



Project # 142231-C
Charles T Sitrin Health Care Center Inc

Program: Residential Health Care Facility
Purpose: Construction

County: Oneida
Acknowledged: December 3, 2014

Executive Summary

Description

Charles T. Sitrin Health Care Center (Sitrin), a 155-bed, voluntary/not-for-profit, residential health care facility (RHCF) located at 2050 Tilden Avenue, New Hartford (Oneida County), proposes to develop a 32-bed specialty unit to serve individuals with neurodegenerative diseases (NDs). This endeavor is a State priority initiative for which Sitrin has been awarded \$2 million in Vital Access Provider (VAP) funds to research and develop an ND program. The unit will be housed on the second floor of Sitrin's main campus building in a former 47-bed nursing home unit. The new unit will treat patients suffering from diseases such as Huntington's, ALS, Parkinson's, and other qualified NDs. In conjunction with the development of this specialty ND unit, Sitrin intends to pursue recognition as a Neurodegenerative Disease Center of Excellence.

Sitirin anticipates a three year ramp-up to achieve and maintain full occupancy of the specialty ND unit. This effort will involve attracting in-state residents afflicted with qualifying NDs, as well as repatriating New York State residents with ND diagnoses who are currently receiving RHCF related care in out-of-state facilities. The applicant has engaged in community outreach through news releases, social media, and the internet to attract patients.

The proposed occupancy, by quarter, for the three year ramp-up period is as follows:

Number of Beds Filled:				
	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr
Year 1	4	8	11	16
Year 2	21	26	29	32
Year 3	Maintain occupancy at 32 beds			

OPCHSM Recommendation
Contingent Approval

Need Summary

This project will provide a second source of dedicated RHCF care for individuals with neurodegenerative diseases in New York State, many of who currently must seek care in out-of-state facilities. In addition to enabling individuals with ND to be cared for closer to home, this will reduce the higher costs to the Medicaid system associated with the out-of-state placement of these residents.

Program Summary

Charles T. Sitrin has demonstrated an understanding of the specialized care required for neurodegenerative disease residents and has developed a program that will meet their needs. VAP/SN funding has assisted Sitrin in program development and will be utilized in its implementation. The proposed 32-bed dedicated neurological disease unit will repurpose an RHCF unit to create an environment that is conducive to the long term care of residents with neurological diseases.

Financial Summary

Project costs of \$1,243,900 will be met by \$643,900 from Sitrin's operations and \$600,000 in government grants. The government grants consist of \$500,000 through a NYS Energy Research and Development Authority Consolidated Funding Application, and \$100,000 from the NYS Office of Community Renewal through their Community Development Block Grant Program.

<u>Budget:</u>	<u>Year One</u>	<u>Year Three</u>
Revenues	\$1,858,405	\$3,197,138
Expenses	\$1,843,394	\$3,182,633
Net Income/(Loss)	\$15,011	\$14,505

The Medicaid rate adjustment anticipated to be funded through the Medicaid program for Years One through Three are pending Department and/or CMS approvals. As approval timelines are not predictable, the revenue calculations associated with the Year One and Year Three budgets were sensitized to reflect Sitrin's RHCF Medicaid payment rate under the current statewide pricing methodology. The sensitized budgets are consistent with Sitrin's current approved 2015 Medicaid payment rate and

project net losses of \$1,133,559 and \$624,466 for Years One and Three, respectively.

Review of the submitted and sensitized budgets indicates that the capability to proceed in a financially feasible manner during the initial three-year period requires governmental grant funding and ongoing Medicaid funding to achieve a break-even operating margin by year three.

The applicant has submitted an affidavit from the parent company attesting to temporarily fund any revenue shortfalls during the first three years of operation. A review off the Charles T. Sitrin Network of Homes and Services, Inc. consolidated balance sheet (BFA Attachment B) indicates that they have sufficient liquid resources to do so.

Subject to the noted contingencies and conditions, the applicant has demonstrated the capability to proceed in a financially feasible manner for years one and three.

Recommendations

Health Systems Agency

There will be no HSA recommendation for this project.

Office of Primary Care and Health Systems Management

Approval contingent upon:

1. Submission of a check for the amount enumerated in the approval letter, payable to the New York State Department of Health. Public Health Law Section 2802.7 states that all construction applications requiring review by the Public Health and Health Planning Council shall pay an additional fee of fifty-five hundredths of one percent of the total capital value of the project, exclusive of CON fees. [PMU]
2. Submission and programmatic review and approval of the final floor plans for the renovation of the space to be occupied by the new 32 bed Neurodegenerative Disease Unit. Plans should demonstrate an environment, including activity space and amenities that reflects recommendations for the care of individuals who suffer from neurodegenerative diseases. [LTC]
3. Submission and programmatic review and approval of the final functional program, including staffing model, to operate in the proposed new unit. [LTC]
4. Submission of the executed New York State Energy Research and Development Authority (NYSERDA) grant award document verifying the NYSEDA grant funding amount, purpose for use of funds, and timeline for distribution, acceptable to the Department of Health. (BFA)
5. Submission of an executed New York State Office of Community Renewal (NYSOCR) grant award document verifying the NYSOCR grant funding amount, purpose for use of funds, and timeline for distribution, acceptable to the Department of Health. (BFA)
6. Submission of the executed VAP Temporary Medicaid Rate Adjustment Agreement(s) (TMRAA) documenting the VAP award(s) to support operating cost deficits for years one through three of this project, acceptable to the Department of Health. (BFA).

Approval conditional upon:

1. The project must be completed within three years from the date of the Public Health and Health Planning Council recommendation letter. Failure to complete the project within the prescribed time shall constitute an abandonment of the application by the applicant and an expiration of the approval. [PMU]
2. Continued participation with the Neurodegenerative Disease Workgroup and a commitment to establish a Center of Excellence for the treatment of neurodegenerative disease. [LTC]
3. Compliance with any future laws, regulations or policies established by the Department for the treatment of residents with neurodegenerative diseases. [LTC]
4. CMS approval of the revised State Plan for enhanced reimbursement related to this population, unless an alternate funding mechanism is authorized in the state budget that would not require a State Plan Amendment. [BFA]
5. The applicant is required to submit Final Construction Documents, as described in BAER Drawing Submission Guidelines DSG-05, prior to the applicant's start of construction for record purposes. [AES]
6. Per 710.9 the applicant shall notify the appropriate Regional Office at least two months in advance of the anticipated completion of construction date to schedule any required pre-opening survey. Failure to provide such notice may result in delays affecting both the pre-opening survey and authorization by the Department to commence occupancy and/or operations. [AES]

7. Compliance with all applicable sections of the NFPA 101 Life Safety Code (2000 Edition), and the State Hospital Code during the construction period is mandatory. This is to ensure that the health and safety of all building occupants are not compromised by the construction project. This may require the separation of residents, patients and other building occupants, essential resident/patient support services and the required means of egress from the actual construction site. The applicant shall develop an acceptable plan for maintaining the above objectives prior to the actual start of construction and maintain a copy of same on site for review by Department staff upon request. [AES]
8. The applicant must adhere to the Construction Start (07/01/2015) and Completion Dates (09/30/2015). The Department understands that unforeseen circumstances may delay the start and completion of the project. It is the responsibility of the applicant to request prior approval for any changes to the start and completion dates. [AES]

Council Action Date
June 11, 2015

Need Analysis

Background

Charles T. Sitrin Health Care Center is proposing to develop this specialty unit to address an unmet need for specialty care within New York State, particularly in Upstate New York. The table below shows the proposed changes for the facility:

Bed Type	Bed Capacity	Proposed Action	Upon Completion
RHCF	155	0	155
Specialty Unit	0	+32	32
Total	155	+32	187

In conjunction with the development of this specialty unit, the facility intends to pursue recognition as a Neurodegenerative Disease Center of Excellence.

