOP shares	(11,502)	(12)	(131,809)	-	-	(131,821)
Share issued for cash	2,500	3	-	24,997	-	25,000
Cash received for shares issued January 1, 2014	-	-	-	500,000	-	500,000
Shares issued in satisfaction of debt	127,680	128	-	1,276,552	-	1,276,680
Contribution to ESOP	-	-	-	998,887	-	998,887
Net loss	-	-	-	-	(2,866,367)	(2,866,367)
Balance December 31, 2013	2,079,785	\$ 2,080	\$ (666,445)	\$ 4,810,449	\$ (8,310,438)	\$ (4,164,354)
Repurchase of ESOP shares	(62,986)	(63)	(642,394)	-	-	(642,457)
Shares issued for cash received in prior year	50,000	50	-	(50)	-	-
Shares issued for cash	197,060	197	-	1,999,803	-	2,000,000
Shares issued in satisfaction of debt	137,500	138	-	1,374,862	-	1,375,000
Contribution to ESOP	-	-	-	423,987	-	423,987
Net loss	-	-	-	-	(2,134,927)	(2,134,927)
Balance December 31, 2014	<u>2,401,359</u>	<u>\$ 2,402</u>	<u>\$ (1,308,839)</u>	<u>\$ 8,609,051</u>	<u>\$ (10,445,365)</u>	<u>\$ (3,142,751)</u>

L.Woerner, Inc. dba HCR
Balance Sheet
June 30, 2016

ASSETS:

Current Assets

Cash	\$	90,234
Accounts Receivable		8,481,577
Prepaid Expenses		218,868

Total Current Assets **8,790,679**

Total Property, Plant & Equipment **661,323**

Other Assets

Intangibles and Security Deposits		4,793,426
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TOTAL ASSETS **\$ 14,245,428**

Liabilities:

Current Liabilities

Accounts Payable and Accrued Expenses	\$	3,355,246
Unearned Revenue		1,283,427
Current Portion of Long Term Debt		6,463,503

Total Current Liabilities **11,102,176**

Other Liabilities

Long Term Debt		6,607,103
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TOTAL LIABILITIES **17,709,279**

TOTAL STOCKHOLDERS' EQUITY **(3,463,851)**

TOTAL LIABILITIES & STOCKHOLDERS' EQUITY **\$ 14,245,428**

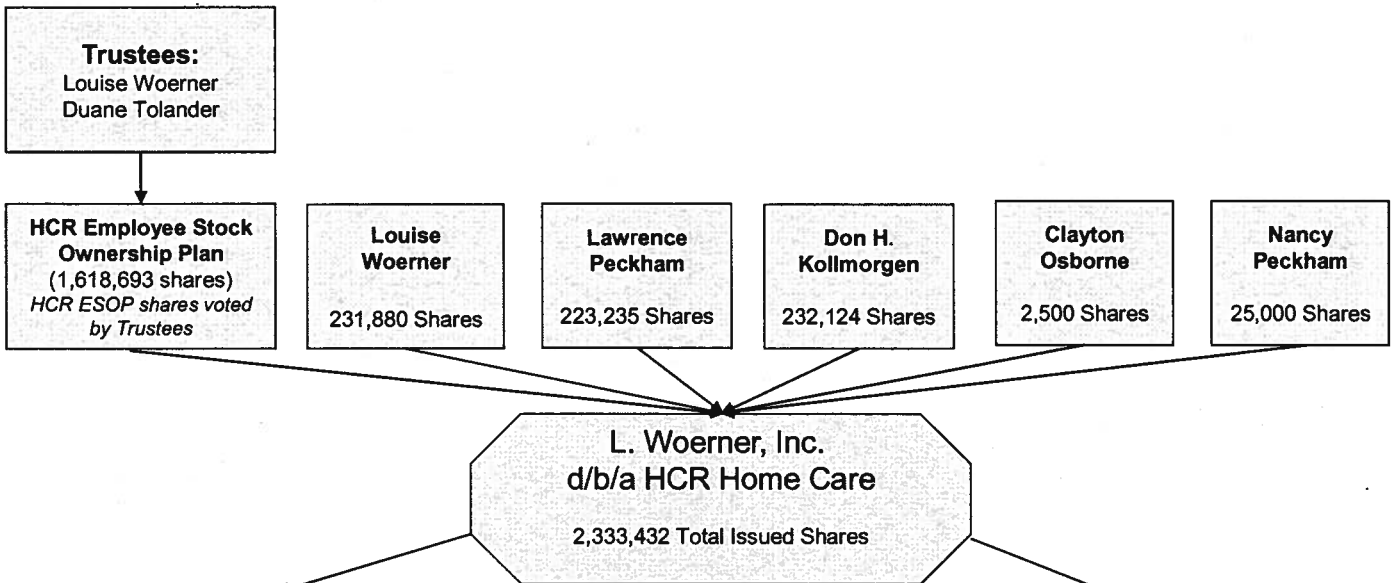
**L. Woerner, Inc. d/b/a HCR
Profit/(Loss) Statement
2016 Profit and Loss Statement
For the Month Ended June 30, 2016**

