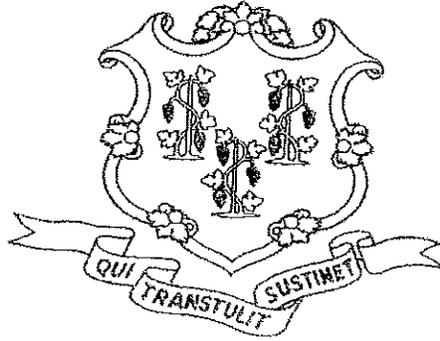


# State of Connecticut



15-46

## Annual Report of Long-Term Care Facility Cost Year 2015

Name of Facility (as licensed) Cobalt Lodge Health & Rehabilitation Center		<div style="border: 2px solid black; padding: 5px; width: fit-content; margin: auto;"> <p style="margin: 0;">RECEIVED</p> <div style="border: 1px solid black; padding: 5px; margin: 5px auto; width: 80%;"> <p style="margin: 0;">FEB 17 2016</p> </div> <p style="margin: 0; font-size: 0.8em;">DEPT. OF SOCIAL SERVICES OFFICE OF CON AND RATE SETTINGS</p> </div>
Address (No. & Street, City, State, Zip Code) Route 151, Cobalt, CT 06414		
Type of Facility		
<input type="checkbox"/> Chronic and Convalescent <input checked="" type="checkbox"/> Nursing Home only (CCNH)		<input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS)
Report for Year Beginning 10/1/2014	Report for Year Ending 9/30/2015	<input type="checkbox"/> (Specify)

License Numbers:	CCNH 813-C	RHNS	(Specify)	Medicare Provider 07-5232
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Medicaid Provider Numbers:	CCNH 8136	RHNS	ICF-IID
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**For Department Use Only**

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

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**General Information**

Name of Facility (as licensed) Cobalt Lodge Health & Rehabilitation Center	License No. 813-C	Report for Year Ended 9/30/2015	Page 1	of 37
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**Administrator's/Owner's Certification**

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

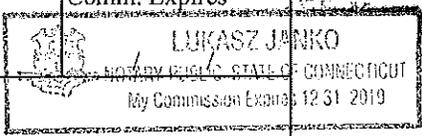
I HEREBY CERTIFY that I have read the above statement and that I have examined the accompanying Cost Report and supporting schedules prepared for Cobalt Lodge Health & Rehabilitation Center [facility name], for the cost report period beginning October 1, 2014 and ending September 30, 2015, and that to the best of my knowledge and belief, it is a true, correct, and complete statement prepared from the books and records of the provider(s) in accordance with applicable instructions.

I hereby certify that I have directed the preparation of the attached General Information and Questionnaires, Schedule of Resident Statistics, Statements of Reported Expenditures, Statements of Revenues and the related Balance Sheet of this Facility in accordance with the Reporting Requirements of the State of Connecticut for the year ended as specified above. ①

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

① Subject to Desk Audit Review

Signed (Administrator) <i>Todd P. Zgorski</i>		Date Feb 8 16	Signed (Owner) <i>Todd P. Zgorski</i>		Date 2-6-16
Printed Name (Administrator) Todd Zgorski			Printed Name (Owner) Todd P. Zgorski		
Subscribed and Sworn to before me: <i>Todd P. Zgorski</i>	State of CT	Date 02-08-16	Signed (Notary Public) <i>[Signature]</i>		Comm. Expires 12-31-2019
Address of Notary Public 8 E. High St., EAST HAMPTON, CT 06424					



(Notary Seal)

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

<b>Data Required for Real Wage Adjustment</b>			Page 1A	of 37
Name of Facility Cobalt Lodge Health & Rehabilitation Center		Period Covered:	From 10/1/2014	To 9/30/2015
Address of Facility Route 151, Cobalt, CT 06414				
Report Prepared By Marcum LLP		Phone Number 203-781-9600	Date 12/18/2015	
Item	Total	CCNH	RHNS	(Specify)
1. Dietary wages paid	\$			
2. Laundry wages paid	\$			
3. Housekeeping wages paid	\$			
4. Nursing wages paid	\$			
5. All other wages paid	\$			
6. <i>Total Wages Paid</i>	\$			
7. Total salaries paid	\$			
8. <i>Total Wages and Salaries Paid</i> (As per page 10 of Report)	\$			

Wages - Compensation computed on an hourly wage rate.

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

**DO NOT include Fringe Benefit Costs.**

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

Phone No. of Facility 860-267-9034		Report for Year Ended 9/30/2015	Page 2	of 37
Name of Facility (as shown on license) Cobalt Lodge Health & Rehabilitation Center		Address (No. & Street, City, State, Zip ) Route 151, Cobalt, CT 06414		
License Numbers:	CCNH 813-C	RHNS (Specify)	Medicare Provider No. 07-5232	
Type of Facility (Check appropriate box(es))				
<input checked="" type="checkbox"/> Chronic and Convalescent Nursing Home only (CCNH)		<input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS)		<input type="checkbox"/> (Specify)
Type of Ownership (Check appropriate box)				
<input type="radio"/> Proprietorship <input type="radio"/> LLC <input type="radio"/> Partnership <input checked="" type="radio"/> Profit Corp. <input type="radio"/> Non-Profit Corp. <input type="radio"/> Government <input type="radio"/> Trust				
If this facility opened or closed during report year provide:		Date Opened	Date Closed	
Has there been any change in ownership or operation during this report year? <input type="radio"/> Yes <input checked="" type="radio"/> No      If "Yes," explain fully.				
<b>Administrator</b>				
Name of Administrator Todd Zgorski		Nursing Home Administrator's License No.:	1508	
Other Operators/Owners who are assistant administrators (full or part time) of this facility.				
Name N/A		License No.:		



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

Name of Facility Cobalt Lodge Health & Rehabilitation Center	License No. 813-C	Report for Year Ended 9/30/2015	Page 3A	of 37
If this facility is owned or operated as a corporation, provide the following information:				
Legal Name of Corporation	Business Address		State(s) in Which Incorporated	
Z, Incorporated	Route 151, Cobalt, CT 06414		CT	
Name of Directors, Officers	Business Address	Title	No. Shares Held by Each	
Joyce Zgorski	Route 151, Cobalt, CT 06414	Secretary	10	
Todd Zgorski	Route 151, Cobalt, CT 06414	Pres / Treas	45	
Marc Zgorski	Route 151, Cobalt, CT 06414	Vice President	45	
Names of Stockholders Owning at Least 10% of Shares				
Joyce Zgorski	Route 151, Cobalt, CT 06414	Secretary	10	
Todd Zgorski	Route 151, Cobalt, CT 06414	Pres / Treas	45	
Marc Zgorski	Route 151, Cobalt, CT 06414	Vice President	45	











State of Connecticut  
 Annual Report of Long-Term Care Facility  
 CSP-8 Rev. 9/2002

Schedule of Resident Statistics

Name of Facility	License No.	Report for Year Ended		Page	of
		9/30/2015	9/30/2015		
	813-C	Period 10/1 Thru 6/30		Period 7/1 Thru 9/30	
	Total RHNS Level	Total CCNH Level	Total RHNS (Specify)	Total CCNH	Total RHNS (Specify)
1. Certified Bed Capacity					
A. On last day of PREVIOUS report period	60	60		60	60
B. On last day of THIS report period	60	60		60	60
2. Number of Residents					
A. As of midnight of PREVIOUS report period	53	53		53	53
B. As of midnight of THIS report period	51	51		51	51
3. Total Number of Days Care Provided During Period					
A. Medicare	2,057	2,057		508	508
B. Medicaid (Conn.)	14,874	14,874		3,683	3,683
C. Medicaid (other states)					
D. Private Pay	2,267	2,267		638	638
E. State SSI for RCH					
F. Other (Specify) Insurance	212	212		41	41
G. Total Care Days During Period (3A thru F)	19,410	19,410		4,870	4,870
Total Number of Days Not Included in Figures in					
4. 3G for Which Revenue Was Received for Reserved Beds					
A. Medicaid Bed Reserve Days					
B. Other Bed Reserve Days					
5. Total Resident Days (3G + 4A + 4B)	19,410	19,410		4,870	4,870

**Schedule of Resident Statistics (Cont'd)**

Name of Facility Cobalt Lodge Health & Rehabilitation Center			License No. 813-C			Report for Year Ended 9/30/2015			Page 9		of 37		
4. Were there any changes in the certified bed capacity during the report year? <input type="radio"/> Yes <input type="radio"/> No													
If "YES", provide the following information:													
Date of Change	Place of Change			Change in Beds						Capacity After Change			Reason for Change
	CCNH	RHNS	(Specify)	Lost			Gained			CCNH	RHNS	(Specify)	
	(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)				
5. If there was any change in certified bed capacity during the report year (as reported in item 4 above) provide the number of RESIDENT DAYS for 90 days following the change.													
Change in Resident Days								CCNH	RHNS	(Specify)			
1st change													
2nd change													
3rd change													
4th change													
6. Number of Residents and Rates on September 30 of Cost Year													
Item	Medicare		Medicaid		Self-Pay		Other State Assisted						
	CCNH	RHNS	CCNH	RHNS	CCNH	RHNS	(Specify)	R.C.H.	ICF-MR				
No. of Residents	7		36		8								
Per Diem Rate													
a. One bed rm.	Various		196.00		340-350								
b. Two bed rms.	Various		196.00		320.00								
c. Three or more bed rms.													
7. Total Number of Physical Therapy Treatments								TOTAL	CCNH	RHNS	(Specify)		
A. Medicare - Part B								810	810				
B. Medicaid (Exclusive of Part B)													
1. Maintenance Treatments													
2. Restorative Treatments								65	65				
C. Other								1,568	1,568				
D. Total Physical Therapy Treatments								2,443	2,443				
8. Total Number of Speech Therapy Treatments													
A. Medicare - Part B								274	274				
B. Medicaid (Exclusive of Part B)													
1. Maintenance Treatments													
2. Restorative Treatments								17	17				
C. Other								496	496				
D. Total Speech Therapy Treatments								787	787				
9. Total Number of Occupational Therapy Treatments													
A. Medicare - Part B								716	716				
B. Medicaid (Exclusive of Part B)													
1. Maintenance Treatments													
2. Restorative Treatments								43	43				
C. Other								1,481	1,481				
D. Total Occupational Therapy Treatments								2,240	2,240				

**Report of Expenditures - Salaries & Wages**

Name of Facility	License No.	Report for Year Ended	Page	of		
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2015	10	37		
Are time records maintained by all individuals receiving compensation?		<input checked="" type="radio"/> Yes <input type="radio"/> No				
	Total Cost and Hours					
Item	CCNH	Hours	RHNS	Hours	(Specify)	Hours
<b>A. Salaries and Wages*</b>						
1. Operators/Owners (Complete also Sec. I of Schedule A1)						
2. Administrator(s) (Complete also Sec. III of Schedule A1)						
	186,571	2,120				
3. Assistant Administrator (Complete also Sec. IV of Schedule A1)						
4. Other Administrative Salaries (telephone operator, clerks, receptionists, etc.)						
	278,222	5,669				
5. Dietary Service						
a. Head Dietitian						
b. Food Service Supervisor						
	157,474	2,120				
c. Dietary Workers						
	208,339	14,486				
6. Housekeeping Service						
a. Head Housekeeper						
b. Other Housekeeping Workers						
	69,801	6,052				
7. Repairs & Maintenance Services						
a. Engineer or Chief of Maintenance						
	40,663	1,603				
b. Other Maintenance Workers						
	32,605	2,050				
8. Laundry Service						
a. Supervisor						
b. Other Laundry Workers						
	23,652	2,065				
9. Barber and Beautician Services						
10. Protective Services						
11. Accounting Services						
a. Head Accountant						
b. Other Accountants						
12. Professional Care of Residents						
a. Directors and Assistant Director of Nurses						
	95,786	2,120				
b. RN						
1. Direct Care						
	274,494	7,906				
2. Administrative**						
	166,912	5,336				
c. LPN						
1. Direct Care						
	257,502	11,778				
2. Administrative**						
d. Aides and Attendants						
	547,727	39,486				
e. Physical Therapists						
f. Speech Therapists						
g. Occupational Therapists						
h. Recreation Workers						
	40,597	2,707				
i. Physicians						
1. Medical Director						
2. Utilization Review						
3. Resident Care***						
4. Other (Specify)						
j. Dentists						
k. Pharmacists						
l. Podiatrists						
m. Social Workers/Case Management						
	26,194	1,166				
n. Marketing						
	27,720	926				
o. Other (Specify)						
See Attached Schedule						
<i>A-13. Total Salary Expenditures</i>						
	2,434,259	107,590				

\* Do not include in this section any expenditures paid to persons who receive a fee for services rendered or who are paid on a contract basis.