Need Analysis

Currently, there is one facility in New York State that has a unit dedicated to the neurodegenerative disease population, the Terrence Cardinal Cooke Health Center. Unfortunately, this rarely has any available beds. Many individuals with neurodegenerative disorders in need of skilled nursing care seek placement out-of-state in order to access specialty care. This not only places a strain on both patients and families, but also on the NYS Medicaid System. The proposed specialty unit will serve individuals with neurological disorders, including Huntington's disease, Parkinson's disease, Amyotrophic Lateral Sclerosis (ALS), and multiple sclerosis.

Charles T. Sitrin Health Care Center (Sitrin) has toured the Terrence Cardinal Cooke unit and studied the care model of Kindred Nursing and Rehabilitation – Laurel Lake in Massachusetts, where many of New York State's residents currently seek care. As a result, Sitrin believes that its facility can be an attractive alternative to out-of-state placement, as their proposed services are similar to the ones currently being offered out-of-state. Additionally, Sitrin's care level mix makes the facility uniquely positioned to address the needs of this population across a variety of service levels in a program focused on the unique needs related to their conditions. Given the specialty nature of the programming and care model to be developed, it is anticipated that patients will come from a broad geographical region. Sitrin's central location within ten miles of the Utica exit and within 15 miles of the Herkimer exit off the New York State Thruway, will provide families located in the Albany, Syracuse, and Rochester areas a reasonable commute to their loved ones and offer access to specialized, disease-focused care in a central location in Upstate New York.

According to the applicant, the disease specific demographics support the conclusion that many individuals who will reside in the unit will be younger than the typical long-term care resident, and particular attention will need to be given to the recreational and psychosocial needs of a younger long-term care population. Sitrin has been providing post-acute short and long-term rehabilitation since 1997 for many younger individuals.

In establishing its Center of Excellence, Sitrin plans to work with the University of Rochester's Huntington's Disease Society of America Center of Excellence. The University of Rochester's statistics for the last three years indicate the number of patients they treated with Huntington's disease:

- 2011: 226 total patients, 52 new cases
- 2012: 246 total patients, 60 new cases
- 2013: 256 total patients, 65 new cases

It should also be noted that the number of patients in the central part of state is steadily increasing every year. This supports the need for this type of specialty unit, especially in Central New York. Charles T. Sitrin Health Care Center RHCF utilization between 2010 and 2013 was 96.9%, 96.9%, 97.0%, and 97.7%, respectively. Current utilization, as of April 15, 2015 is 98.7%. Sitrin's RHCF utilization has continually met or exceeded the planning optimum for the last several years.

Conclusion

This project will provide a second source of dedicated neurodegenerative disease RHCf care for residents of New York State. In addition to enabling individuals with neurodegenerative diseases to be cared for closer to home, this will reduce costs to the Medicaid system through elimination of the higher costs associated with out-of-state placement of these residents.

Recommendation

From a need perspective, approval is recommended.

Program Analysis

Facility Information

	EXISTING	PROPOSED
FACILITY NAME	Charles T Sitrin Health Care Center, Inc.	Same
ADDRESS	2050 Tilden Avenue New Hartford, NY 13413	Same
RHCF CAPACITY	155	187
ADHCP CAPACITY	40	Same
TYPE OF OPERATOR	Voluntary / not-for-profit	Same
CLASS OF OPERATOR	Corporation	Same
OPERATOR	Charles T Sitrin Health Care Center, Inc.	Same

Program Review

Charles T. Sitrin Health Care Center, Inc. (Sitrin) is an existing 155-bed RHCf with an adult day health care program with a program capacity of 40 located in New Hartford, Oneida County. The nursing home is configured into nine small houses of 12-14 long term care residents with a 46 bed short term rehabilitation unit in the existing nursing home building. When the small house construction was completed the certified beds for the long term care units were moved from the main health center to the small houses, with the former 47 bed unit on the second floor utilized for administrative space. Sitrin proposes reusing this area to create a new 32-bed specialty skilled nursing unit in the now vacant space to serve individuals with neurodegenerative diseases, including Huntington's Disease (HD), ALS, and Parkinson's Disease.

The proposed neurodegenerative program will be funded, in part, through a \$2 million Vital Access/Safety Net Provider Program (VAP) award. On September 17, 2014 Governor Andrew M. Cuomo announced \$5 million in funding for nursing home providers to support Neurodegenerative Disease Centers for Excellence. Sitrin will develop their program under the tutelage of experts in the care of neurodegenerative individuals, and will work with the University of Rochester HDSA Center of Excellence in identifying the needs of residents and their families. The creation of this unit will serve as one component of a Center of Excellence for Neurological Diseases. As a Center of Excellence, Charles Sitrin plans to create an outreach program and other supportive programs on-site for people who suffer from neurological diseases, including supportive family services, adult day health care, and outpatient services.

Currently there is only one dedicated Huntington's unit at Terrence Cardinal Cooke Health Center (TCC) in New York. This lack of capacity to meet the needs of HD individuals results in them seeking care in out of state facilities. Development of the proposed dedicated unit would address the demand in-state for a specialized program geared towards neurodegenerative residents and their families. In addition to skilled nursing, Sitrin has the capability to offer alternative levels of care to individuals with neurodegenerative disease prior to a nursing home placement. These services include outpatient therapy, adult day care (both social and medical model), and respite care for short stays. Sitrin also has the ability to provide accommodations to families members who may have to travel to visit residents of the unit.

Sitrin will operate a neurodegenerative program that was developed following review of the TCC unit and the Laurel Lakes program in Massachusetts, which serves many New York HD residents. Neurodegenerative diseases are progressive in nature, and require a focused long term care program to serve these residents, who usually require nursing home level of care from the age of 40 to 50. The program must exhibit flexibility in providing care for the residents of the unit as they gradually deteriorate until end stage. These residents require a safe and stable environment with a consistent daily routine. Staff turnover in turn needs to be kept at a minimum to ensure that the care plans are consistent and do not cause residents to feel threatened. A majority of HD residents will suffer from chorea which will require specialized equipment and training to minimize injuries, including injuries to staff. The spasticity of the residents also creates a need for high calorie diets, with nutritional planning and individualized feeding essential in maintaining their well-being.

Physical Environment

The proposed unit will be located in Sitrin's main health care center building in currently vacant space on the second floor. The area became vacant when the 40-bed nursing unit was decanted into a number of small houses on the Sitrin campus. The nursing unit has been well maintained and requires minimal renovation in to accommodate the proposed program. The building sits in the front of a spacious campus in a rural type setting. There is ample open air space and grounds to support outdoor activities for residents of the neurodegenerative unit.