	Month June 30	YTD June 30
Revenues	\$4,282,975	\$25,237,843
Direct Costs	<u>2,584,595</u>	<u>15,353,709</u>
Gross Margin	\$1,698,380	\$9,884,134
Indirect Costs		
Payroll and Related Expenses	\$940,488	\$5,791,836
Other Indirect Expenses	<u>615,389</u>	<u>3,791,399</u>
Total Indirect Expenses	<u>\$1,555,877</u>	<u>\$9,583,235</u>
Net Profit/(Loss)	<u>\$142,503</u>	<u>\$300,899</u>

HCR is showing a profit of \$301,000 as of June 30, 2016.
The most recent month showed a profit of over \$140,000.
We are on path to exceed our year end budget.

Attachment # 3B-I.G.

L. Woerner, Inc. d/b/a HCR Corporate Structure (PRE- Transaction)



CHHA

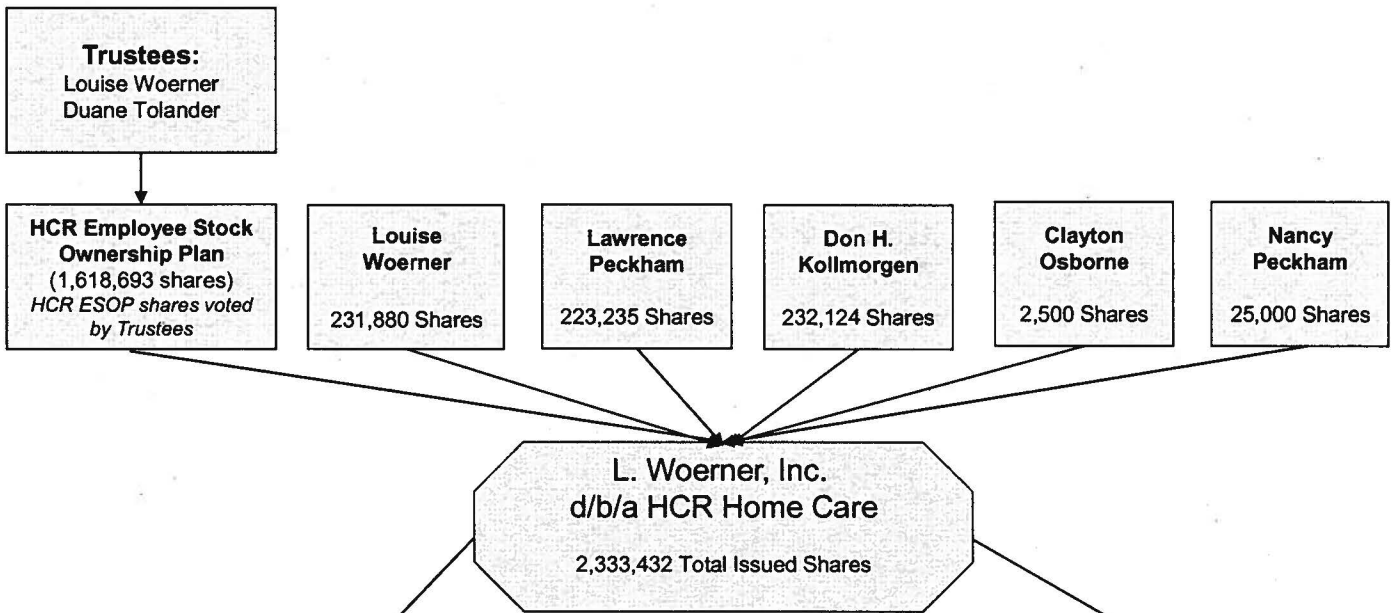
<u>Provider Number</u>	<u>Counties Served</u>
Monroe (2701603)	Monroe, Genesee, Orleans, Wayne, Ontario, Livingston
Cortland (1101601)	Cortland
Madison (2627601)	Madison, Jefferson, Cayuga, Onondaga, Oswego
Schoharie (4724601)	Schoharie, Otsego
Delaware (1257602)	Delaware
Clinton (0901601)	Clinton, Essex, Franklin, Hamilton, Warren, St. Law
Washington (5726601)	Washington