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

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



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

Name of Facility		License No.		Report for Year Ended		Page	of		
Cobalt Lodge Health & Rehabilitation Center		813-C		9/30/2015		11	37		
Name	Salary Paid		Fringe Benefits and/or Other Payments (describe fully)	Full Description of Services Rendered	Total Hours Worked	Line Where Claimed on Page 10	Name and Address of All Other Employment**	Total Hours Worked	Compensation Received
	CCNH	RHNS (Specify)							
<b>Section I - Operators/Owners</b>									
Joyce Zgorski, Route 151, Cobalt, CT 06414	157,474		Non Discrim	Food Services Supervisor	2,120	A5b			
<b>Section II - Other related parties of Operators/Owners employed in and paid by facility (EXCEPT those who may be the Administrator or Assistant Administrators who are identified on Page 12).</b>									
Marc Zgorski, Route 151, Cobalt, CT 06414	145,829		Non Discrim	Vice President, Head of Admissions	2,080	A4			

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

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

Name of Facility (as licensed)		License No.		Report for Year Ended		Page	of		
Cobalt Lodge Health & Rehabilitation Center		813-C		9/30/2015		12	37		
Name	Salary Paid		Fringe Benefits and/or Other Payments (describe fully)	Full Description of Services Rendered	Total Hours Worked	Line Where Claimed on Page 10	Name and Address of All Other Employment**	Total Hours Worked	Compensation Received
	CCNH	RHNS (Specify)							
<b>Section III - Administrators***</b>									
Todd Zgorski, Route 151, Cobalt, CT 06414	186,571		Non Discrim	President, Administrator, CFO	2,120	A2			
<b>Section IV - Assistant Administrators</b>									

\*No allowance for salaries will be considered unless full information is provided. Use additional sheets if required.  
 \*\* Include all other employment worked during the cost year.  
 \*\*\* If more than one Administrator is reported, include dates of employment for each.

### B. Report of Expenditures - Professional Fees

Name of Facility	License No.	Report for Year Ended	Page	of		
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2015	13	37		
Total Cost and Hours						
Item	CCNH	Hours	RHNS	Hours	(Specify)	Hours
<b>*B. Direct care consultants paid on a fee for service basis in lieu of salary (For all such services complete Schedule B1)</b>						
1. Dietitian	15,564	513				
2. Dentist	300	Contract				
3. Pharmacist	1,588	104				
4. Podiatrist						
5. Physical Therapy						
a. Resident Care	142,772	2,031				
b. Other						
6. Social Worker						
7. Recreation Worker						
8. Physicians						
a. Medical Director (entire facility)	34,952	120				
b. Utilization Review (Title 18 and 19 only) monthly meeting						
c. Resident Care**						
d. Administrative Services facility						
1. Infection Control Committee (Quarterly meetings)						
2. Pharmaceutical Committee (Quarterly meetings)						
3. Staff Development Committee (Once annually)						
e. Other (Specify)						
9. Speech Therapist						
a. Resident Care	45,082	522				
b. Other						
10. Occupational Therapist						
a. Resident Care	133,334	1,826				
b. Other						
11. Nurses and aides and attendants						
a. RN						
1. Direct Care	105,501	1,344				
2. Administrative***						
b. LPN						
1. Direct Care	33,586	643				
2. Administrative***						
c. Aides	124,220	4,913				
d. Other						
12. Other (Specify) See Attached Schedule	2,993	50				
<b>B-13 Total Fees Paid in Lieu of Salaries</b>	<b>639,892</b>	<b>12,066</b>				

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

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

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

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

Name of Facility Cobalt Lodge Health & Rehabilitation Center		License No. 813-C	Report for Year Ended 9/30/2015	Page 14	of 37
Name & Address of Individual	Full Explanation of Service	Related** to Owners, Operators, Officers		Explanation of Relationship	
		Yes	No		
Lorie Rarden, 21 Cote Lane, Portland, CT 06480	Dietician	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Diane bussolini, 21 Spice Hill Drive, East Hampton, CT 06424	Dietician	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
J. Carey La Porte, MD, Sparrow Commons, Colchester, CT 06480	Medical Director	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Prakash Huded, MD, 78 Marlborough Street, Portland, CT 06480	Other Doctors	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
The Center for Geriatric & Family Psychiatry, 555 Nye Ave., Suite 100, Glastonbury, CT 06033	Psychiatry	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Caring Nurses, D. Raney, 273 Palisado Ave., Windsor, CT 06095	Medical Records	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Omnicare of CT, 525 Knotter Dr., Cheshire, CT 06410	Pharmacist	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Preferred Therapy Solutions, 850 Silas Deane Highway, 2nd Floor, Wethersfield, CT 06109	Physical Therapy, Occupational Therapy, Speech Therapy	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Anna Ruchwa, 36 Crystal St., Wethersfield, CT 06109	Dietician	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
The Nurse Network, LLC 653 Main Street, Plantsville, CT 06479	RNs, LPNs, and Aides	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Your Family Health Solutions, LLC 520 Hartford Turnpike Building 3, Suite V, Vernon, CT 06066	RNs, LPNs, and Aides	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Prime Choice Dental, 70 Mill River Road, Suite UL-2, Stamford, CT 06905	Dentist	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		

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

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

Name of Facility	License No.	Report for Year Ended		Page	of
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2015		15	37
Item	Total	CCNH	RHNS	(Specify)	
<b>1. Administrative and General</b>					
<b>a. Employee Health &amp; Welfare Benefits</b>					
1. Workmen's Compensation	\$ 80,532	80,532			
2. Disability Insurance	\$				
3. Unemployment Insurance	\$ 41,376	41,376			
4. Social Security (F.I.C.A.)	\$ 176,553	176,553			
5. Health Insurance	\$ 83,093	83,093			
6. Life Insurance (employees only) (not-owners and not-operators)	\$				
7. Pensions (Non-Discriminatory) (not-owners and not-operators)	\$ 10,000	10,000			
8. Uniform Allowance	\$				
9. Other ( <i>Specify</i> ) See Attached Schedule	\$				
<b>b. Personal Retirement Plans, Pensions, and        Profit Sharing Plans for Owners and        Operators (Discriminatory)*</b>	\$				
<b>c. Bad Debts*</b>	\$				
<b>d. Accounting and Auditing</b>	\$ 44,081	44,081			
<b>e. Legal (<i>Services should be fully described on Page 7</i>)</b>	\$ 13,165	13,165			
<b>f. Insurance on Lives of Owners and        Operators (<i>Specify</i>)*</b>	\$				
<b>g. Office Supplies</b>	\$ 8,066	8,066			
<b>h. Telephone and Cellular Phones</b>					
1. Telephone & Pagers	\$ 14,843	14,843			
2. Cellular Phones	\$				
<b>i. Appraisal (<i>Specify purpose and        attach copy</i>)*</b>	\$				
<b>j. Corporation Business Taxes (<i>franchise tax</i>)</b>	\$				
<b>k. Other Taxes (<i>Not related to property - See Page 22</i>)</b>					
1. Income*	\$				
2. Other ( <i>Specify</i> ) See Attached Schedule	\$				
3. Resident Day User Fee	\$ 359,505	359,505			
<b>Subtotal</b>	\$ 831,214	831,214			

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

(Carry Subtotals forward to next page)



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

Name of Facility	License No.	Report for Year Ended		Page	of
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2015		16	37
Item	Total	CCNH	RHNS	(Specify)	
<b>Subtotals Brought Forward:</b>		831,214	831,214		
<b>i. Travel and Entertainment</b>					
1. Resident Travel and Entertainment	\$				
2. Holiday Parties for Staff	\$				
3. Gifts to Staff and Residents	\$				
4. Employee Travel	\$ 2,110	2,110			
5. Education Expenses Related to Seminars and Conventions	\$ 990	990			
6. Automobile Expense ( <i>not purchase or depreciation</i> )	\$				
7. Other ( <i>Specify</i> )	\$ 15,193	15,193			
See Attached Schedule					
<b>m. Other Administrative and General Expenses</b>					
1. Advertising Help Wanted ( <i>all such expenses</i> )	\$				
2. Advertising Telephone Directory ( <i>all such expenses</i> )***	\$				
3. Advertising Other ( <i>Specify</i> )***	\$ 20,616	20,616			
See Attached Schedule					
4. Fund-Raising***	\$				
5. Medical Records	\$				
6. Barber and Beauty Supplies (if this service is supplied directly and not by contract or fee for service)***	\$ 502	502			
7. Postage	\$ 1,149	1,149			
* 8. Dues and Membership Fees to Professional Associations ( <i>Specify</i> )	\$ 1,293	1,293			
See Attached Schedule					
8a. Dues to Chamber of Commerce & Other Non-Allowable Org.***	\$				
9. Subscriptions	\$ 13,406	13,406			
10. Contributions***	\$ 3,175	3,175			
See Attached Schedule					
11. Services Provided by Contract ( <i>Specify and Complete Schedule C-2, Page 21 for each firm or individual</i> )	\$ 31,320	31,320			
12. Administrative Management Services**	\$				
13. Other ( <i>Specify</i> )	\$ (739)	(739)			
See Attached Schedule					
<b>C-14 Total Administrative &amp; General Expenditures</b>	\$ 920,229	920,229			

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

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

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

Schedule of Other Travel and Entertainment

Description	CCNH	RHNS	(Specify)
	-		
Travel & Entertainment	\$ 15,193		
<b>Total Other Travel and Entertainment</b>	<b>\$ 15,193</b>	<b>\$ -</b>	<b>\$ -</b>

Schedule of Other Advertising

Description	CCNH	RHNS	(Specify)
	-		
Advertising	\$ 16,605		
Public Relations	\$ 4,011		
<b>Total Other Advertising</b>	<b>\$ 20,616</b>	<b>\$ -</b>	<b>\$ -</b>

Schedule of Dues

Description	CCNH	RHNS	(Specify)
	-		
CBLA	\$ 1,293		
<b>Total Dues</b>	<b>\$ 1,293</b>	<b>\$ -</b>	<b>\$ -</b>

Schedule of Contributions

Description	CCNH	RHNS	(Specify)
	-		
Donations	\$ 3,175		
<b>Total Contributions</b>	<b>\$ 3,175</b>	<b>\$ -</b>	<b>\$ -</b>

Schedule of Other Administrative and General

Description	CCNH	RHNS	(Specify)
	-		
Licenses	\$ 275		
Prior Period Adjustment	\$ (1,857)		
Internet	\$ 843		
<b>Total Other Administrative and General</b>	<b>\$ (739)</b>	<b>\$ -</b>	<b>\$ -</b>

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

Name of Facility Cobalt Lodge Health & Rehabilitation Ce	License No. 813-C	Report for Year Ended 9/30/2015	Page of 17   37
Name & Address of Individual or Company Supplying Service	Cost of Management Service	Full Description of Mgmt. Service Provided	Indicate Where Costs are Included in Annual Report Page #/Line #
N/A			

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

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

Name of Facility		License No.	Report for Year Ended		Page	of
Cobalt Lodge Health & Rehabilitation Center		813-C	9/30/2015		18	37
Item		Total	CCNH	RHNS	(Specify)	
2. Dietary						
a. In-House Preparation & Service						
1.	Raw Food	\$ 147,115	147,115			
2.	Non-Food Supplies	\$ 15,633	15,633			
3.	Other (Specify) _____	\$				
b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21)						
c. Management Services**						
d. Other (Specify) _____						
<b>2E. Total Dietary Expenditures (2a + b + c + d)</b>		<b>\$ 162,748</b>	<b>162,748</b>			
2F. Dietary Questionnaire		Total	CCNH	RHNS	(Specify)	
G.	Resident Meals: Total no. of meals served per day:*					
H.	Is cost of employee meals included in 2E?	<input type="radio"/> Yes	<input checked="" type="radio"/> No			
I.	Did you receive revenue from employees?	<input type="radio"/> Yes	<input checked="" type="radio"/> No		If yes, specify amt.	
J.	Where is the revenue received reported in the Cost Report? (Page/Line Item)					
K.	Is cost of meals provided to persons other than employees or residents (i.e., Board Members, Guests) included in 2E?	<input type="radio"/> Yes	<input checked="" type="radio"/> No		If yes, specify cost.	
L.	Is any revenue collected from these people?	<input type="radio"/> Yes	<input checked="" type="radio"/> No		If yes, specify amt.	
M.	Where is the revenue received reported in the Cost Report? (Page/Line Item)					
N.	Is cost of food (other than meals, e.g., snacks at monthly staff meetings, board meetings) provided to employees included in 2E?	<input type="radio"/> Yes	<input checked="" type="radio"/> No		If yes, specify cost.	
O.	Is any revenue collected from employees?	<input type="radio"/> Yes	<input checked="" type="radio"/> No		If yes, specify amt.	
P.	Where is the revenue received reported in the Cost Report? (Page/Line Item)					

\* Count each tray served to a resident at meal time, but do not count liquids or other "between meal" snacks.