The unit itself is T-shaped with a nurse station and large dining and activity room located at the intersection of the three wings. Access into the unit is made through elevators located at the intersection of the T across from the nurse station. The elevators open into an inviting lobby adjacent to the main entrance and parking lot.

The neurodegenerative unit will contain 26 resident rooms configured as 20 singles and six doubles, for a total of 32 beds. The high ratio of single-bedded rooms is intended to permit the program to offer individualized care to each resident and provide ample space for the significant quantity of equipment required to support residents with neurological diseases. Each room will contain an ADA compliant toilet room. One double bedded room will include a shower. Due to the chorea and risk of falls associated with neurological diseases, it is expected that bathing will require staff assistance. The unit will include a large central bathing suite located across from the nurse station at the intersection of the T. Bathing will be integrated into the nightly routine for residents as an activity to soothe and calm residents in preparation for settling down for sleep.

Activities for the residents will take place on unit, in the therapy suite, and outside on the campus grounds. The unit has two spaces designed for activities in the northwest side and on the northern end of the unit. The on unit space is adequate to support the proposed program for the residents. In order to address the HD residents' tendencies to perspire profusely, and the inherent danger of falls stemming from their chorea, a large central bathing area is situated adjacent to the northwest dining/activity area. Rehabilitation support will be available in the large therapy suite with therapy pool located on the first floor of the building. The therapy area and pool are sufficiently sized to accommodate both the neurodegenerative and existing 46 bed short term rehabilitation nursing units. Direct access to the therapy area will be made through an additional elevator on the southern end of the unit. Resident supportive services including a dental office and the barber and beauty salon are located adjacent to the rehab area. Sitrin will afford residents the opportunity for off-site recreational activities at another campus three miles from the main facility. Sitrin will also conduct therapeutic horseback riding at a local stable with whom they have an existing relationship.

Compliance

Charles T Sitrin Health Care Center is currently in substantial compliance with all applicable codes, rules and regulations.

Conclusion

Charles T. Sitrin has demonstrated an understanding of the specialized care required for neurodegenerative disease residents and has developed a program that will meet their needs. VAP/SN funding has assisted Sitrin in program development and will be utilized in its implementation. The proposed 32 bed dedicated neurological disease unit will repurpose a previously compliant RHCF unit to create an environment that is conducive to the long term care of residents with neurological diseases.

Recommendation

From a programmatic perspective, contingent approval is recommended.

Financial Analysis

Total Project Cost and Financing

Total project cost, which is for demolition, renovation and the acquisition of movable equipment, is estimated at \$1,243,900, further broken down as follows:

Renovation & Demolition	\$671,650
Design Contingency	\$34,332
Construction Contingency	\$68,665
Movable Equipment	\$445,460
Telecommunications	\$15,000
Application Fees	\$2,000
Additional Processing Fees	<u>\$6,793</u>
Total Project Cost	\$1,243,900

Project costs are based on a mid-summer 2015 construction start date with a five-month construction period.

The applicant's financing plan appears as follows:

Equity	\$643,000
NYSERDA Grant	\$500,000
NYSOCR Grant	<u>\$100,000</u>
Total	\$1,243,900

Operating Budget

The applicant has submitted an incremental operating budget, in 2015 dollars, for years one and three of operations, as summarized below:

	<u>Year One Per Diem</u>	<u>Year One Incremental Total</u>	<u>Year Three Per Diem</u>	<u>Year Three Incremental Total</u>
Op. Revenue:				
Medicaid FFS	\$602.42	\$1,843,405	\$275.20	\$3,182,138
Non-Op. Revenue:		\$15,000		\$15,000
Total Revenue		\$1,858,405		\$3,197,138
Expenses:				
Operating	\$551.98	\$1,689,056	\$261.90	\$3,028,295
Capital	<u>\$50.44</u>	<u>\$154,338</u>	<u>\$13.35</u>	<u>\$154,338</u>
Total Expenses	\$602.42	\$1,843,394	\$275.25	\$3,182,633
Net Income		\$15,011		\$14,505
Patient days		3,060		11,563
Occupancy		26.20%		99.00%

The following is noted with respect to the above operating budget:

- Medicaid revenues are based on the statewide pricing methodology, plus a daily Medicaid rate add-on. The proposed Year One rate of \$602.42 includes the current Statewide Medicaid operating cost rate of \$165.17, incremental capital costs of \$5.18, plus the Year One rate add-on of \$432.07. The proposed Year Three rate of \$275.20 includes the current estimated Statewide Medicaid rate for Year Three of \$163.22 without the capital per diem, plus the Year Three rate add on of \$111.98.
- As submitted, incremental occupancy is projected at 26.2% for Year One and increases to 99.0% by Year Three, bringing the ND specialty unit to almost full capacity.
- Breakeven occupancy for Year Three is projected to be 98.55%.

Patient days associated with Years One and Three are estimated at 3,060 and 11,563, respectively. Due to the nature of the ND disease process, the utilization assumption is that 100% of the patients will be Medicaid. Expense assumptions are based on the historical experience of the applicant in operating geriatric RHCF beds, plus anticipated additional costs to enhance staffing and address the specialty program service needs for this patient population.

As enhanced reimbursement has not been authorized for this population to date, the Department has sensitized the budget using current RHCF Medicaid reimbursement rates. The sensitized budget shows that the facility will generate a net loss of (\$1,133,559) and (\$624,468) for Years One and Three, respectively.

Capability and Feasibility

Total project cost of \$1,243,900 will be met will be met as follows: \$643,900 from the operations of Sitrin and \$600,000 in government grants as noted above.

Working capital requirements are estimated at \$530,438, which is equivalent to two months of Year Three expenses. The applicant has indicated that the working capital requirement will be provided in full from the additional Medicaid revenue support for this program.

BFA Attachment A presents the 2012-2014 certified and the 1/1/15-3/31/2015 internal financial summaries of Charles T. Sitrin Health Care Center, Inc. The applicant generated both positive working capital and net asset positions, and had an average net loss of \$1,445,580 for the period 2012 through 2014. The applicant generated both positive working capital and net asset positions and had a net loss of \$152,983 for the period 1/1/2015-3/31/2015. The applicant indicated that the losses were due to significant changes in reimbursement methodologies during this period which negatively impacted Sitrin's overall operations. The main cause was the change to a statewide pricing methodology for nursing homes Medicaid rates, which resulted in over a one million dollar reduction in annual reimbursement. Also, the change from Medicaid Fee-For-Service to Medicaid Managed Care negative impacted Sitrin's D&TC operations beginning in 2012. In order to rectify the losses, the facility implemented an administrative layoff in the fourth quarter of 2013, required employees to pay more towards their health benefits in 2014, and closed two of their offsite dental clinics. The facility still shows a loss for 2015 but the loss is greatly reduced compared to the 2012 -2014 certified financial statements. BFA Attachment A shows that the applicant has sufficient funds available to cover the equity requirements for this project.

The submitted budget indicates a net incomes of \$15,011 and \$14,505 during Years One and Three. Revenues are based on the current Medicaid statewide pricing methodology with a significant Medicaid rate enhancement anticipated to be supported by funding through the Medicaid program. The applicant has submitted an affidavit attesting to fund any revenue shortfalls from their parent company the Charles T. Sitrin Network of Homes and Services, Inc.