LTHHCP

<u>Provider Number</u>	<u>Counties Served</u>
• Genesee (2701909L)	Genesee
• Madison (2627902L)	Madison
• Delaware (1257902L)	Delaware
• Clinton (0901902L)	Clinton
• Washington (5726902L)	Washington

Attachment # 21G-I.

L. Woerner, Inc. d/b/a HCR Corporate Structure (POST- Transaction)



CHHA	
<u>Provider Number</u>	<u>Counties Served</u>
Monroe (2701603)	Monroe, Genesee, Orleans, Wayne, Ontario, Livingston
Madison (2627601)	Madison, Jefferson, Cayuga, Onondaga, Oswego, Cortland
Schoharie (4724601)	Schoharie, Otsego, Delaware
Clinton (0901601)	Clinton, Essex, Franklin, Hamilton, Warren, St. Lawrence, Washington

LTHHCP	
<u>Provider Number</u>	<u>Counties Served</u>
• Genesee (2701909L)	Genesee
• Madison (2627902L)	Madison
• Schoharie (4724601)	Delaware
• Clinton (0901902L)	Clinton, Washington

L.Woerner, Inc. dba HCR
Unaudited Balance Sheet
December 31, 2015

ASSETS:

Current Assets

Cash	\$25,286
Accounts Receivable	8,052,849
Prepaid Expenses	263,458

Total Current Assets **8,341,593**

Total Property, Plant & Equipment **924,934**

Other Assets

Intangibles and Security Deposits **4,793,426**

TOTAL ASSETS **\$14,059,953**

Liabilities:

Current Liabilities

Accounts Payable and Accrued Expenses	\$3,139,828
Unearned Revenue	1,397,388

Current Portion of Long Term Debt

Line of Credit Payable	4,110,000
Current portion of long-term debt	1,029,621
Third Party Payor Settlements	654,611

Total Current Liabilities **10,331,447**

Long Term Debt- less current portion **7,451,430**

TOTAL LIABILITIES **17,782,877**

STOCKHOLDERS' EQUITY:

Common Stock	2,402
Additional Paid In Capital	8,865,656
Treasury Stock	(1,896,686)
Retained Earnings	(10,694,295)