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

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

Name of Facility Cobalt Lodge Health & Rehabilitation Center		License No. 813-C	Report for Year Ended 9/30/2015	Page 19	of 37
Item		Total	CCNH	RHNS	(Specify)
3. Laundry					
a. In-House Processing*		Lbs.			
1. Bed linens, cubicle curtains, draperies, gowns and other resident care items washed, ironed, and/or processed.***		Amt. \$			
2. Employee items including uniforms, gowns, etc. washed, ironed and/or processed.***		Lbs.			
		Amt. \$			
3. Personal clothing of residents washed, ironed, and/or processed.***		Lbs.			
		Amt. \$			
4. Repair and/or purchase of linens.***		Lbs.			
		Amt. \$			
b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21)		\$	67,139	67,139	
c. Management Services**		\$			
d. Other (Specify)		\$			
3E. <b>Total Laundry Expenditures</b> (3a + b + c + d)		\$	67,139	67,139	
3F. Laundry Questionnaire					
G. Is cost of employee laundry included in 3E?		<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.	
H. Did you receive revenue from employees?		<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.	
I. Where is the revenue received reported in the Cost Report?		(Page/Line Item)			
J. Is Cost of laundry provided to persons other than employees or residents included in 3E?		<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.	
K. Did you receive revenue from these people?		<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.	
L. Where is the revenue received reported in the Cost Report?		(Page/Line Item)			

\* Do not include salaries from page 10 as part of dollar values recorded in 1, 2, 3, and 4. All allocations should add to total recorded in 3E.  
 \*\* Schedule C-1, Page 17 must be fully completed or this expenditure will not be allowed.  
 \*\*\* Pounds of Laundry only required for multi-level facilities.

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

Name of Facility		License No.	Report for Year Ended		Page	of
Cobalt Lodge Health & Rehabilitation Center		813-C	9/30/2015		20	37
Item			Total	CCNH	RHNS	(Specify)
4.	Housekeeping	Sq. Ft. Serviced by Personnel				
a.	In-House Care					
	1. Supplies - Cleaning ( <i>Mops, pails, brooms, etc.</i> )	Amt. \$				
	b. Purchased Services ( <i>by contract other than through Management Services</i> ) ( <i>Complete Schedule C-2 att. Page 21</i> )	Sq. Ft. Serviced by Personnel				
		Amt. \$				
	c. Management Services*	\$				
	d. Other ( <i>Specify</i> ) Housekeeping supplies	\$	135	135		
4E.	<b>Total Housekeeping Expenditures</b> (4a + b + c + d)	\$	135	135		
5.	Resident Care (Supplies)**					
a.	Prescription Drugs***					
	1. Own Pharmacy	\$				
	2. Purchased from Prescription Drugs	\$	188,138	188,138		
	b. Medicine Cabinet Drugs	\$	109,420	109,420		
	c. Medical and Therapeutic Supplies	\$				
	d. Ambulance/Limousine****	\$	12,474	12,474		
	e. Oxygen					
	1. For Emergency Use	\$				
	2. Other***	\$	15,744	15,744		
	f. X-rays and Related Radiological Procedures***	\$	1,766	1,766		
	g. Dental ( <i>Not dentists who should be included under salaries or fees</i> )	\$				
	h. Laboratory***	\$	10,495	10,495		
	i. Recreation	\$	6,845	6,845		
	j. Other (Specify)**** See Attached Schedule	\$	2,958	2,958		
5K.	<b>Total Resident Care Expenditures</b> (5a - 5j)	\$	347,840	347,840		

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

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

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

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





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

Name of Facility	License No.	Report for Year Ended			Page	of
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2015			22	37
Item	Total	CCNH	RHNS	(Specify)		
6. Maintenance & Operation of Plant						
a. Repairs & Maintenance	\$ 50,076	50,076				
b. Heat	\$ 42,858	42,858				
c. Light & Power	\$ 36,048	36,048				
d. Water	\$ 65,397	65,397				
e. Equipment Lease ( <i>Provide detail on page 6</i> )	\$					
f. Other ( <i>itemize</i> )	\$ 12,874	12,874				
See Attached Schedule						
<b>6g. Total Maint. &amp; Operating Expense (6a - 6f)</b>	<b>\$ 207,253</b>	<b>207,253</b>				
7. Depreciation ( <i>complete schedule page 23*</i> )						
a. Land Improvements	\$ 2,599	2,599				
b. Building & Building Improvements	\$ 21,302	21,302				
c. Non-Movable Equipment	\$					
d. Movable Equipment	\$ 19,319	19,319				
<b>*7e. Total Depreciation Costs (7a + b + c + d)</b>	<b>\$ 43,220</b>	<b>43,220</b>				
8. Amortization ( <i>Complete att. Schedule Page 24*</i> )						
a. Organization Expense	\$					
b. Mortgage Expense	\$ 369	369				
c. Leasehold Improvements	\$					
d. Other ( <i>Specify</i> )	\$					
<b>*8e. Total Amortization Costs (8a + b + c + d)</b>	<b>\$ 369</b>	<b>369</b>				
9. Rental payments on leased real property less real estate taxes included in item 10b	\$					
10. Property Taxes						
a. Real estate taxes paid by owner	\$ 47,984	47,984				
b. Real estate taxes paid by lessor	\$					
c. Personal property taxes	\$ 4,896	4,896				
<b>11. Total Property Expenses (7e + 8e + 9 + 10)</b>	<b>\$ 96,469</b>	<b>96,469</b>				

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

**Schedule of Other Repairs and Maintenance**

Description	CCNH	RHNS	(Specify)
	0		
Hazardous Waste	\$ 2,384		
Plant Operations Maint-Equipment Rental	\$ 10,490		
<b>Total Other Repairs and Maintenance</b>	<b>\$ 12,874</b>	<b>\$ -</b>	<b>\$ -</b>



Cobalt Lodge Health & Rehabilitation Center  
9/30/2015

Schedule of Land Improvements Acquired during this report period

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

\*Ties to Page 23, Line A3

\*\*Ties to Page 23, Line A2

Schedule of Building Improvements Acquired during this report period

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

\*Ties to Page 23, Line B3

\*\*Ties to Page 23, Line B2

Schedule of Non-Movable Equipment Acquired during this report period

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

\*Ties to Page 23, Line C3

\*\*Ties to Page 23, Line C2

Schedule of Movable Equipment Acquired during this report peri

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
<b>Additions:</b>				
11/21/2014	Steam Table	\$ 5,300	5	\$ 1,060
6/12/2015	Air Conditioners	\$ 3,610	5	\$ 722
<b>Total additions for Movable Equipmen</b>		<b>\$ 8,910</b>		<b>\$ 1,782 *</b>
<b>Deletions:</b>				
<b>Total deletions for Movable Equipmen</b>		<b>\$ -</b>		<b>\$ - **</b>

\*Ties to Page 23, Line D2c

\*\*Ties to Page 23, Line D2b

Schedule of Leasehold Improvements Acquired during this report peri

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

\*Ties to Page 24, Line C3

\*\*Ties to Page 24, Line C2

Cobalt Lodge Health & Rehabilitation Center  
 Depreciation Schedule  
 FYE September 30, 2015

	Date Acquired	Hist. Costs	Cost to Be Deprec	Method	Life***	2014 Deprec	2014 Accum	2015 Deprec	2015 Accum	NBV
<b>Building and Building Improvements</b>										
Acquired prior		\$	1,105,552							
2005 Acquisition	2/2/2006	9,372	9,372	SL	7	-	1,105,552	-	1,105,552	-
2007 Garage Door Installation	1/25/2006	1,670	-	N/A	N/A	-	9,372	-	9,372	1,670
2007 Garage Door Installation	4/7/2008	125	-	N/A	N/A	-	-	-	-	1,500
Windows (Disposed)	4/21/2008	36	-	N/A	N/A	-	-	-	-	125
Windows (Disposed)	7/15/2008	258	-	N/A	N/A	-	-	-	-	36
Windows (Disposed)	3/31/2008	400	-	N/A	N/A	-	-	-	-	258
Patio	10/18/2007	10,427	10,427	SL	10	1,043	6,951	1,043	7,994	400
2009 Acquisition										2,433
Water Heaters (2)	5/1/2009	11,162	11,162	SL	7	1,595	9,567	1,594.57	11,162	-
Wallboards	5/30/2009	1,786	-	N/A	N/A	-	-	-	-	1,786
Wood Flooring	8/31/2009	31,196	31,196	SL	15	2,080	12,478	2,079.73	14,558	16,638
2010 Acquisition										
Flooring	8/1/2010	3,299	3,299	SL	15	220	880	219.93	1,100	2,199
Wallboards	10/21/2009	2,076	-	N/A	N/A	-	-	-	-	2,076
2011 Acquisition										
Wallpaper	10/5/2010	3,551	3,551	SL	5	710	2,841	710.20	3,551	-
Windows	8/12/2011	-	-	N/A	N/A	-	-	-	-	524
Molding and Wainscot	6/9/2011	524	-	N/A	N/A	-	-	-	-	524
Boiler Replacement	8/12/2011	-	-							-
2012 Acquisition										
Building Renovation	10/1/2011	127,236	127,236	S/L	15	8,482	25,447	8,482.42	33,930	93,307
Generator	5/23/2012	73,547	73,547	S/L	15	4,903	14,709	4,903.11	19,612	53,934
Nursing Station	10/16/2011	13,150	13,150	S/L	15	877	2,630	876.69	3,507	9,644
Wallpaper	2/14/2012	4,011	4,011	S/L	7	573	1,719	573.01	2,292	1,719
2013 Acquisitions										
Expensed Assets		(819)	-	N/A	N/A	-	-	-	-	(819)
2014 Acquisitions										
Front Porch - Material	10/8/2013	8,555	8,555	SL	15	570	570	570.33	1,140	7,415
Interior Fire Door	1/9/2014	3,733	3,733	SL	15	249	249	248.87	498	3,235
<b>Total</b>		<b>\$ 1,412,347</b>	<b>\$ 1,404,791</b>			<b>21,301</b>	<b>1,192,966</b>	<b>21,302</b>	<b>1,214,268</b>	<b>198,075</b>
<b>Non-Movable Equipment</b>										
Acquired prior		\$	24,773							
Boiler Replacement	8/12/2011		24,773	SL	Var	-	24,773	-	24,773	-
<b>Total</b>		<b>\$ 24,773</b>	<b>\$ 24,773</b>			<b>-</b>	<b>24,773</b>	<b>-</b>	<b>24,773</b>	<b>-</b>
<b>Movable Equipment</b>										
Acquired prior		\$	185,762							
2006 Acquisitions										
Electric Bed	1/31/2006	2,064	-	N/A	N/A	-	-	-	-	2,064
Electric Bed	2/17/2006	2,063	-	N/A	N/A	-	-	-	-	2,063
Head Boards	3/31/2006	602	-	N/A	N/A	-	-	-	-	602
Dell Laptop Computer	8/12/2006	1,344	-	N/A	N/A	-	-	-	-	1,344
Dell Desktop Computer	2/15/2006	1,317	-	N/A	N/A	-	-	-	-	1,317
<b>Total</b>		<b>\$ 185,762</b>	<b>\$ 185,762</b>			<b>-</b>	<b>185,762</b>	<b>-</b>	<b>185,762</b>	<b>-</b>