As enhanced reimbursement has not been authorized for this population to date, and rests upon Department and/or CMS approvals for payment, we have sensitized the budgets using current RHCF Medicaid reimbursement rates. The sensitized budget indicates net losses of \$1,133,559 and \$624,468 during Years One and Three, respectively. These projected losses are based on the facility's current Medicaid statewide pricing rates should no enhanced funding be authorized.

Conclusion

For Years One through Three, the applicant has demonstrated the capability to proceed in a financially feasible manner contingent upon receiving governmental grant funding and ongoing enhanced Medicaid funding to support operating costs related to the care of patients with Neurodegenerative Diseases (ND). The Department will obtain necessary approvals to establish a new specialty unit designation for ND and associated enhanced Medicaid reimbursement to support the skilled nursing home care needs of this specialty population for subsequent years. Subject to the noted contingencies and condition, the applicant has demonstrated the capability to proceed in a financially feasible manner and contingent and conditional approval is recommended.

Recommendation

From a financial perspective, contingent approval is recommended.

Attachments	
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BFA Attachment A	2012-2014 certified and 1/1/15-3/31/15 internal financial statements for Charles T. Sitrin Health Care Center, Inc.
BFA Attachment B	2011-2013 Certified financial statements for the Charles T. Sitrin Network of Homes and Services, Inc.

Charles T.Sitrin Health Care Center, Inc.				
	1/1/2015- 3/31/2015 Internal	2014	2013	2012
ASSETS - CURRENT	\$9,059,315	\$6,706,625	\$6,826,987	\$8,439,201
ASSETS - FIXED AND OTHER	\$32,811,902	\$34,418,530	\$36,738,833	\$38,587,756
TOTAL ASSETS	\$41,871,217	\$41,125,155	\$43,565,820	\$47,026,957
LIABILITIES - CURRENT	\$4,831,184	\$5,465,208	\$5,317,865	\$5,502,114
LIABILITIES - LONG-TERM	\$24,349,528	\$22,816,462	\$25,449,501	\$27,928,578
TOTAL LIABILITIES	\$29,180,712	\$28,281,670	\$30,767,366	\$33,430,692
WORKING CAPITAL	\$4,228,131	\$1,241,417	\$1,509,122	\$2,937,087
INCOME	\$5,362,121	\$21,751,162	\$22,820,650	\$23,498,280
EXPENSE	\$5,515,104	\$22,718,196	\$24,786,820	\$24,976,591
NET INCOME	(\$152,983)	(\$892,260)	(\$1,966,170)	(\$1,478,311)
NET ASSET POSITION	\$12,690,505	\$12,843,485	\$12,798,454	\$13,596,265

Charles T. Sitrin H.C.C.
Balance Sheet
For the Period Ending March 31, 2015

Current Fiscal Year

Period Balance
Last Fiscal Yr

Current Assets

Cash	4,602,679.95	4,596,361.56
Short Term Investments	1,457,313.75	1,391,255.70
Accounts Receivable (Net)	2,298,178.37	2,348,561.18
Due From Affiliates	138,059.93	171,228.78
Inventory	43,465.52	43,468.30
Prepaid Expenses	272,455.66	218,857.54
Short Term Insurance Claims Rec.	247,062.00	258,454.00
Total Current Assets	9,059,315.18	9,028,187.06

Other Assets

Construction in Progress	40,972.18	1,491.00
Property, Plant, and Equipment	52,640,005.49	53,062,171.95
Accumulated Depreciation	-22,433,503.32	-21,045,292.16
Net Property, Plant, and Equipment	30,247,474.35	32,018,370.79
Debt Issuance Costs, net	1,026,361.33	1,135,495.21
Outside Company Investments	30,000.00	30,000.00
Note Receivable - Child Care Center	78,323.67	102,545.83
Long Term Insurance Claims Rec.	1,429,742.00	1,717,254.00
Total Other Assets	32,811,901.35	35,003,665.83

Total Assets

41,871,216.53

44,031,852.89

Charles T. Sitrin H.C.C.
 Balance Sheet
 For the Period Ending March 31, 2015

Current Fiscal Year

Period Balance
 Last Fiscal Yr

Current Liabilities

Trade/Accounts Payable	934,351.22	430,502.43
Accrued Compensation	1,118,705.98	1,187,290.53
Accrued Self-Insurance Reserve	117,294.38	165,000.00
Third Party Payables	2,280,000.00	1,890,000.00
Short-Term Insurance Claims Liab.	247,162.00	258,354.00
Due to Resident Trust Fund	41,463.04	31,302.89
Deferred Revenue - Resident Deposits	118,446.18	81,570.65
Due to Affiliates	473,761.15	429,725.25
Total Current Liabilities	4,831,183.95	4,473,845.75

Bonds Payable	21,125,000.00	22,715,000.00
Long Term Insurance Claims Liab.	1,429,742.00	1,717,254.00
Interest Rate Swap Liability	1,794,785.58	2,461,442.58
Total Long Term Debt	24,349,527.58	26,913,696.58

Fund Balance

Unrestricted Fund Balance	12,843,487.93	12,798,459.30
Current Year Profit(Loss)	-152,982.99	-154,148.74
Total Fund Balance	12,690,505.00	12,644,310.56
Total Liabilities and Fund Balance	41,871,216.53	44,031,852.89

Fac 1 Charles T. Sitrin H.C.C.
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Income Statement
For the Period Ending March 31, 2015

----- MONTHLY INFORMATION -----

LAST YEAR	ACTUAL	ACTUAL	BUDGET	VARIANCE	
1,378,987	1,402,511	1,398,673	3,838	SNF Revenue	
0	5,227	2,548	2,679	Respite Revenue	
99,961	98,960	100,723	-1,763	Adult Day Care Revenue	
27,088	18,385	29,429	-11,044	CORF - Physical Therapy Revenue	
1,145	1,381	0	1,381	CORF - Occupational Therapy Revenue	
3,247	-9	2,590	-2,599	CORF - Speech Therapy Revenue	
8,648	2,648	5,761	-3,113	D&T - Physical Therapy Revenue	
81	116	0	116	D&T - Occupational Therapy Revenue	
791	0	764	-764	D&T - Speech Therapy Revenue	
121,127	131,470	125,274	6,196	D&T - Dental New Hartford Revenue	
42,952	0	0	0	D&T - Dental Oneida Revenue	
3	0	0	0	D&T - Dental Ilion Revenue	
196	-37	0	-37	D&T - Podiatry Revenue	
7,203	1,092	5,096	-4,004	D&T - Audiology Revenue	
213	697	0	697	D&T - Psychology Revenue	
2,600	3,013	4,247	-1,234	D&T - ADD Revenue	
181,300	196,248	168,810	27,439	Other Operating Revenue	
1,875,543	1,861,703	1,843,915	17,788	Total Operating Revenue	