TOTAL STOCKHOLDERS' EQUITY **(3,722,923)**

TOTAL LIABILITIES & STOCKHOLDERS' EQUITY **\$14,059,953**

L. Woerner, Inc. d/b/a HCR
Unaudited Profit/(Loss) Statement
YTD December 2015

Revenues	\$ 50,687,936
Direct Costs	<u>31,075,826</u>
Gross Margin	\$ 19,612,110
Indirect Costs	
Payroll and Related Expenses	12,026,314
Other Indirect Expenses	<u>7,834,729</u>
Total Indirect Expenses	<u>\$ 19,861,043</u>
Net Profit/(Loss)	<u>\$ (248,933)</u>

L. WOERNER, INC.
d/b/a HCR
BALANCE SHEETS
December 31,

ASSETS	2014	2013
Current assets:		
Cash	\$ 6,128	\$ 25,989
Accounts receivable, less allowance for doubtful accounts of approximately \$675,000 (\$323,000 - 2013)	8,800,508	6,745,428
Prepaid expenses and other current assets	218,606	484,174
Total current assets	9,025,242	7,255,591
Property and equipment, net	1,356,280	1,242,416
Intangible assets	4,793,426	4,743,426
Total assets	\$ 15,174,948	\$ 13,241,433
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	\$ 847,068	\$ 870,116
Accrued expenses - current portion	3,236,109	2,642,202
Unearned revenue	1,536,518	1,751,755
Demand notes payable	6,500,000	6,030,000
Due to third-party payors - current portion	795,537	900,241
Acquisition payable - current portion	479,161	485,828
Promissory notes payable - stockholders	900,000	100,000
Capital lease obligations - current portion	86,193	-
Total current liabilities	14,380,586	12,780,142
Long-term liabilities:		
Accrued expenses	1,204,841	1,304,810
Due to third-party payors	1,633,574	2,088,106
Acquisition payable	705,562	1,184,728
Capital lease obligations	351,170	-
Security deposits	41,966	48,001
Total long-term liabilities	3,937,113	4,625,645
Total liabilities	18,317,699	17,405,787
Stockholders' deficit:		
Common stock - .001 par value, 4,000,000 shares authorized, 2,401,359 shares issued (2,079,785 - 2013), including 27,695 unallocated ESOP shares (93,084 - 2013)	2,402	2,080
Treasury stock, 113,381 shares at cost (50,395 - 2013)	(1,308,839)	(666,445)
Additional paid-in capital	8,609,051	4,810,449
Accumulated deficit	(10,445,365)	(8,310,438)
Total stockholders' deficit	(3,142,751)	(4,164,354)
Total liabilities and stockholders' deficit	\$ 15,174,948	\$ 13,241,433

L. WOERNER, INC.
d/b/a HCR
STATEMENTS OF OPERATIONS
Years Ended December 31,

	<u>2014</u>	<u>2013</u>
Revenues	\$ 47,476,164	\$ 43,364,695
Operating expenses:		
Payroll	31,207,694	28,427,804
Payroll taxes and employee benefits	6,826,324	5,950,735
Outside services	1,902,785	1,676,631
Travel	1,732,857	1,555,301
Equipment rental, repairs and maintenance	1,062,658	856,188
Bad debt expense	1,001,981	439,000
Medical supplies expense	989,893	921,739
Utilities	914,174	887,041
Depreciation	722,993	726,976
Rent	529,966	489,161
Office expense	485,467	322,306
Legal and accounting	257,047	293,798
Training and recruitment	238,299	206,604
Insurance	215,528	191,831
Cash receipt assessment	161,671	162,101
Miscellaneous	92,867	99,429
Real estate taxes	71,096	70,928
Dues and subscriptions	52,336	57,658
Total operating expenses	<u>48,465,636</u>	<u>43,335,231</u>
Pre-ESOP operating (loss) income	(989,472)	29,464
ESOP contribution	425,497	1,000,000
Post-ESOP operating loss	(1,414,969)	(970,536)
Other expense:		
Former workers' compensation trust deficit	-	1,382,722
Interest expense	715,458	508,584
	<u>715,458</u>	<u>1,891,306</u>
Loss before taxes	(2,130,427)	(2,861,842)
Tax expense	(4,500)	(4,525)
Net loss	\$ (2,134,927)	\$ (2,866,367)