Accounting Software System	9/1/2006	13,916	13,916	5	SL	13,916	-	13,916	-	13,916	-	
<b>2007 Acquisitions</b>												
Electric Beds	11/13/2006	4,392	4,392	5	SL	4,392	(878)	4,392	-	4,392	-	517
Head Boards	12/24/2006	517	-	N/A	N/A	-	-	-	-	-	-	551
Head Boards	2/27/2007	551	-	N/A	N/A	-	-	-	-	-	-	120
Furniture Covered Tables (Disposed)	6/1/2007	120	-	N/A	N/A	-	-	-	-	-	-	-
<b>2008 Acquisitions</b>												
Refrigerator	10/9/2007	2,782	2,782	7	SL	2,782	397	2,780	2	2,782	-	-
Head Deck (Disposed)	10/17/2007	319	-	N/A	N/A	-	-	-	-	-	-	319
Overbed Tables (Disposed)	10/30/2007	288	-	N/A	N/A	-	-	-	-	-	-	288
Head Deck (Disposed)	5/31/2008	147	-	N/A	N/A	-	-	-	-	-	-	147
Gas Grill (Disposed)	7/1/2008	468	-	N/A	N/A	-	-	-	-	-	-	468
Patio Furniture (Disposed)	6/3/2008	600	-	N/A	N/A	-	-	-	-	-	-	600
Dell Lisa's Laptop (Disposed)	5/13/2008	581	-	N/A	N/A	-	-	-	-	-	-	581
Dell Mark's Laptop (Disposed)	10/23/2007	561	-	N/A	N/A	-	-	-	-	-	-	561
Shredder (Disposed)	4/8/2008	113	-	N/A	N/A	-	-	-	-	-	-	113
Deskjet D4260 Printer (Disposed)	6/5/2008	84	-	N/A	N/A	-	-	-	-	-	-	84
Patio Equipment	10/1/2007	2,955	2,955	5	SL	2,955	(0)	2,955	0	2,955	-	-
<b>2009 Acquisitions</b>												
Snowblower	12/31/2008	1,908	-	N/A	N/A	-	-	-	-	-	-	1,908
Beds	5/31/2009	10,341	10,341	10	SL	10,341	1,034	6,205	1,034	7,239	-	3,103
Patio Furniture	5/31/2009	509	-	N/A	N/A	-	-	-	-	-	-	509
Refrigerators	8/26/2009	1,459	-	N/A	N/A	-	-	-	-	-	-	1,459
<b>2010 Acquisitions</b>												
2009 Ford F-250 (Disposed)	11/19/2009	49,835	49,835	5	SL	49,835	-	29,901	9,967	39,868	-	9,967
Bariatric Bed	8/15/2010	3,728	3,728	7	SL	3,728	533	2,663	533	3,195	-	533
Beds	11/2/2009	7,690	7,690	7	SL	7,690	1,099	5,493	1,099	6,591	-	1,098.57
<b>2011 Acquisitions</b>												
Satellite	4/4/2011	2,849	2,849	5	S/L	2,849	570	2,279	570	2,849	-	-
Hand Controls	5/12/2011	372	-	N/A	N/A	-	-	-	-	-	-	372
Delivery Carts	10/28/2010	1,025	-	N/A	N/A	-	-	-	-	-	-	1,025
Satellite TV Install	5/31/2011	8,295	8,295	5	SL	8,295	1,659	6,636	1,659	8,295	-	-
Bariatric Bed	10/27/2010	674	-	N/A	N/A	-	-	-	-	-	-	674
5 Electric Beds	10/25/2010	1,611	-	N/A	N/A	-	-	-	-	-	-	1,611
Snowblower	10/8/2010	709	-	N/A	N/A	-	-	-	-	-	-	709
Computer equipment	11/8/2010	952	-	N/A	N/A	-	-	-	-	-	-	952
Electric Beds	9/30/2011	3,796	3,796	5	SL	3,796	759	3,037	759	3,796	-	-
<b>2012 Acquisitions</b>												
2011 Ford F-350 (like kind) (disposed)	10/19/2011	63,599	63,599	5	S/L	63,599	12,720	37,099	12,720	49,819	-	13,775.74
Laptops	2/14/2012	1,487	-	N/A	N/A	-	-	-	-	-	-	1,486.66
Freezers	9/30/2012	1,223	-	N/A	N/A	-	-	-	-	-	-	1,222.94
Oxygen Equipment	7/18/2012	3,047	3,047	5	S/L	3,047	609	1,828	609	2,438	-	609.43
Wanderguard Security System	1/25/2012	1,640	-	N/A	N/A	-	-	-	-	-	-	1,640.37
<b>2013 Acquisitions</b>												
Air Conditioners	7/18/2013	915	915	5	S/L	915	183	215	183	395	-	518.24
Air Conditioners	7/4/2013	679	679	5	S/L	679	136	170	136	305	-	373.18
Security Cameras	5/21/2013	1,495	1,495	7	S/L	1,495	214	285	214	498	-	996.37
<b>2013 Corrections to Depreciation Sched</b>												
Disposed Furniture Covered Tables	10/1/2008	(120)	-	N/A	N/A	-	-	-	-	-	-	(120)
Expensed Items (From 2008)		(3,161)	-	N/A	N/A	-	-	-	-	-	-	(3,160.81)
Beds (Missing from 2008)	8/30/2008	2,414	2,414	10	S/L	2,414	241	1,690	241	1,931	-	482.82
Patio Furniture (Missing from 2008)	7/31/2008	5,040	5,040	5	S/L	5,040	1,008	6,049	(1,008)	5,040	-	-
Disposed 2009 Ford F-250 (Missing '12)		(49,835)	(49,835)	5	S/L	(49,835)	-	(29,901)	(9,967)	(39,868)	-	(9,967)
<b>2015 Acquisitions</b>												
2015 Ford F-350 (like kind)	10/1/2014	57,536	57,536	5	S/L	57,536	-	-	11,507	11,507	-	46,029
Steam Table	11/21/2014	5,900	5,900	5	S/L	5,900	-	-	1,060	1,060	-	4,240
Air Conditioners	6/12/2015	3,610	3,610	5	S/L	3,610	-	-	722	722	-	2,888

2015 Dispositions	10/19/2011	(63,599)	(63,599)	(63,599)	S/L	5	(12,720)	(37,099)	(12,720)	(49,819)	(13,780)
2011 Ford F-350 (like kind)											
<b>Total</b>		\$ 348,610	\$ 326,542				7,563	246,353	19,319	265,672	82,938
<b>Land Improvements</b>											
Acquired prior	Various	\$ 51,975	\$ 51,975		SL	Var	1,267	48,808	1,267	50,075	1,900
2011 Acquisitions	3/11/2011	\$ 2,041	\$ 2,041		SL	5					2,041
Sign landscaping	6/1/2011	\$ 6,658	\$ 6,658		SL	5	1,332	5,327	1,332	6,658	-
<b>Total</b>		\$ 60,674	\$ 60,674				2,599	54,135	2,599	56,733	3,941
<b>Amortization of Mortgage Expense</b>											
Refinancing		\$ 5,538	\$ 5,538		SL	15	369	4,818	369	5,187	351
<b>Total</b>		\$ 5,538	\$ 5,538				369	4,818	369	5,187	351
<b>Grand Total</b>		\$ 1,851,941	\$ 1,822,319				31,832	1,523,044	43,588	1,566,633	285,309

Assets	2015		Accum. Depreciation	NBV
	Depreciation	Depreciation		
1,937,306	80,091	1,597,094		
1,871,403	43,219	1,561,446		
65,903	36,872	35,648		
	<b>B</b>			<b>A</b>
				30,254

Removed due to 2011 Amendment	27,925			
Removed due to 2011 Amendment	42,500			
Removed due to 2011 Amendment	2,220			
Audit Adj. from 2012	(6,742)			
Rounding Variance	(1) A			
Total TB vs. Assets Variance				
				FS Amortization Exp 1,182
				CR Amortization Exp 369
				<b>FS vs CR Amort 813 B</b>
A Total Per Page 31, Line B9 FS vs CR NBV	\$ 30,255			
B Total Per Page 36, Line F1 FS vs CR Dep	\$ 37,685			

**Amortization Schedule\***

Name of Facility Cobalt Lodge Health & Rehabilitation Center	Date of Acquisition		License No. 813-C	Report for Year Ended 9/30/2015			Page 24	of 37		
	Month	Year		Length of Amortization	Cost to Be Amortized	Accumulated Amort. to Beginning of Year's Operations			Basis for Computing Amortization**	Rate %
<b>A. Organization Expense</b>										
1.										
2.										
3.										
A-4. Subtotal										
<b>B. Mortgage Expense</b>										
1. Refinancing	9	2001	15	5,538	4,818	S/L	7	369		
2.										
3.										
B-4. Subtotal										369
<b>C. Leasehold Improvements and Other</b>										
1. Acquired prior to this report period										
2. Disposals (attach schedule)										
3. Acquired during this report period (attach schedule)										
C-4. Subtotal										
<b>D. Total Amortization</b>										369

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

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

Name of Facility Cobalt Lodge Health & Rehabilitation	License No. 813-C	Report for Year Ended 9/30/2015	Page 25	of 37
<b>11. Property Questionnaire</b>				
<b>Part A</b>				
Is the property either owned by the Facility or leased from a Related Party?*		<input checked="" type="radio"/> Yes	<input type="radio"/> No	If "Yes," complete Part B. If "No," complete Part C.
*If any owner or operator of this facility is related by family, marriage, ownership, ability to control or business association to any person or organization from whom buildings are leased, then it is considered a related party transaction.				
Description	Total			
1. Date Land Purchased				
2. Date Structure Completed				
3. If NOT Original Owner, Date of Purchase	07/01/68			
4. Date of Initial Licensure	07/01/68			
5. Total Licensed Bed Capacity	60			
6. Square Footage	26,047			
7. Acquisition Cost				
a. Land	25,000			
b. Building	60,000			
<b>Part B - Owner and Related Parties</b>	<b>1st Mortgage</b>	<b>2nd Mortgage</b>	<b>3rd Mortgage</b>	<b>4th Mortgage</b>
1. Financing				
a. Type of Financing (e.g., fixed, variable)	Fixed			
b. Date Mortgage Obtained	09/22/11			
c. Interest Rate for the Cost Year	4.50%			
d. Term of Mortgage (number of years)	10			
e. Amount of Principal Borrowed	550,000			
f. Principal balance outstanding as of 09/30/2015	481,068			
<b>Complete if Mortgage was Refinanced During Current Cost Year</b>				
g. Type of Financing (e.g., fixed, variable)				
h. Date of Refinancing				
i. New Interest Rate				
j. Term of Mortgage (number of years)				
k. Amount of Principal Borrowed				
l. Principal Outstanding on Note Paid-Off				
<b>Part C - Arms-Length Leases for Real Property Improvements Only</b>				
Name and Address of Lessor	Property Leased	Date of Lease	Term of Lease	Annual Amount of Lease

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

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

Name of Facility		License No.	Report for Year Ended			Page	of
Cobalt Lodge Health & Rehabilitation		813-C	9/30/2015			26	37
Item		Total	CCNH	RHNS	(Specify)		
12. Interest							
A. Building, Land Improvement & Non-Movable Equipment							
1. First Mortgage		\$ 24,717	24,717				
Name of Lender		Rate					
Address of Lender							
2. Second Mortgage		\$					
Name of Lender		Rate					
Address of Lender							
3. Third Mortgage		\$					
Name of Lender		Rate					
Address of Lender							
4. Fourth Mortgage		\$					
Name of Lender		Rate					
Address of Lender							
B. CHEFA Loan Information							
1. Original Loan Amount		\$					
2. Loan Origination Date							
3. Interest Rate %							
4. Term							
5. CHEFA Interest Expense							
12 B7. <b>Total Building Interest Expense</b> (A1 - A4 + B5)		\$ 24,717	24,717				

*(Carry Subtotals forward to next page)*

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

Name of Facility		License No.		Report for Year Ended			Page	of
Cobalt Lodge Health & Rehabilitati		813-C		9/30/2015			27	37
Item				Total	CCNH	RHNS	(Specify)	
Subtotals Brought Forward:				24,717	24,717			
12. C. Movable Equipment								
1. Automotive Equipment				\$				
A. Item		Rate	Amount					
Lender								
Address of Lender								
2. Other (Specify)				\$				
A. Item		Rate	Amount					
Lender								
Address of Lender								
B. Item		Rate	Amount					
Lender								
Address of Lender								
12. C. 3. Total Movable Equipment Interest Expense (C1 + 2)				\$				
12. D. Other Interest Expense (Specify) Interest - LOC				\$	4,408	4,408		
13. Total All Interest Expense (12B7 + 12C3 + 12D)				\$	29,125	29,125		
14. Insurance								
a. Insurance on Property (buildings only)				\$	15,784	15,784		
b. Insurance on Automobiles				\$	6,428	6,428		
c. Insurance other than Property (as specified above)								
1. Umbrella (Blanket Coverage)				\$				
2. Fire and Extended Coverage				\$				
3. Other (Specify)				\$				
14d. Total Insurance Expenditures (14a + b + c)				\$	22,212	22,212		
15. Total All Expenditures (A-13 thru C-14)				\$	4,927,301	4,927,301		

### D. Adjustments to Statement of Expenditures

Name of Facility				License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation Center				813-C	9/30/2015	28	37
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
<b>Page 10 - Salaries and Wages</b>							
1.			Outpatient Service Costs	\$			
2.			Salaries not related to Resident Care	\$			
3.			Occupational Therapy	\$			
4.			Other - See attached Schedule	\$ 27,720	27,720		
<b>Page 13 - Professional Fees</b>							
5.			Resident Care Physicians **	\$			
6.	13	B10a	Occupational Therapy	\$ 133,334	133,334		
7.			Other - See attached Schedule	\$			
<b>Pages 15 &amp; 16 - Administrative and General</b>							
8.			Discriminatory Benefits	\$			
9.			Bad Debts	\$			
10.	15	1e	Accounting & Legal	\$ 13,165	13,165		
11.	15	1h1	Telephone	\$ 11,874	11,874		
12.			Cellular Telephone	\$			
13.			Life insurance premiums on the life of Owners, Partners, Operators	\$			
14.			Gifts, flowers and coffee shops	\$			
15.			Education expenditures to colleges or universities for tuition and related costs for owners and employees	\$			
16.			Travel for purposes of attending conferences or seminars outside the continental U.S. Other out-of-state travel in excess of one representative	\$			
17.	16	L7	Automobile Expense (e.g. personal use)	\$ 15,035	15,035		
18.	16	m3	Unallowable Advertising *	\$ 20,616	20,616		
19.			Income Tax / Corporate Business Tax	\$			
20.	16	m10	Fund Raising / Contributions	\$ 3,175	3,175		
21.			Unallowable Management Fees	\$			
22.	16	m6	Barber and Beauty	\$ 502	502		
23.			Other - See attached Schedule	\$ 4,870	4,870		
<b>Page 18 - Dietary Expenditures</b>							
24.			Meals to employees, guests and others who are not residents	\$			
<b>Page 19 - Laundry Expenditures</b>							
25.			Laundry services to employees, guests and others who are not residents	\$			
<b>Page 20 - Housekeeping Expenditures</b>							
26.			Housekeeping services to employees, guests and others who are not residents	\$			
Subtotal (Items 1 - 26)				\$ 230,291	230,291		

\* All except "Help Wanted".