----- YEAR TO DATE INFORMATION -----

LAST YEAR	ACTUAL	ACTUAL	BUDGET	VARIANCE	
3,993,894	4,093,457	4,060,664	32,793	SNF Revenue	
10,132	12,983	7,397	5,586	Respite Revenue	
267,829	259,628	268,268	-8,639	Adult Day Care Revenue	
74,991	50,563	85,438	-34,875	CORF - Physical Therapy Revenue	
3,265	3,020	0	3,020	CORF - Occupational Therapy Revenue	
5,721	-127	7,521	-7,648	CORF - Speech Therapy Revenue	
18,258	6,906	16,726	-9,821	D&T - Physical Therapy Revenue	
1,318	1,041	0	1,041	D&T - Occupational Therapy Revenue	
1,618	-35	2,219	-2,254	D&T - Speech Therapy Revenue	
294,531	408,109	363,699	44,410	D&T - Dental New Hartford Revenue	
148,531	0	0	0	D&T - Dental Oneida Revenue	
27	0	0	0	D&T - Dental Ilion Revenue	
854	-686	0	-686	D&T - Podiatry Revenue	
11,627	7,269	14,795	-7,526	D&T - Audiology Revenue	
25	1,898	0	1,898	D&T - Psychology Revenue	
7,980	8,687	12,329	-3,641	D&T - ADD Revenue	
474,616	490,866	475,479	15,387	Other Operating Revenue	
5,315,217	5,343,579	5,314,534	29,045	Total Operating Revenue	

42,140	36,609	41,930	5,321	Nursing Administration
25,896	25,580	29,301	3,722	Nursing - General
12,482	12,490	12,494	3	Utilization Review
124,385	136,994	143,796	6,801	Nursing - Rehab Unit
0	36,117	0	-36,117	Neurological Specialty Unit
210,834	224,057	245,359	21,302	Nursing - Houses
5,581	8,402	9,807	1,405	Inservice
22,600	21,637	23,206	1,570	Adult Day Care
43,335	40,947	38,255	-2,692	Physical Therapy - Inpatient
36,273	28,522	29,184	661	Occupational Therapy - Inpatient
8,784	6,075	5,441	-634	Speech Therapy - Inpatient
6,016	6,016	6,401	385	Dental - Inpatient
17,435	17,239	17,419	180	Social Services
131,273	137,622	128,042	-9,579	Dietary
4,105	3,269	3,219	-51	Cafeteria #1 and #2
8,428	8,562	8,438	-124	Medical Records
12,346	13,294	12,153	-1,141	Activities
11,484	10,262	12,743	2,481	Personnel
5,691	5,470	5,637	168	Beauty and Barber
27,952	26,637	27,044	407	Housekeeping
44,050	14,349	15,585	1,236	Laundry
40,008	37,116	38,837	1,721	Consultants - Inpatient
7,212	7,542	7,091	-451	Physician Assistant
56,827	53,802	49,169	-4,633	Maintenance
8,094	8,102	10,326	2,224	Transportation
5,205	5,228	5,481	252	Volunteer Services
94,276	111,303	103,002	-8,301	Administration
44,997	43,618	46,074	2,456	Accounting
14,683	13,202	13,097	-105	Information Systems
346	430	340	-90	Gift Shop

127,540	120,429	121,732	1,303	Nursing Administration
84,697	92,135	85,069	-7,067	Nursing - General
34,915	36,252	36,272	21	Utilization Review
395,864	398,501	417,471	18,970	Nursing - Rehab Unit
0	36,340	0	-36,340	Neurological Specialty Unit
676,179	653,367	712,334	58,967	Nursing - Houses
25,683	24,728	28,471	3,743	Inservice
64,498	63,352	69,142	5,789	Adult Day Care
121,609	114,049	111,064	-2,986	Physical Therapy - Inpatient
96,862	92,422	84,727	-7,695	Occupational Therapy - Inpatient
24,331	18,444	15,796	-2,648	Speech Therapy - Inpatient
17,207	17,527	18,584	1,057	Dental - Inpatient
50,932	50,763	50,573	-190	Social Services
361,146	386,080	371,736	-14,344	Dietary
10,720	9,246	9,345	100	Cafeteria #1 and #2
24,802	24,742	24,497	-245	Medical Records
34,766	34,977	35,283	307	Activities
35,287	39,025	41,093	2,068	Personnel
16,299	15,664	16,366	703	Beauty and Barber
81,719	78,500	78,516	16	Housekeeping
47,508	41,464	45,247	3,782	Laundry
133,245	109,546	115,451	5,905	Consultants - Inpatient
21,320	21,275	20,586	-689	Physician Assistant
118,983	138,715	142,749	4,034	Maintenance
18,505	30,535	29,977	-558	Transportation
9,036	17,023	17,984	961	Volunteer Services
279,838	289,769	302,813	13,044	Administration
128,812	120,633	127,472	6,839	Accounting
42,021	38,830	38,022	-807	Information Systems
814	1,041	986	-55	Gift Shop

Fac 1 Charles T. Sitrin H.C.C.
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Income Statement
For the Period Ending March 31, 2015

----- MONTHLY INFORMATION -----

LAST YEAR ----- THIS YEAR -----

ACTUAL ACTUAL BUDGET VARIANCE

LAST YEAR ACTUAL	THIS YEAR ACTUAL	BUDGET	VARIANCE	
930	125	637	512	Outpatient Administration
5,625	9,119	5,232	-3,887	Outpatient - Maintenance
1,628	2,392	1,648	-744	Outpatient Housekeeping
18,366	19,766	18,719	-1,047	Outpatient Physical Therapy
0	0	0	0	Outpatient Occupational Therapy
3,966	3,759	3,508	-251	Outpatient Speech Therapy
10,377	2,990	4,501	1,512	Audiology Clinic
2,062	2,899	2,603	-296	Wellness
600	0	0	0	Podiatry Clinic
0	600	340	-260	Psychology Clinic
3,100	4,025	3,058	-967	ADD Clinic
81,028	111,723	110,283	-1,440	Dental Clinic - New Hartford
39,684	0	0	0	Dental Clinic - Oneida
2,227	0	0	0	Dental Clinic - Ilion
0	0	0	0	Dental Clinic - Mobile
27,434	25,719	27,759	2,039	Foundation Expenses
168,857	173,293	179,427	6,134	Employee Benefits
54,181	74,246	61,477	-12,769	Utilities
86,404	101,625	100,198	-1,427	Unassigned Expenses
6,364	6,129	6,795	666	Communications
0	0	0	0	Camp Sitrin/Kids Oneida
218,024	210,389	210,046	-343	Depreciation and Amortization
117,204	108,797	107,710	-1,087	Interest
1,920,795	1,958,089	1,932,808	-25,280	Total Operating Expenses
-45,252	-96,385	-88,893	-7,492	Operating Profit/(Loss)
5,516	-11,382	3,822	-15,204	Interest Revenue
-4,470	-849	0	-849	Other Non-Operating Revenue
1,046	-12,230	3,822	-16,052	Total Non-Operating Revenue
-44,206	-108,616	-85,071	-23,544	Net Profit/(Loss)