L. WOERNER, INC.

d/b/a HCR

STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT

For the Years ended December 31, 2014 and 2013

	Number of Shares	Common Stock	Treasury Stock	Additional Paid-in Capital	Retained Earnings	Total Stockholders' Deficit
Balance January 1, 2013	1,961,107	\$ 93,500	\$ (534,675)	\$ 1,918,513	\$ (5,444,071)	\$ (3,966,733)
Adjustment for declaration of par value of \$.001	-	(91,539)	39	91,500	-	-
Repurchase of ESOP shares	(11,502)	(12)	(131,809)	-	-	(131,821)
Share issued for cash	2,500	3	-	24,997	-	25,000
Cash received for shares issued January 1, 2014	-	-	-	500,000	-	500,000
Shares issued in satisfaction of debt	127,680	128	-	1,276,552	-	1,276,680
Contribution to ESOP	-	-	-	998,887	-	998,887
Net loss	-	-	-	-	(2,866,367)	(2,866,367)
Balance December 31, 2013	2,079,785	\$ 2,080	\$ (666,445)	\$ 4,810,449	\$ (8,310,438)	\$ (4,164,354)
Repurchase of ESOP shares	(62,986)	(63)	(642,394)	-	-	(642,457)
Shares issued for cash received in prior year	50,000	50	-	(50)	-	-
Shares issued for cash	197,060	197	-	1,999,803	-	2,000,000
Shares issued in satisfaction of debt	137,500	138	-	1,374,862	-	1,375,000
Contribution to ESOP	-	-	-	423,987	-	423,987
Net loss	-	-	-	-	(2,134,927)	(2,134,927)
Balance December 31, 2014	<u>2,401,359</u>	<u>\$ 2,402</u>	<u>\$ (1,308,839)</u>	<u>\$ 8,609,051</u>	<u>\$ (10,445,365)</u>	<u>\$ (3,142,751)</u>

L.Woerner, Inc. dba HCR
Balance Sheet
June 30, 2016

ASSETS:

Current Assets

Cash	\$	90,234
Accounts Receivable		8,481,577
Prepaid Expenses		218,868

Total Current Assets **8,790,679**

Total Property, Plant & Equipment **661,323**

Other Assets

Intangibles and Security Deposits		4,793,426
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TOTAL ASSETS **\$ 14,245,428**

Liabilities:

Current Liabilities

Accounts Payable and Accrued Expenses	\$	3,355,246
Unearned Revenue		1,283,427
Current Portion of Long Term Debt		6,463,503

Total Current Liabilities **11,102,176**

Other Liabilities

Long Term Debt		6,607,103
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TOTAL LIABILITIES **17,709,279**

TOTAL STOCKHOLDERS' EQUITY **(3,463,851)**

TOTAL LIABILITIES & STOCKHOLDERS' EQUITY **\$ 14,245,428**

**L. Woerner, Inc. d/b/a HCR
Profit/(Loss) Statement
2016 Profit and Loss Statement
For the Month Ended June 30, 2016**

	Month June 30	YTD June 30
Revenues	\$4,282,975	\$25,237,843
Direct Costs	<u>2,584,595</u>	<u>15,353,709</u>
Gross Margin	\$1,698,380	\$9,884,134
Indirect Costs		
Payroll and Related Expenses	\$940,488	\$5,791,836
Other Indirect Expenses	<u>615,389</u>	<u>3,791,399</u>
Total Indirect Expenses	<u>\$1,555,877</u>	<u>\$9,583,235</u>
Net Profit/(Loss)	<u>\$142,503</u>	<u>\$300,899</u>

HCR is showing a profit of \$301,000 as of June 30, 2016.
The most recent month showed a profit of over \$140,000.
We are on path to exceed our year end budget.