(Carry Subtotal forward to next page )

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

Schedule of Other Salaries Adjustment

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
10	A12n	Marketing Salary	\$ 27,720		
<b>Total Other Salaries Adjustment</b>			\$ 27,720	\$ -	\$ -

Schedule of Fees Adjustments

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

Schedule of Other A&G Adjustments

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
16	L7	Travel/Entertainment	\$ 158		
16	m13	Prior Period Adjustment	\$ (1,857)		
15	Var	Marketing Fringe Benefits	\$ 4,459		
16	L4	Employee Travel related to Marketing	\$ 2,110		
<b>Total Other A&amp;G Adjustments</b>			\$ 4,870	\$ -	\$ -

**Cobalt Lodge Health & Rehabilitation Center**  
**Marketing Benefits Disallowance**  
**9/30/2015**

**To disallow fringe benefits associated with the Marketing person**

**Fringe Benefit %**

Total Payroll	2,434,261	TB Linked
Total Fringes	<u>391,554</u>	TB Linked
Fringe %	16%	
Marketing Salary	27,720	TB Linked
Fringe %	<u>16%</u>	
Fringe Disallowance	<u><u>4,459</u></u>	Pg 28

**Cobalt Lodge Health & Rehabilitation Center**  
**Telephone Disallowance**  
**9/30/2015**

**To disallow telephone expenses associated with resident rooms**

**Fringe Benefit %**

Total Telephone Expense	14,843	TB Linked
Number of Resident Phones	60	
Total Phones in Facility	<u>75</u>	
Disallowance %	80%	
<b>Telephone Disallowance</b>	<b>11,874</b>	<b>Pg 28, Line 11</b>

**D. Adjustments to Statement of Expenditures (cont'd)**

Name of Facility			License No.	Report for Year Ended	Page	of	
Cobalt Lodge Health & Rehabilitation Center			813-C	9/30/2015	29	37	
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
Subtotals Brought Forward				\$ 230,291	230,291		
<b>Page 20 - Resident Care Supplies***</b>							
27.	20	5a2	Prescription Drugs	\$ 188,138	188,138		
28.	20	5d	Ambulance/Limousine	\$ 12,474	12,474		
29.	20	5f	X-rays, etc	\$ 1,766	1,766		
30.	20	5h	Laboratory	\$ 10,495	10,495		
31.			Medical Supplies	\$			
32.	20	5e.2	Oxygen (non emergency)	\$ 15,744	15,744		
33.			Occupational Therapy	\$			
34.			Other - See Attached Schedule	\$ 1,811	1,811		
<b>Page 22 - Maintenance and Property</b>							
35.			Excess Movable Equipment Depreciation See Attached Schedule	\$			
36.			Depreciation on Unallowable Motor Vehicles	\$ 11,507	11,507		
37.			Unallowable Property and Real Estate Taxes	\$			
38.			Rental of Building Space or Rooms	\$			
39.			Other - See Attached Schedule	\$ 6,543	6,543		
<b>Page 27 - Insurance</b>							
40.	22	8e	Mortgage Insurance	\$ 369	369		
41.	27	14b	Property Insurance	\$ 6,428	6,428		
<b>Other - Miscellaneous</b>							
42.			Research or Experimental Activities	\$			
43.			Radio and Television Revenue	\$			
44.			Vending Machine Revenue	\$			
45.			Purchase Discounts and Allowances	\$			
46.			Duplications of functions or services	\$			
47.			Expenditures made for the protection, enhancement or promotion of the providers interest	\$			
48.			Interest Income on Accounts Rec	\$			
49.			Other (include personnel and other costs unrelated to resident care) - See Attached Schedule	\$			
<b>Not For Profit Providers Only</b>							
50.			Building/Non Movable Eq. Depreciation Unallowable Building Interest - See Attached Schedule	\$			
<b>51. Total Amount of Decrease (Items 1 - 50)</b>				\$ 485,566	485,566		

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

Cobalt Lodge Health & Rehabilitation Center  
9/30/2015

Schedule of Other Ancillary Costs

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
20	5i	Cable TV in Excess (See Attached Page 29b)	\$ 1,811		
<b>Total Other Ancillary Costs</b>			<b>\$ 1,811</b>	<b>\$ -</b>	<b>\$ -</b>

Schedule of Excess Movable Equipment Depreciation

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

Schedule of Other Property Adjustments

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
22	6a	Vehicle Repair and Maintenance (See attached)	\$ 1,647		
22	10c	Personal Property (House & Autos) Taxes	\$ 4,896		
<b>Total Other Property Adjustments</b>			<b>\$ 6,543</b>	<b>\$ -</b>	<b>\$ -</b>

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

Schedule of Unallowable Building Interest

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

**Cobalt Lodge Health & Rehabilitation Center**

Vehicle Disallowances

9/30/2015

Totals for BMW		
Account	Description	Amount
22.511	Car Payments	\$16,463.92
92.243	Insurance	\$3,394.69
92.233	Taxes	\$1,319.09
82.146	Car Maintenance	\$1,099.26
88.178	Fuel	\$7,517.49
	Total	\$29,794.45

Property Insurance Disallowed on pg. 29  
 Personal Property taxes pg. 29a  
 Vehicle Rpairs and Maintenance pg. 29a  
 Auto Expense pg. 28

Totals for BMW		
Account	Description	Amount
22.511	Car Payments	\$11,507.28
92.243	Insurance	\$3,033.69
92.233	Taxes	\$2,144.00
82.146	Car Maintenance	\$547.82
88.178	Fuel	7517.485
	Total	\$24,750.28

Property Insurance Disallowed on pg. 29  
 Personal Property taxes pg. 29a  
 Vehicle Rpairs and Maintenance pg. 29a  
 Auto Expense pg. 28

**Cobalt Lodge Health & Rehabilitation Center  
Cable TV Disallowance  
September 30, 2015**

Total Monthly Fee Allowed	\$	300	
Total Months		<u>12</u>	
Total Allowable Expense	\$	3,600	
Total Cable TV Expense	\$	5,411	TB Linked
Allowable Expense		<u>3,600</u>	
<b>Disallowed Expense</b>	<b>\$</b>	<b><u>1,811</u></b>	

**F. Statement of Revenue**

Name of Facility Cobalt Lodge Health & Rehabilitation Center		License No. C813-C		Report for Year Ended 9/30/2015		Page 30 of 37	
Item				Total	CCNH	RHNS	(Specify)
<b>I. Resident Room, Board &amp; Routine Care Revenue</b>							
1.	a.	Medicaid Residents (CT only)	\$	2,388,554	2,388,554		
	b.	Medicaid Room and Board Contractual Allowance **	\$				
2.	a.	Medicaid (All other states)	\$				
	b.	Other States Room and Board Contractual Allowance **	\$				
3.	a.	Medicare Residents (all inclusive)	\$	1,026,410	1,026,410		
	b.	Medicare Room and Board Contractual Allowance **	\$				
4.	a.	Private-Pay Residents and Other	\$	1,556,551	1,556,551		
	b.	Private-Pay Room and Board Contractual Allowance **	\$				
<b>II. Other Resident Revenue</b>							
1.	a.	Prescription Drugs - Medicare	\$	112,191	112,191		
	b.	Prescription Drugs - Medicare Contractual Allowance **	\$	(112,191)	(112,191)		
	c.	Prescription Drugs - Non-Medicare	\$				
	d.	Prescription Drugs - Non-Medicare Contractual Allowance **	\$				
2.	a.	Medical Supplies - Medicare	\$				
	b.	Medical Supplies - Medicare Contractual Allowance **	\$				
	c.	Medical Supplies - Non-Medicare	\$				
	d.	Medical Supplies - Non-Medicare Contractual Allowance **	\$				
3.	a.	Physical Therapy - Medicare	\$				
	b.	Physical Therapy - Medicare Contractual Allowance **	\$				
	c.	Physical Therapy - Non-Medicare	\$	258,163	258,163		
	d.	Physical Therapy - Non-Medicare Contractual Allowance **	\$	(258,163)	(258,163)		
4.	a.	Speech Therapy - Medicare	\$				
	b.	Speech Therapy - Medicare Contractual Allowance **	\$				
	c.	Speech Therapy - Non-Medicare	\$	87,472	87,472		
	d.	Speech Therapy - Non-Medicare Contractual Allowance **	\$	(87,472)	(87,472)		
5.	a.	Occupational Therapy - Medicare	\$				
	b.	Occupational Therapy - Medicare Contractual Allowance **	\$				
	c.	Occupational Therapy - Non-Medicare	\$	241,293	241,293		
	d.	Occupational Therapy - Non-Medicare Contractual Allowance **	\$	(241,293)	(241,293)		
6.	a.	Other (Specify) - Medicare	\$				
	b.	Other (Specify) - Non-Medicare	\$				
<b>III. Total Resident Revenue (Section I. thru Section II.)</b>				\$	4,971,515	4,971,515	
<b>IV. Other Revenue*</b>							
1.	Meals sold to guests, employees & others			\$			
2.	Rental of rooms to non-residents			\$			
3.	Telephone			\$			
4.	Rental of Television and Cable Services			\$			
5.	Interest Income (Specify)			\$			
6.	Private Duty Nurses' Fees			\$			
7.	Barber, Coffee, Beauty and Gift shops			\$			
8.	Other (Specify)			\$			
<b>V. Total Other Revenue (1 thru 8)</b>				\$			
<b>VI. Total All Revenue (III +V)</b>				\$	4,971,515	4,971,515	

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

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

Schedule of Other Resident Revenue - Medicare

Related Exp

Page Ref	Description	CCNH	RHNS	(Specify)
		0		
<b>Total Other Resident Revenue - Medicare</b>		\$ -	\$ -	\$ -

Schedule of Other Non-Medicare Resident Revenue

Related Exp

Page Ref	Description	CCNH	RHNS	(Specify)
		0		
<b>Total Other Resident Revenue</b>		\$ -	\$ -	\$ -

Interest Income

Account

Page Ref	Account	Balance	CCNH	RHNS	(Specify)
			0		
<b>Total Interest Income</b>			\$ -	\$ -	\$ -

Schedule of Other Revenue

Page Ref	Description	CCNH	RHNS	(Specify)
		0		
<b>Total Other Revenue</b>		\$ -	\$ -	\$ -

**G. Balance Sheet**

Name of Facility	License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation C	813-C	9/30/2015	31	37
Account			Amount	
<b>Assets</b>				
<b>A. Current Assets</b>				
1. Cash ( <i>on hand and in banks</i> )			\$	112,617
2. Resident Accounts Receivable (Less Allowance for Bad Debts)			\$	815,400
3. Other Accounts Receivable (Excluding Owners or Related Parties)			\$	
4. Inventories			\$	
5. Prepaid Expenses			\$	12,636
a. Insurance -Property	6,136			
b. Insurance - Liability	6,500			
c.				
d.				
6. Interest Receivable			\$	
7. Medicare Final Settlement Receivable			\$	
8. Other Current Assets ( <i>itemize</i> )			\$	
<b>A-9. Total Current Assets (Lines A1 thru 8)</b>			\$	940,653
<b>B. Fixed Assets</b>				
1. Land			\$	25,000
2. Land Improvements	*Historical Cost	60,674	\$	3,939
	Accum. Depreciation	56,735	Net	
3. Buildings	*Historical Cost	1,412,347	\$	198,079
	Accum. Depreciation	1,214,268	Net	
4. Leasehold Improvements	*Historical Cost		\$	
	Accum. Depreciation		Net	
5. Non-Movable Equipment	*Historical Cost	24,773	\$	
	Accum. Depreciation	24,773	Net	
6. Movable Equipment	*Historical Cost	291,073	\$	36,909
	Accum. Depreciation	254,164	Net	
7. Motor Vehicles	*Historical Cost	57,536	\$	46,029
	Accum. Depreciation	11,507	Net	
8. Minor Equipment-Not Depreciable			\$	
9. Other Fixed Assets ( <i>itemize</i> )			\$	38,501
F/S vs C/R Depreciation		30,256		
Work in Process		8,245		
<b>B-10. Total Fixed Assets (Lines B1 thru 9)</b>			\$	348,457