----- YEAR TO DATE INFORMATION -----

LAST YEAR ----- THIS YEAR -----

ACTUAL ACTUAL BUDGET VARIANCE

LAST YEAR ACTUAL	THIS YEAR ACTUAL	BUDGET	VARIANCE	
1,865	1,236	1,849	613	Outpatient Administration
25,854	16,091	15,189	-902	Outpatient - Maintenance
4,636	5,445	4,784	-662	Outpatient Housekeeping
61,652	58,594	56,345	-2,249	Outpatient Physical Therapy
0	0	0	0	Outpatient Occupational Therapy
14,782	11,035	10,184	-851	Outpatient Speech Therapy
16,956	11,901	13,068	1,167	Audiology Clinic
6,628	8,095	7,558	-537	Wellness
1,200	0	0	0	Podiatry Clinic
65	1,270	986	-284	Psychology Clinic
7,635	8,880	8,877	-3	ADD Clinic
244,455	323,695	322,421	-1,274	Dental Clinic - New Hartford
119,557	0	0	0	Dental Clinic - Oneida
7,600	0	0	0	Dental Clinic - Ilion
0	0	0	0	Dental Clinic - Mobile
78,543	74,077	80,590	6,513	Foundation Expenses
377,351	451,692	505,586	53,893	Employee Benefits
235,425	185,882	198,086	12,204	Utilities
279,318	273,799	284,255	10,456	Unassigned Expenses
19,856	19,959	19,726	-233	Communications
14	0	0	0	Camp Sitrin/Kids Oneida
653,727	632,178	630,121	-2,057	Depreciation and Amortization
340,025	315,900	312,720	-3,180	Interest
5,582,283	5,515,104	5,641,701	126,598	Total Operating Expenses
-267,066	-171,524	-327,167	155,643	Operating Profit/(Loss)
17,387	17,318	11,096	6,223	Interest Revenue
95,530	1,223	0	1,223	Other Non-Operating Revenue
112,917	18,541	11,096	7,445	Total Non-Operating Revenue
-154,149	-152,983	-316,071	163,088	Net Profit/(Loss)

CHARLES T. SITRIN HEALTH CARE CENTER, INC.

Balance Sheets

December 31, 2014 and 2013

<u>Assets</u>	<u>2014</u>	<u>2013</u>
Current assets:		
Cash and cash equivalents	\$ 2,715,813	3,141,284
Investments	1,318,762	1,285,897
Patient accounts receivable, net of allowance for doubtful accounts of \$357,500 and \$185,000 in 2014 and 2013, respectively	2,038,428	1,995,078
Inventories	42,488	46,137
Prepaid expenses and other assets	566,730	334,429
Note receivable from affiliate	24,404	24,162
	<hr/>	<hr/>
Total current assets	6,706,625	6,826,987
Deposits from patients	100,043	81,059
Cash held in trust for patients	36,891	44,745
Assets limited as to use	954,754	952,847
Property and equipment, net	30,753,458	32,665,748
Note receivable from affiliate	59,998	84,402
Unamortized debt issuance costs, net of accumulated amortization of \$698,677 and \$589,543 in 2014 and 2013, respectively	1,053,644	1,162,778
Other assets	1,459,742	1,747,254
	<hr/>	<hr/>
	\$ 41,125,155	43,565,820
	<hr/>	<hr/>

<u>Liabilities and Net Assets</u>	<u>2014</u>	<u>2013</u>
Current liabilities:		
Current portion of long-term debt	\$ 1,670,000	1,590,000
Accounts payable	472,223	387,587
Accrued expenses and other liabilities	1,311,456	1,500,552
Due to affiliates, net	297,209	46,400
Estimated third-party payor settlements, net	<u>1,714,320</u>	<u>1,793,326</u>
Total current liabilities	5,465,208	5,317,865
Deposits from patients	100,043	81,059
Cash held in trust for patients	36,891	44,745
Long-term debt, net of current portion	19,455,000	21,125,000
Interest rate swap liability	1,794,786	2,481,443
Other liabilities	<u>1,429,742</u>	<u>1,717,254</u>
Total liabilities	28,281,670	30,767,366
Unrestricted net assets	<u>12,843,485</u>	<u>12,798,454</u>
Contingencies		
	<u>\$ 41,125,155</u>	<u>43,565,820</u>

CHARLES T. SITRIN HEALTH CARE CENTER, INC.

Statements of Operations and Changes in Net Assets

Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Unrestricted revenues, gains and other support:		
Net patient service revenue	\$ 19,684,547	20,687,924
Other operating revenue	<u>2,066,615</u>	<u>1,967,456</u>
Total revenues, gains and other support	<u>21,751,162</u>	<u>22,655,380</u>
Expenses:		
Salaries and wages	10,749,489	12,355,909
Fringe benefits	2,558,590	3,102,182
Supplies and other expenses	4,233,622	4,187,988
Depreciation and amortization	2,568,384	2,575,955
Provision for bad debts	280,907	105,227
Interest	1,363,932	1,454,602
New York State gross receipts tax	<u>963,272</u>	<u>1,004,957</u>
Total expenses	<u>22,718,196</u>	<u>24,786,820</u>
Loss from operations	<u>(967,034)</u>	<u>(2,131,440)</u>
Nonoperating gains and other support, net:		
Interest and dividend income	75,404	46,919
Gain (loss) on disposal of equipment	(182,892)	52,439
Unrestricted contributions	182,262	67,727
Contributions to Sitrin Child Day Care Facility, Inc.	<u>-</u>	<u>(1,815)</u>
Total nonoperating gains and other support, net	<u>74,774</u>	<u>165,270</u>
Deficiency of revenues over expenses	(892,260)	(1,966,170)
Change in fair value of interest rate swap	686,657	1,026,216
Change in net unrealized gains and losses on investments	(12,779)	142,143
Contributions received for purchase of property and equipment	<u>263,413</u>	<u>-</u>
Increase (decrease) in net assets	45,031	(797,811)
Net assets at beginning of year	<u>12,798,454</u>	<u>13,596,265</u>
Net assets at end of year	<u>\$ 12,843,485</u>	<u>12,798,454</u>

CHARLES T. SITRIN HEALTH CARE CENTER, INC.

Balance Sheets

December 31, 2013 and 2012

<u>Assets</u>	<u>2013</u>	<u>2012</u>
Current assets:		
Cash and cash equivalents	\$ 3,141,284	4,639,171
Investments	1,285,897	1,146,843
Patient accounts receivable, net of allowance for doubtful accounts of \$185,000 and \$175,000 in 2013 and 2012, respectively	1,995,078	2,074,544
Inventories	46,137	47,540
Prepaid expenses and other assets	334,429	481,081
Due from affiliates, net	-	26,101
Note receivable from affiliate	<u>24,162</u>	<u>23,921</u>
Total current assets	6,826,987	8,439,201
Deposits from patients	81,059	116,661
Cash held in trust for residents	44,745	72,513
Assets limited as to use	952,847	950,938
Property and equipment, net	32,665,748	34,136,423
Note receivable from affiliate	84,402	152,564
Unamortized debt issuance costs, net of accumulated amortization of \$589,543 and \$480,409 in 2013 and 2012, respectively	1,162,778	1,271,912
Other assets	<u>1,747,254</u>	<u>1,886,745</u>
	<u>\$ 43,565,820</u>	<u>47,026,957</u>

<u>Liabilities and Net Assets</u>	<u>2013</u>	<u>2012</u>
Current liabilities:		
Current portion of long-term debt	\$ 1,590,000	1,590,000
Accounts payable	387,587	430,697
Accrued expenses and other liabilities	1,500,552	1,548,676
Due to affiliates, net	46,400	-
Estimated third-party payor settlements, net	<u>1,793,326</u>	<u>1,932,741</u>
Total current liabilities	5,317,865	5,502,114
Deposits from patients	81,059	116,661
Cash held in trust for residents	44,745	72,513
Long-term debt, net of current portion	21,125,000	22,715,000
Interest rate swap liability	2,481,443	3,507,659
Other liabilities	<u>1,717,254</u>	<u>1,516,745</u>
Total liabilities	30,767,366	33,430,692
Unrestricted net assets	<u>12,798,454</u>	<u>13,596,265</u>
Contingencies		
	<u>\$ 43,565,820</u>	<u>47,026,957</u>

CHARLES T. SITRIN HEALTH CARE CENTER, INC.