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

(Carry Total forward to next page)

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

Name of Facility		License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation C		813-C	9/30/2015	32	37
Account				Amount	
Total Brought Forward:				\$	1,289,110
C. Leasehold or like property recorded for Equity Purposes.					
1. Land					
\$					
2. Land Improvements					
		*Historical Cost	_____		
		Accum. Depreciation	_____	Net	\$
3. Buildings					
		*Historical Cost	_____		
		Accum. Depreciation	_____	Net	\$
4. Non-Movable Equipment					
		*Historical Cost	_____		
		Accum. Depreciation	_____	Net	\$
5. Movable Equipment					
		*Historical Cost	_____		
		Accum. Depreciation	_____	Net	\$
6. Motor Vehicles					
		*Historical Cost	_____		
		Accum. Depreciation	_____	Net	\$
7. Minor Equipment-Not Depreciable					
\$					
C-8 <b>Total Leasehold or Like Properties</b> (C1 thru 7)					
\$					
D. Investment and Other Assets					
1. Deferred Deposits					
\$					
2. Escrow Deposits					
\$					
3. Organization Expense					
		*Historical Cost	_____		
		Accum. Depreciation	_____	Net	\$
4. Goodwill (Purchased Only)					
\$					
5. Investments Related to Resident Care ( <i>itemize</i> )					
\$					
6. Loans to Owners or Related Parties ( <i>itemize</i> )					
\$					
Name and Address		Amount	Loan Date		
7. Other Assets ( <i>itemize</i> )					
Refinancing Closing Cost			7,091	\$ 7,091	
D-8. <b>Total Investments and Other Assets</b> (Lines D1 thru 7)					
\$ 7,091					
D-9. <b>Total All Assets</b> (Lines A9 + B10 + C8 + D8)					
\$ 1,296,201					

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

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

Name of Facility		License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation Center		813-C	9/30/2015	33	37
Account				Amount	
<b>Liabilities</b>					
A. Current Liabilities					
1. Trade Accounts Payable				\$	338,367
2. Notes Payable ( <i>itemize</i> )				\$	206,565
Notes & Loans					159,534
2015 Ford F350					47,031
3. Loans Payable for Equipment ( <i>Current portion</i> ) ( <i>itemize</i> )				\$	
Name of Lender		Purpose	Amount	Date Due	
4. Accrued Payroll ( <i>Exclusive of Owners and/or Stockholders only</i> )				\$	56,395
5. Accrued Payroll ( <i>Owners and/or Stockholders only</i> )				\$	
6. Accrued Payroll Taxes Payable				\$	
7. Medicare Final Settlement Payable				\$	
8. Medicare Current Financing Payable				\$	
9. Mortgage Payable ( <i>Current Portion</i> )				\$	
10. Interest Payable ( <i>Exclusive of Owner and/or Related Parties</i> )				\$	
11. Accrued Income Taxes*				\$	
12. Other Current Liabilities ( <i>itemize</i> )				\$	90,827
State Excise or B & O Tax					90,827
A-13. <b>Total Current Liabilities</b> (Lines A1 thru 12)				\$	692,154

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

(Carry Total forward to next page)

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

Name of Facility Cobalt Lodge Health & Rehabilitation Center		License No. 813-C	Report for Year Ended 9/30/2015	Page 34	of 37
Account				Amount	
Total Brought Forward:				692,154	
<b>Liabilities (cont'd)</b>					
B. Long-Term Liabilities					
1. Loans Payable-Equipment ( <i>itemize</i> )				\$	
Name of Lender	Purpose	Amount	Date Due		
2. Mortgages Payable				\$	
3. Loans from Owners or Related Parties ( <i>itemize</i> )				\$	
Name and Address of Lender	Amount	Loan Date			
4. Other Long-Term Liabilities ( <i>itemize</i> )				\$ 491,068	
Renovation Loan Citizens Bank		481,068			
Pension		10,000			
B-5. <i>Total Long-Term Liabilities</i> (Lines B1 thru 4)				\$ 491,068	
C. <i>Total All Liabilities</i> (Lines A-13 + B-5)				\$ 1,183,222	

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

Name of Facility	License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation	813-C	9/30/2015	35	37
Account			Amount	
<b>A. Reserves</b>				
1. Reserve for value of leased land			\$	
2. Reserve for depreciation value of leased buildings and appurtenances to be amortized			\$	
3. Reserve for depreciation value of leased personal property ( <i>Equity</i> )			\$	
4. Reserve for leasehold real properties on which fair rental value is based			\$	
5. Reserve for funds set aside as donor restricted			\$	
6. Total Reserves			\$	
<b>B. Net Worth</b>				
1. Owner's Capital			\$	
2. Capital Stock			\$	5,000
3. Paid-in Surplus			\$	
4. Treasury Stock			\$	
5. Cumulated Earnings			\$	101,448
6. Gain or Loss for Period	10/1/2014	thru 9/30/2015	\$	6,531
7. Total Net Worth			\$	112,979
<b>C. Total Reserves and Net Worth</b>			\$	112,979
<b>D. Total Liabilities, Reserves, and Net Worth</b>			\$	1,296,201

### H. Changes in Total Net Worth

Name of Facility		License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation Ce		813-C	9/30/2015	36	37
Account				Amount	
A.	Balance at End of Prior Period as shown on Report of 09/30/2014			\$	75,907
B.	Total Revenue ( <i>From Statement of Revenue Page 30</i> )			\$	4,971,515
C.	Total Expenditures ( <i>From Statement of Expenditures Page 27</i> )			\$	4,964,985
D.	Net Income or Deficit			\$	6,530
E.	Balance			\$	82,437
F.	Additions				
	1. Additional Capital Contributed ( <i>itemize</i> )				
	Expenses Per Page 27	\$4,927,300			
	F/S vs C/R Depreciation	37,685			
	Rounding	1			
	Expenses Per F/S	\$4,964,984			
	2. Other ( <i>itemize</i> )				
	Prior Period Audit Adjustment		220,927		
F-3.	Total Additions			\$	220,927
G.	Deductions				
	1. Drawings of Owners/Operators/Partners ( <i>Specify</i> )			\$	
	Name and Address ( <i>No., City, State, Zip</i> )	Title	Amount		
	2. Other Withdrawings ( <i>Specify</i> )			\$	190,385
	Purpose	Amount			
	Distributions - TPZ, MPZ	173,885			
	Distributions - JZ	16,500			
	3. Total Deductions			\$	190,385
H.	<b>Balance at End of Period</b>		09/30/15	\$	112,979

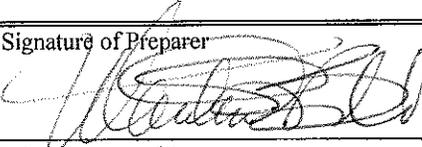
**Cobalt Lodge Health & Rehabilitation Center**  
**Net Asset Reconciliation**  
**September 30, 2015**

<b>9/30/2013</b>	<b>Review</b>	<b>Cost Report</b>	
Beginning Retained Earnings	1,973,793.00	1,973,793	-
(Distributions)	(1,950,517)	(2,175,517)	225,000
9/30/13 Income (Loss)	<u>336,758.00</u>	<u>336,758</u>	-
	360,034	135,034	225,000

<b>9/30/2014</b>			
Beginning Retained Earnings	360,034	135,034	225,000
(Distributions)	(275,714)	(295,714)	20,000
9/30/14 Income (Loss)	<u>212,512</u>	<u>236,587</u>	<u>(24,075)</u>
	296,832	75,907	220,925

Rounding			<u>2</u>
Prior Period Adjustment	Page 36, F2		<u><u>220,927</u></u>

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

Name of Facility Cobalt Lodge Health & Rehabilitation	License No. 813-C	Report for Year Ended 9/30/2015	Page 37	of 37
<i>Check appropriate category</i>				
<input checked="" type="checkbox"/> Chronic and Convalescent Nursing Home only (CCNH)	<input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS)	<input type="checkbox"/> (Specify)		
<b>Preparer/Reviewer Certification</b>				
<p>I have prepared and reviewed this report and am familiar with the applicable regulations governing its preparation. I have read the most recent Federal and State issued field audit reports for the Facility and have inquired of appropriate personnel as to the possible inclusion in this report of expenses which are not reimbursable under the applicable regulations. All non-reimbursable expenses of which I am aware (except those expenses known to be automatically removed in the State rate computation system) as a result of reading reports, inquiry or other services performed by me are properly reported as such in this report on Pages 28 and 29 (adjustments to statement of expenditures). Further, the data contained in this report is in agreement with the books and records, as provided to me, by the Facility.</p>				
Signature of Preparer 	Title PRINCIPAL	Date Signed 1/29/16		
Printed Name of Preparer Matthew S. Bovolack				
Address Address 555 Long Wharf Drive, New Haven, CT 06511		Phone Number 203-781-9600		

# Annual Report of Long-Term Care Facility Cost Year 2015 Checklist

Facility Name Cobalt Lodge Health & Rehabilitation Center

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

Yes No

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

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

Yes No

2. Are the methods of allocating costs consistent with cost year 2014? If not, explain the reporting change.

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

Yes No

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

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

Yes No

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

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

Yes No

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

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

Yes No

6. During cost year 2015, did you report all certified bed changes on Page 9? Do the bed change dates agree to the license issued by the Department of Health?

Explanation: N/A  
\_\_\_\_\_

Yes No

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

Explanation: N/A  
\_\_\_\_\_

Yes No

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

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

Yes No

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

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

Yes No

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

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

Yes No

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

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

Yes No

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

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

Yes No

13. Does historical cost and accumulated depreciation of all assets reported on Pages 23 and 24 roll forward from cost year 2014?

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

Yes No

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

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

Yes No

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

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

Yes No

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

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

Yes No

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

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

Yes No

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

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

Yes No

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

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

Yes No

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

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

Yes No

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

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

Yes No

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

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

Client: **Cobalt Lodge**  
 Engagement: **Medicaid - Cobalt Lodge 2015 Cost Report**  
 Period Ending: **9/30/2015**  
 Trial Balance: **A.01 - TB-CCNH**

Account	Description	ADJ 9/30/2015	JE Ref #	RJE	FINAL 9/30/2015	1st PP-FINAL 9/30/2014
10100	CASH - PETTY CASH	245.66			245.66	200.00
10105	CASH - REC	75.00			75.00	75.00
10110	CASH - OPERATING ACCOUNT	110,105.39			110,105.39	118,100.00
10140	CASH - PAYROLL ACCOUNT	1,165.82			1,165.82	33,939.00
10160	CASH - WACHOVIA	0.00			0.00	(17.00)
10170	CASH - Project Holding Account	1,025.00			1,025.00	69,636.00
11100	Private	130,474.63			130,474.63	2,376.00
11120	Medicare	122,562.61			122,562.61	76,384.00
11130	Medicaid	277,136.93			277,136.93	313,878.00
11160	Commercial	49,620.11			49,620.11	61,617.00
11170	ALLOWANCE FOR BAD DEBT	(10,250.00)			(10,250.00)	(10,250.00)
11484	A/R REFUND CLEARING	0.00			0.00	66,753.00
11486	DUE FROM AFFILIATES	253,500.00			253,500.00	0.00
12130	MEDICAID CREDITS ACCTS REC.	(7,644.09)			(7,644.09)	(7,644.00)
14310	INSURANCE - PROPERTY	6,136.00			6,136.00	3,062.00
14320	INSURANCE - LIABILITY	6,500.00			6,500.00	6,500.00
15000	LAND	25,000.00			25,000.00	25,000.00
15050	LAND IMPROVEMENTS	103,178.97			103,178.97	103,179.00
15100	BUILDINGS	61,013.06			61,013.06	61,013.00
15110	BUILDING IMPROVEMENTS	594,514.37			594,514.37	590,904.00
15120	BUILDING ADDITION	774,191.21			774,191.21	774,191.00
15125	Work in Process	8,244.52			8,244.52	8,245.00
15250	FURNITURE & EQUIPMENT	131,814.05			131,814.05	137,877.00
15253	OFFICE EQUIPMENT	69,814.26			69,814.26	69,814.00
15254	KITCHEN EQUIPMENT	34,488.09			34,488.09	29,188.00
15255	LAUNDRY EQUIPMENT	3,738.13			3,738.13	3,738.00
15256	NURSING EQUIPMENT	112,923.45			112,923.45	112,923.00
15257	HOUSEKEEPING	4,608.31			4,608.31	4,608.00
15280	MINOR EQUIPMENT	22,023.00			22,023.00	22,023.00
16050	LAND IMPROVEMENTS	(58,349.63)			(58,349.63)	(55,343.00)
16100	BUILDINGS	(1,200,775.55)			(1,200,775.55)	(1,152,904.00)
16256	NURSING EQUIPMENT	(337,969.06)			(337,969.06)	(345,855.00)
16404	REFINANCING CLOSING COST A	7,090.80			7,090.80	8,273.00
21000	TRADE ACCOUNTS	(338,367.39)			(338,367.39)	(188,659.00)
21331	PAYROLL ACCRUED	(48,296.15)			(48,296.15)	(82,017.00)
21333	PAYROLL CLEARING & PENSION	(8,098.69)			(8,098.69)	(4,717.00)
21511	SOCIAL SECURITY W/H TAX	0.00			0.00	(3.00)
21531	STATE INCOME TAX	0.00			0.00	52.00
21552	GARNISHMENT	0.00			0.00	2.00
21748	PENSION	(10,000.00)			(10,000.00)	0.00
21921	STATE EXCISE OR B & O TAX	(90,827.00)			(90,827.00)	(89,209.00)
22511	NOTES & LOANS	(159,534.00)			(159,534.00)	(164,534.00)
22531	2011 FORD F350	(47,030.61)			(47,030.61)	(25,250.00)
22640	Renovation Loan Citizens Bank	(481,067.53)			(481,067.53)	(501,950.00)
22700	Due from Affiliates	0.00			0.00	225,000.00
29102	EXCHG - PATIENT PERS	0.00			0.00	709.00
29501	Distribution TPZ, MPZ	1,898,223.64			1,898,223.64	1,742,338.00
29502	Distribution JZ	518,392.67			518,392.67	503,893.00
35101	COMMON STOCK	(5,000.00)			(5,000.00)	(5,000.00)
35301	RETAINED EARNINGS	(2,518,063.01)			(2,518,063.01)	(2,305,551.00)
41101	Private	(1,394,362.69)			(1,394,362.69)	(1,791,981.00)
41208	Medicare	(1,026,410.19)			(1,026,410.19)	(861,269.00)
41301	Medicaid	(2,384,568.20)			(2,384,568.20)	(1,928,503.00)
41392	ADJ REV-OTHER	(3,985.66)			(3,985.66)	(39,230.00)
41401	Commercial	(162,188.20)			(162,188.20)	(195,486.00)
51032	PHARMACY REVENUE - W	0.00		(112,191.00)	(112,191.00)	(87,109.00)
51038	ADJUSTMENT TO REV-PHARMACY	0.00		112,191.00	112,191.00	87,109.00
52022	PHYS THERAPY REV	0.00		(258,163.00)	(258,163.00)	(197,498.00)
52028	ADJ TO REV-PHY THER	0.00		258,163.00	258,163.00	197,498.00
53497	OXYGEN EXPENSE-PURCH	0.00		(872.00)	(872.00)	(633.00)
53498	Oxygen adjustment	0.00		872.00	872.00	633.00
54028	LAB ADJ TO REV	0.00		(15,546.00)	(15,546.00)	(16,157.00)
54097	LABORATORY EXPENSE-P	0.00		15,546.00	15,546.00	16,157.00
54522	X-RAY REVENUE-M	0.00		(901.00)	(901.00)	(3,731.00)

Account	Description	ADJ 9/30/2015	JE Ref #	RJE	FINAL 9/30/2015	1st PP-FINAL 9/30/2014
54528	ADJSTMNT TO REV-X-RAY	0.00		901.00	901.00	3,731.00
55068	ADJ TO REV-OCCUP THERAPY	0.00		241,293.00	241,293.00	214,153.00
55093	OT SALARIES THERAPIES	0.00		(241,293.00)	(241,293.00)	(214,153.00)
55522	SPEECH THER REVENUE	0.00		(87,472.00)	(87,472.00)	(113,896.00)
55528	ADJ TO REV-SPEECH THERAPY	0.00		87,472.00	87,472.00	113,896.00
60030	LAB - PURCH SERV	10,494.82			10,494.82	6,719.00
60040	XRAY - PURCH SERV	1,766.12			1,766.12	5,755.00
61010	DRUGS	188,138.08			188,138.08	118,812.00
62020	OXYGEN SUPPLIES	13,383.84			13,383.84	1,777.00
62040	PURCHASED SERVICES	2,360.23			2,360.23	8,653.00
71050	Salaries - Beauty & Barber	502.00			502.00	0.00
71100	SALARIES - DNS	95,785.71			95,785.71	92,654.00
71103	SALARIES - R.N.S.	274,494.39			274,494.39	310,782.00
71105	SALARIES - L.P.N.S OR L.V.N.S	257,502.34			257,502.34	262,375.00
71111	SALARIES - AIDES & ORDERLIES	547,727.30			547,727.30	570,929.00
71115	SALARIES - NURS ADM	166,912.48			166,912.48	157,730.00
71135	SUPPLIES - NURSING	109,419.81			109,419.81	90,235.00
71141	CONTRACTED LABOR-R.N.S.	105,500.57			105,500.57	47,560.00
71142	CONTRACTED LABOR-L.P.N.S.	33,585.93			33,585.93	10,655.00
71143	CONTRACTED LABOR-AIDES & ORDER	124,220.01			124,220.01	46,920.00
71177	PATIENT TRANSPORTATION	12,473.78			12,473.78	470.00
72092	SALARIES - PHYSICAL THERAPIST	142,771.90			142,771.90	99,670.00
72095	PHYSICAL THER - SUPPLIES	2,750.19			2,750.19	3,715.00
75093	SALARIES-OCC THRPY	133,333.60			133,333.60	97,773.00
76131	PURCHASED SERVICES SPEECH	45,081.55			45,081.55	45,047.00
82100	SALARIES-SUPER (MAINT)	40,662.85			40,662.85	42,210.00
82102	SALARIES-MAINT	32,605.02			32,605.02	35,709.00
82122	FUEL - GAS	8,811.29			8,811.29	11,782.00
82123	ELECTRICITY	36,047.99			36,047.99	31,028.00
82125	WATER, SEWER, GARBAGE	65,397.37			65,397.37	60,188.00
82126	HAZARDOUS WASTE	2,384.40			2,384.40	1,315.00
82127	FUEL - OIL	34,046.51			34,046.51	51,164.00
82131	SUPPLIES - MAINTENANCE	12,755.01			12,755.01	14,485.00
82135	FURNITURE & APPLIANCE EXPENSE	8,548.93			8,548.93	2,118.00
82144	Outdoor Services	0.00			0.00	5,498.00
82145	BUILDING SERV.- REPAIRS & MAINT	18,137.04			18,137.04	4,466.00
82146	EQUIP SVCS - REPAIRS & MAINT E	19,183.88			19,183.88	25,684.00
82149	PURCH SVCS - CABLE TV	5,411.04			5,411.04	4,990.00
82150	PLANT OPERATIONS MAINT-EQUIPMENT RENTAL	10,489.85			10,489.85	1,452.00
83100	DIETARY SUPV. SALERIES	158,345.00			158,345.00	137,800.00
83101	DIET SALARIES-SUPERVISOR	(870.71)			(870.71)	0.00
83102	DIETARY SALARIES	208,338.84			208,338.84	185,909.00
83106	DIETICIAN	15,564.00			15,564.00	13,072.00
83121	FOOD	147,115.22			147,115.22	123,889.00
83131	DIETARY SUPPLIES	7,083.61			7,083.61	6,959.00
83161	EQUIPMENT RENTAL	0.00			0.00	2,798.00
84102	LAUNDRY SALARY	23,651.73			23,651.73	24,408.00
84140	LAUNDRY SERVICE CONTRACTED	67,139.40			67,139.40	62,251.00
85102	HOUSEKEEPING SALARIES	69,801.40			69,801.40	54,500.00
85131	HOUSEKEEPING SUPPLIES	135.36			135.36	0.00
85175	AUTO MILEAGE	2,109.61			2,109.61	1,416.00
86124	Medical Records	832.72			832.72	1,110.00
86150	PURCHASED SERVICES - MEDICAL	34,951.87			34,951.87	20,972.00
86151	PSYCHIATRY CONSULTANT	2,160.00			2,160.00	2,515.00
86152	DENTIST	300.00			300.00	42.00
86180	MTG - STAFF	207.41			207.41	399.00
86501	SALARIES SOCIAL SERVICE	26,194.24			26,194.24	22,385.00
86521	PURCHASED SERVICES	1,587.83			1,587.83	1,680.00
87102	SALARIES REC	40,597.01			40,597.01	38,947.00
87131	SUPPLIES ACTIVITIES	1,434.15			1,434.15	1,337.00
88100	SALARIES - ADMINISTRATOR	186,571.43			186,571.43	234,329.00
88101	SALARIES - ASSISTANT ADMINISTRATOR	51,169.91		(23,450.00)	27,719.91	6,643.00
88104	SALARIES - BUSINESS OFFICE	108,943.60		23,450.00	132,393.60	107,956.00
88111	Owner / Vice President	145,828.57			145,828.57	138,161.00
88131	OFFICE SUPPLIES	8,065.68			8,065.68	6,859.00
88154	PURCHASED SERVICES	22,276.50			22,276.50	17,070.00
88175	TRAVEL & ENTERTAINMENT	15,192.71			15,192.71	20,697.00
88177	SEMINAR EXPENSE	990.00			990.00	90.00

Account	Description	ADJ 9/30/2015	JE Ref #	RJE	FINAL 9/30/2015	1st PP-FINAL 9/30/2014
88182	PAYROLL SERVICE FEES	9,043.36			9,043.36	10,175.00
88185	PROFESSIONAL FEES - LEGAL	13,165.31			13,165.31	19,680.00
88186	PROFESSIONAL FEES - ACCOUNTING	44,081.09			44,081.09	31,073.00
88198	PENSION CONTRIBUTION	10,000.00			10,000.00	0.00
88313	POSTAGE	1,149.31			1,149.31	959.00
88590	PAYROLL TAX-FICA	176,552.58			176,552.58	169,585.00
88591	PAYROLL TAX-FUI	12,046.60			12,046.60	3,173.00
88592	PAYROLL TAX-SUI	29,329.39			29,329.39	29,965.00
88593	BUSINESS INS	80,531.82			80,531.82	78,430.00
88594	GRP INSURANCE	83,093.16			83,093.16	98,140.00
89115	ADVERTISING	16,604.71			16,604.71	18,462.00
89120	DONATIONS	3,175.00			3,175.00	200.00
89125	DUES & SUBSCRIPTIONS	14,698.51		(1,293.00)	13,405.51	10,818.00
89128	DUES & SUBSCRIPTIONS	0.00		1,293.00	1,293.00	1,734.00
89129	LICENSES	275.00			275.00	928.00
89141	ADMIN & GENERAL - MISC	(1,856.71)			(1,856.71)	316.00
89163	BUSINESS TAXES - B & O TAX	359,505.00			359,505.00	333,756.00
89165	FINES AND PENALTIES	0.00			0.00	(1,098.00)
89171	TELEPHONE	14,842.73			14,842.73	9,911.00
89173	Internet	842.57			842.57	0.00
89183	PUBLIC RELATIONS	4,011.23			4,011.23	1,078.00
92232	REAL PROPERTY TAXES	47,983.52			47,983.52	50,076.00
92233	PERSONAL PROPERTY TAXES	4,896.11			4,896.11	3,238.00
92242	INSURANCE - LIABILITY	13,000.00			13,000.00	13,455.00
92243	INSURANCE - PROPERTY & AUTO	9,211.51		(6,428.00)	2,783.51	7,372.00
93050	DEPREC EXPENSE-LAND IMPROVEMENTS	3,006.43			3,006.43	3,006.00
93110	DEPREC EXPENSE-BUILD IMP	47,871.14			47,871.14	57,473.00
93253	DEPREC EXP-OFFICE EQ	29,213.00			29,213.00	30,193.00
93501	AMORT EXPENSE-ORGANI	1,181.80			1,181.80	1,182.00
94211	INTEREST EXPENSE-BUI	24,717.05			24,717.05	24,809.00
94231	INTEREST LOC	4,407.83			4,407.83	1,620.00
95000	BAD DEBT EXPENSE	0.00			0.00	60,953.00
Marcum 101	Automobile Insurance	0.00		6,428.00	6,428.00	4,706.00
<b>Total</b>		<b>(0.00)</b>		<b>0.00</b>	<b>(0.00)</b>	<b>0.00</b>

**Net (Income) Loss**

Client: Cobalt Lodge  
 Engagement: Medicaid - Cobalt Lodge 2015 Cost Report  
 Period Ending: 9/30/2015  
 Trial Balance: A.01 - TB-CCNH  
 Workpaper: A.03 - TB-CCNH Combined Detail LS - 2