Statements of Operations and Changes in Net Assets

Years ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Unrestricted revenues, gains and other support:		
Net patient service revenue	\$ 20,687,924	21,528,994
Other operating revenue	<u>1,967,456</u>	<u>1,796,804</u>
Total revenues, gains and other support	<u>22,655,380</u>	<u>23,325,798</u>
Expenses:		
Salaries and wages	12,355,909	12,214,425
Fringe benefits	3,102,182	3,105,863
Supplies and other expenses	4,187,988	4,219,712
Depreciation and amortization	2,575,955	2,580,282
Provision for bad debts	105,227	16,925
Interest	1,454,602	1,535,112
New York State gross receipts tax	<u>1,004,957</u>	<u>1,304,272</u>
Total expenses	<u>24,786,820</u>	<u>24,976,591</u>
Loss from operations	<u>(2,131,440)</u>	<u>(1,650,793)</u>
Nonoperating gains and other support, net:		
Interest and dividend income	46,919	45,827
Gain on disposal of equipment	52,439	59,746
Unrestricted contributions	67,727	72,519
Contributions to Sitrin Child Day Care Facility, Inc.	<u>(1,815)</u>	<u>(5,610)</u>
Total nonoperating gains and other support, net	<u>165,270</u>	<u>172,482</u>
Deficiency of revenues over expenses	(1,966,170)	(1,478,311)
Change in fair value of interest rate swap	1,026,216	363,862
Change in net unrealized gains and losses on investments	142,143	93,698
Contributions received for purchase of property and equipment	-	63,500
Contribution of land	<u>-</u>	<u>875,000</u>
Decrease in net assets	(797,811)	(82,251)
Net assets at beginning of year	<u>13,596,265</u>	<u>13,678,516</u>
Net assets at end of year	<u>\$ 12,798,454</u>	<u>13,596,265</u>

**CHARLES T. SITRIN NETWORK OF HOMES AND SERVICES, INC.
AND SUBSIDIARIES**

Consolidated Balance Sheets

December 31, 2013 and 2012

<u>Assets</u>	<u>2013</u>	<u>2012</u>
Current assets:		
Cash and cash equivalents	\$ 6,259,712	7,189,739
Investments	2,614,745	1,990,989
Guild assets	52,079	52,301
Patient and resident accounts receivable, net of allowance for doubtful accounts of \$196,375 in 2013 and \$177,542 in 2012	2,630,591	2,772,872
Pledges receivable, net	-	5,500
Inventories	50,691	54,544
Prepaid expenses and other assets	410,037	577,848
Beneficial interest in charitable trusts	<u>101,252</u>	<u>261,734</u>
Total current assets	12,119,107	12,905,527
Deposits from residents	229,015	248,933
Cash held in trust for residents	161,114	195,088
Assets limited as to use	975,356	1,003,257
Property and equipment, net	44,134,247	46,050,151
Land held for development	984,397	984,397
Art and collectibles	68,806	68,806
Beneficial interest in charitable trusts	1,984,516	1,946,742
Unamortized debt issuance costs, net of accumulated amortization of \$831,361 in 2013 and \$706,639 in 2012	1,311,577	1,436,299
Other assets	<u>1,912,859</u>	<u>1,886,745</u>
Total assets	<u>\$ 63,880,994</u>	<u>66,725,945</u>

<u>Liabilities and Net Assets</u>	<u>2013</u>	<u>2012</u>
Current liabilities:		
Current portion of long-term debt	\$ 1,949,241	1,976,746
Accounts payable	494,375	601,825
Accrued expenses and other liabilities	1,797,365	1,857,017
Estimated third-party payor settlements	<u>2,723,378</u>	<u>2,510,577</u>
Total current liabilities	6,964,359	6,946,165
Deposits from residents	229,015	248,933
Cash held in trust for residents	161,114	195,088
Long-term debt, net of current portion	25,761,170	27,666,713
Interest rate swap liability	2,742,905	3,889,562
Other liabilities	<u>1,882,859</u>	<u>1,516,745</u>
Total liabilities	<u>37,741,422</u>	<u>40,463,206</u>
Net assets:		
Unrestricted	23,568,745	23,724,646
Temporarily restricted	2,561,540	2,528,806
Permanently restricted	<u>9,287</u>	<u>9,287</u>
Total net assets	<u>26,139,572</u>	<u>26,262,739</u>
Contingencies (note 12)		
Total liabilities and net assets	<u>\$ 63,880,994</u>	<u>66,725,945</u>

See accompanying notes to consolidated financial statements.

**CHARLES T. SITRIN NETWORK OF HOMES AND SERVICES, INC.
AND SUBSIDIARIES**

Consolidated Statements of Operations

Years ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Revenue, gains and other support:		
Net patient and resident service revenue	\$ 27,645,676	28,218,194
Other operating revenue	1,386,840	1,312,653
Net assets released from restrictions used for operations	614,422	223,746
	<u>29,646,938</u>	<u>29,754,593</u>
Total revenue, gains and other support		
Expenses:		
Salaries and wages	15,725,367	15,595,058
Fringe benefits	3,768,275	3,725,546
Supplies and other expenses	5,633,823	5,740,594
Depreciation and amortization	3,294,580	3,285,888
Provision for bad debts	115,035	18,999
Interest	1,721,859	1,818,118
New York State gross receipts tax	1,166,453	1,455,979
	<u>31,425,392</u>	<u>31,640,182</u>
Total expenses		
Loss from operations	<u>(1,778,454)</u>	<u>(1,885,589)</u>
Nonoperating gains and other support, net:		
Investment income	73,969	105,639
Gain on disposal of equipment	69,811	58,301
Unrestricted contributions	145,942	155,983
	<u>289,722</u>	<u>319,923</u>
Total nonoperating gains and other support, net		
Deficiency of revenues over expenses	(1,488,732)	(1,565,666)
Change in net unrealized gains and losses on investments	186,174	105,175
Change in fair value of interest rate swap	1,146,657	364,485
Contribution of land	-	875,000
	<u>(155,901)</u>	<u>(221,006)</u>
Decrease in unrestricted net assets	<u>\$ (155,901)</u>	<u>(221,006)</u>

See accompanying notes to consolidated financial statements.

**CHARLES T. SITRIN NETWORK OF HOMES AND SERVICES, INC.
AND SUBSIDIARIES**

Consolidated Statements of Changes in Net Assets

Years ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Unrestricted net assets:		
Deficiency of revenues over expenses	\$ (1,488,732)	(1,565,666)
Change in net unrealized gains and losses on investments	186,174	105,175
Change in fair value of interest rate swap	1,146,657	364,485
Contribution of land	-	875,000
	<u>(155,901)</u>	<u>(221,006)</u>
Decrease in unrestricted net assets		
Temporarily restricted net assets:		
Restricted contributions	157,367	328,937
Investment income	170	110
Change in value of charitable trusts	489,619	(3,022)
Net assets released from restrictions used for operations	(614,422)	(223,746)
	<u>32,734</u>	<u>102,279</u>
Increase in temporarily restricted net assets		
Decrease in net assets	(123,167)	(118,727)
Net assets at beginning of year	<u>26,262,739</u>	<u>26,381,466</u>
Net assets at end of year	<u>\$ 26,139,572</u>	<u>26,262,739</u>

See accompanying notes to consolidated financial statements.

**CHARLES T. SITRIN NETWORK OF HOMES AND SERVICES, INC.
AND SUBSIDIARIES**

Consolidated Statements of Cash Flows


















Years ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Cash flows from operating activities:		
Change in net assets	\$ (123,167)	(118,727)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	3,294,580	3,285,888
Provision for bad debts	115,035	18,999
Reserve on pledges receivable	500	75,000
Change in net unrealized gains and losses on investments	(186,174)	(105,175)
Net realized gains on investments	(34,714)	(52,942)
Gain on disposal of equipment	(69,811)	(58,301)
Change in fair value of interest rate swap	(1,146,657)	(364,485)
Change in value of charitable trusts	(489,619)	3,022
Contributions received for purchase of property and equipment	(156,967)	(132,592)
Contribution of land	-	(875,000)
Changes in operating assets and liabilities:		
Inventories, prepaid expenses and other assets	(89,228)	(483,440)
Beneficial interest in charitable trusts	612,327	(48,001)
Patient and resident accounts receivable	27,246	(432,613)
Accounts payable, accrued expenses and other liabilities	199,012	493,419
Estimated third-party payor settlements	212,801	5,401,727
Net cash provided by operating activities	<u>2,165,164</u>	<u>6,606,779</u>
Cash flows from investing activities:		
Purchase of investments, net	(402,868)	(85,084)
Purchase of property and equipment	(1,257,157)	(1,237,389)
Proceeds from sales of property and equipment	73,014	29,618
Net (increase) decrease in assets limited as to use	27,901	(972,272)
(Increase) decrease in interest in executive's life insurance policy	240,000	(12,509)
Net cash used in investing activities	<u>(1,319,110)</u>	<u>(2,277,636)</u>
Cash flows from financing activities:		
Payments on long-term debt	(1,979,253)	(1,707,140)
Proceeds from issuance of long-term debt	46,205	227,753
Contributions received for purchase of property and equipment	156,967	132,592
Payment of debt issuance costs	-	(13,398)
Net cash used in financing activities	<u>(1,776,081)</u>	<u>(1,360,193)</u>
Net increase (decrease) in cash and cash equivalents	(930,027)	2,968,950
Cash and cash equivalents at beginning of year	<u>7,189,739</u>	<u>4,220,789</u>
Cash and cash equivalents at end of year	<u>\$ 6,259,712</u>	<u>7,189,739</u>

See accompanying notes to consolidated financial statements.

Charles T Sitrin Health Care Center Inc

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

Percentage of residents who...	Performance Ranking 
<p> Self-report moderate to severe pain (short stay) Reporting period: October 2013 to September 2014 31.5% This Facility 13.8% State average 18.5% National average</p>	<p> 1 out of 5 stars</p>
<p> Have pressure sores that are new or worsened Reporting period: October 2013 to September 2014 1.9% This Facility 1.1% State average 1.0% National average</p>	<p> 1 out of 5 stars</p>
<p> Were given, appropriately, the seasonal influenza vaccine (short stay) Reporting period: October 2013 to September 2014 99.2% This Facility 85.7% State average 84.1% National average</p>	<p> 5 out of 5 stars</p>
<p> Were given, appropriately, the pneumococcal vaccine Reporting period: October 2013 to September 2014 98.2% This Facility 84.5% State average 82.6% National average</p>	<p> 5 out of 5 stars</p>
<p> Newly received an antipsychotic medication Reporting period: October 2013 to September 2014 0.3% This Facility 2.3% State average 2.4% National average</p>	<p> 5 out of 5 stars</p>
<p> Needed increased help with daily activities (long stay) Reporting period: January to September 2014 12.3% This Facility 14.1% State average 15.6% National average</p>	<p> 3 out of 5 stars</p>
<p> Self-report moderate to severe pain (long stay) Reporting period: January to September 2014 9.1% This Facility 5.2% State average 7.6% National average</p>	<p> 2 out of 5 stars</p>
<p> Have pressure sores (long stay) Reporting period: January to September 2014 7.0% This Facility 7.6% State average 6.0% National average</p>	<p> 3 out of 5 stars</p>

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<p> Lose too much weight (long stay) Reporting period: January to September 2014 3.9% This Facility 6.3% State average 7.1% National average</p>	<p> 4 out of 5 stars</p>
<p> Lose control of their bowels or bladder (long stay, low risk) Reporting period: January to September 2014 61.9% This Facility 44.8% State average 44.6% National average</p>	<p> 1 out of 5 stars</p>
<p> Had a catheter inserted and left in their bladder (long stay) Reporting period: January to September 2014 2.2% This Facility 2.6% State average 3.1% National average</p>	<p> 3 out of 5 stars</p>
<p> Had a urinary tract infection (long stay) Reporting period: January to September 2014 2.5% This Facility 5.5% State average 5.7% National average</p>	<p> 5 out of 5 stars</p>
<p> Have depressive symptoms (long stay) Reporting period: January to September 2014 1.2% This Facility 11.4% State average 6.1% National average</p>	<p> 4 out of 5 stars</p>
<p> Were physically restrained (long stay) Reporting period: January to September 2014 0.6% This Facility 1.6% State average 1.1% National average</p>	<p> 3 out of 5 stars</p>
<p> Experienced one or more falls with major injury (long stay) Reporting period: January to September 2014 4.7% This Facility 2.7% State average 3.2% National average</p>	<p> 1 out of 5 stars</p>
<p> Were given, appropriately, the seasonal influenza vaccine (long stay) Reporting period: January to September 2014 100.0% This Facility 96.2% State average 94.6% National average</p>	<p> 5 out of 5 stars</p>
<p> Were given, appropriately, the pneumococcal vaccine (long stay) Reporting period: January to September 2014 100.0% This Facility 96.9% State average 94.1% National average</p>	<p> 5 out of 5 stars</p>
<p> Received an antipsychotic medication (long stay) Reporting period: January to September 2014 10.2% This Facility 17.8% State average 19.5% National average</p>	<p> 5 out of 5 stars</p>

Charles T Sitrin Health Care Center Inc

Inspection Report

Report Period: March 2011 to February 2015

PFI: 0620

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

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

Summary

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

Measure	This Facility	Statewide Average
Standard Health Deficiencies	30	23
Life Safety Code Deficiencies	8	11
Total Deficiencies	38	34
Deficiencies Related to Actual Harm or Immediate Jeopardy	2	1
% of Deficiencies Related to Actual Harm or Immediate Jeopardy	5%	3%