Account	Description	ADJ 9/30/2015	JE Ref #	RJE	FINAL 9/30/2015
Group : [10-A]	Salaries and Wages				
Subgroup : [2]	Administrators				
88100	SALARIES - ADMINISTRATOR	186,571.43		0.00	186,571.43
Subtotal [2] Administrators		186,571.43		0.00	186,571.43
Subgroup : [4]	Other Administrative Salaries				
88104	SALARIES - BUSINESS OFFICE	108,943.60		23,450.00	132,393.60
			RJE - 2	23,450.00	
88111	Owner / Vice President	145,828.57		0.00	145,828.57
Subtotal [4] Other Administrative Salaries		254,772.17		23,450.00	278,222.17
Subgroup : [5B]	Food Service Supervisor				
83100	DIETARY SUPV. SALERIES	158,345.00		0.00	158,345.00
83101	DIET SALARIES-SUPERVISOR	(870.71)		0.00	(870.71)
Subtotal [5B] Food Service Supervisor		157,474.29		0.00	157,474.29
Subgroup : [5C]	Dietary Workers				
83102	DIETARY SALARIES	208,338.84		0.00	208,338.84
Subtotal [5C] Dietary Workers		208,338.84		0.00	208,338.84
Subgroup : [6B]	Other Housekeeping Workers				
85102	HOUSEKEEPING SALARIES	69,801.40		0.00	69,801.40
Subtotal [6B] Other Housekeeping Workers		69,801.40		0.00	69,801.40
Subgroup : [7A]	Engineer or Chief of Maintenance				
82100	SALARIES-SUPER (MAINT)	40,662.85		0.00	40,662.85
Subtotal [7A] Engineer or Chief of Maintenance		40,662.85		0.00	40,662.85
Subgroup : [7B]	Other Maintenance Workers				
82102	SALARIES-MAINT	32,605.02		0.00	32,605.02
Subtotal [7B] Other Maintenance Workers		32,605.02		0.00	32,605.02
Subgroup : [8B]	Other Laundry Workers				
84102	LAUNDRY SALARY	23,651.73		0.00	23,651.73
Subtotal [8B] Other Laundry Workers		23,651.73		0.00	23,651.73
Subgroup : [12A]	Director of Nurses/Assistant Director				
71100	SALARIES - DNS	95,785.71		0.00	95,785.71
Subtotal [12A] Director of Nurses/Assistant Director		95,785.71		0.00	95,785.71
Subgroup : [12B1] RNs - Direct Care					
71103	SALARIES - R.N.S.	274,494.39		0.00	274,494.39
Subtotal [12B1] RNs - Direct Care		274,494.39		0.00	274,494.39
Subgroup : [12B2] RNs - Administrative					
71115	SALARIES - NURS ADM	166,912.48		0.00	166,912.48
Subtotal [12B2] RNs - Administrative		166,912.48		0.00	166,912.48
Subgroup : [12C1] LPNs - Direct Care					
71105	SALARIES - L.P.N.S OR L.V.N.S	257,502.34		0.00	257,502.34
Subtotal [12C1] LPNs - Direct Care		257,502.34		0.00	257,502.34
Subgroup : [12D] Aides and Attendants					
71111	SALARIES - AIDES & ORDERLIES	547,727.30		0.00	547,727.30
Subtotal [12D] Aides and Attendants		547,727.30		0.00	547,727.30
Subgroup : [12H] Recreation Workers					
87102	SALARIES REC	40,597.01		0.00	40,597.01
Subtotal [12H] Recreation Workers		40,597.01		0.00	40,597.01
Subgroup : [12M] Social Workers/Case Management					
86501	SALARIES SOCIAL SERVICE	26,194.24		0.00	26,194.24
Subtotal [12M] Social Workers/Case Management		26,194.24		0.00	26,194.24
Subgroup : [12N] Marketing					
88101	SALARIES - ASSISTANT ADMINISTRATOR	51,169.91		(23,450.00)	27,719.91
			RJE - 2	(23,450.00)	
Subtotal [12N] Marketing		51,169.91		(23,450.00)	27,719.91

Client: **Cobalt Lodge**  
 Engagement: **Medicaid - Cobalt Lodge 2015 Cost Report**  
 Period Ending: **9/30/2015**  
 Trial Balance: **A.01 - TB-CCNH**  
 Workpaper: **A.03 - TB-CCNH Combined Detail LS - 2**

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2015			9/30/2015
<b>Total [10-A] Salaries and Wages</b>		<u>2,434,261.11</u>		<u>0.00</u>	<u>2,434,261.11</u>
<b>Group : [13-B] Professional Fees</b>					
<b>Subgroup : [1] Dietitian</b>					
83106	DIETICIAN	15,564.00		0.00	15,564.00
<b>Subtotal [1] Dietitian</b>		<u>15,564.00</u>		<u>0.00</u>	<u>15,564.00</u>
<b>Subgroup : [2] Dentist</b>					
86152	DENTIST	300.00		0.00	300.00
<b>Subtotal [2] Dentist</b>		<u>300.00</u>		<u>0.00</u>	<u>300.00</u>
<b>Subgroup : [3] Pharmacist</b>					
86521	PURCHASED SERVICES	1,587.83		0.00	1,587.83
<b>Subtotal [3] Pharmacist</b>		<u>1,587.83</u>		<u>0.00</u>	<u>1,587.83</u>
<b>Subgroup : [5A] PT - Resident Care</b>					
72092	SALARIES - PHYSICAL THERAPIST	142,771.90		0.00	142,771.90
<b>Subtotal [5A] PT - Resident Care</b>		<u>142,771.90</u>		<u>0.00</u>	<u>142,771.90</u>
<b>Subgroup : [8A] Medical Director</b>					
86150	PURCHASED SERVICES - MEDICAL	34,951.87		0.00	34,951.87
<b>Subtotal [8A] Medical Director</b>		<u>34,951.87</u>		<u>0.00</u>	<u>34,951.87</u>
<b>Subgroup : [9A] ST - Resident Care</b>					
76131	PURCHASED SERVICES SPEECH	45,081.55		0.00	45,081.55
<b>Subtotal [9A] ST - Resident Care</b>		<u>45,081.55</u>		<u>0.00</u>	<u>45,081.55</u>
<b>Subgroup : [10A] OT - Resident Care</b>					
75093	SALARIES-OCC THRPY	133,333.60		0.00	133,333.60
<b>Subtotal [10A] OT - Resident Care</b>		<u>133,333.60</u>		<u>0.00</u>	<u>133,333.60</u>
<b>Subgroup : [11A1] RN's - Direct Care</b>					
71141	CONTRACTED LABOR-R.N.S.	105,500.57		0.00	105,500.57
<b>Subtotal [11A1] RN's - Direct Care</b>		<u>105,500.57</u>		<u>0.00</u>	<u>105,500.57</u>
<b>Subgroup : [11B1] LPN's - Direct Care</b>					
71142	CONTRACTED LABOR-L.P.N.S.	33,585.93		0.00	33,585.93
<b>Subtotal [11B1] LPN's - Direct Care</b>		<u>33,585.93</u>		<u>0.00</u>	<u>33,585.93</u>
<b>Subgroup : [11C] Aides</b>					
71143	CONTRACTED LABOR-AIDES & ORDER	124,220.01		0.00	124,220.01
<b>Subtotal [11C] Aides</b>		<u>124,220.01</u>		<u>0.00</u>	<u>124,220.01</u>
<b>Subgroup : [12] Other</b>					
86124	Medical Records	832.72		0.00	832.72
86151	PSYCHIATRY CONSULTANT	2,160.00		0.00	2,160.00
<b>Subtotal [12] Other</b>		<u>2,992.72</u>		<u>0.00</u>	<u>2,992.72</u>
<b>Total [13-B] Professional Fees</b>		<u>639,889.98</u>		<u>0.00</u>	<u>639,889.98</u>
<b>Group : [15] Expenditures Other than Salaries</b>					
<b>Subgroup : [1A1] Workmen's Compensation</b>					
88593	BUSINESS INS	80,531.82		0.00	80,531.82
<b>Subtotal [1A1] Workmen's Compensation</b>		<u>80,531.82</u>		<u>0.00</u>	<u>80,531.82</u>
<b>Subgroup : [1A3] Unemployment Insurance</b>					
88591	PAYROLL TAX-FUI	12,046.60		0.00	12,046.60
88592	PAYROLL TAX-SUI	29,329.39		0.00	29,329.39
<b>Subtotal [1A3] Unemployment Insurance</b>		<u>41,375.99</u>		<u>0.00</u>	<u>41,375.99</u>
<b>Subgroup : [1A4] Social Security (FICA)</b>					
88590	PAYROLL TAX-FICA	176,552.58		0.00	176,552.58
<b>Subtotal [1A4] Social Security (FICA)</b>		<u>176,552.58</u>		<u>0.00</u>	<u>176,552.58</u>
<b>Subgroup : [1A5] Health Insurance</b>					
88594	GRP INSURANCE	83,093.16		0.00	83,093.16
<b>Subtotal [1A5] Health Insurance</b>		<u>83,093.16</u>		<u>0.00</u>	<u>83,093.16</u>
<b>Subgroup : [1A7] Pensions</b>					
88198	PENSION CONTRIBUTION	10,000.00		0.00	10,000.00
<b>Subtotal [1A7] Pensions</b>		<u>10,000.00</u>		<u>0.00</u>	<u>10,000.00</u>

Client: *Cobalt Lodge*  
 Engagement: *Medicaid - Cobalt Lodge 2015 Cost Report*  
 Period Ending: *9/30/2015*  
 Trial Balance: *A.01 - TB-CCNH*  
 Workpaper: *A.03 - TB-CCNH Combined Detail LS - 2*

Account	Description	ADJ 9/30/2015	JE Ref #	RJE	FINAL 9/30/2015
<b>Subgroup : [1D] Accounting and Auditing</b>					
88186	PROFESSIONAL FEES - ACCOUNTING	44,081.09		0.00	44,081.09
<b>Subtotal [1D] Accounting and Auditing</b>		<b>44,081.09</b>		<b>0.00</b>	<b>44,081.09</b>
<b>Subgroup : [1E] Legal</b>					
88185	PROFESSIONAL FEES - LEGAL	13,165.31		0.00	13,165.31
<b>Subtotal [1E] Legal</b>		<b>13,165.31</b>		<b>0.00</b>	<b>13,165.31</b>
<b>Subgroup : [1G] Office Supplies</b>					
88131	OFFICE SUPPLIES	8,065.68		0.00	8,065.68
<b>Subtotal [1G] Office Supplies</b>		<b>8,065.68</b>		<b>0.00</b>	<b>8,065.68</b>
<b>Subgroup : [1H1] Telephone and Telegraph</b>					
89171	TELEPHONE	14,842.73		0.00	14,842.73
<b>Subtotal [1H1] Telephone and Telegraph</b>		<b>14,842.73</b>		<b>0.00</b>	<b>14,842.73</b>
<b>Subgroup : [1K3] Resident Day User Fee</b>					
89163	BUSINESS TAXES - B & O TAX	359,505.00		0.00	359,505.00
<b>Subtotal [1K3] Resident Day User Fee</b>		<b>359,505.00</b>		<b>0.00</b>	<b>359,505.00</b>
<b>Total [15] Expenditures Other than Salaries</b>		<b>831,213.36</b>		<b>0.00</b>	<b>831,213.36</b>
<b>Group : [16] Expenditures Other than Salaries (cont'd) - Admin. and General</b>					
<b>Subgroup : [4] Employee Travel</b>					
85175	AUTO MILEAGE	2,109.61		0.00	2,109.61
<b>Subtotal [4] Employee Travel</b>		<b>2,109.61</b>		<b>0.00</b>	<b>2,109.61</b>
<b>Subgroup : [5] Education Expense</b>					
88177	SEMINAR EXPENSE	990.00		0.00	990.00
<b>Subtotal [5] Education Expense</b>		<b>990.00</b>		<b>0.00</b>	<b>990.00</b>
<b>Subgroup : [7] Other</b>					
88175	TRAVEL & ENTERTAINMENT	15,192.71		0.00	15,192.71
<b>Subtotal [7] Other</b>		<b>15,192.71</b>		<b>0.00</b>	<b>15,192.71</b>
<b>Subgroup : [M3] Advertising Other</b>					
89115	ADVERTISING	16,604.71		0.00	16,604.71
89183	PUBLIC RELATIONS	4,011.23		0.00	4,011.23
<b>Subtotal [M3] Advertising Other</b>		<b>20,615.94</b>		<b>0.00</b>	<b>20,615.94</b>
<b>Subgroup : [M6] Barber and Beauty Supplies</b>					
71050	Salaries - Beauty & Barber	502.00		0.00	502.00
<b>Subtotal [M6] Barber and Beauty Supplies</b>		<b>502.00</b>		<b>0.00</b>	<b>502.00</b>
<b>Subgroup : [M7] Postage</b>					
88313	POSTAGE	1,149.31		0.00	1,149.31
<b>Subtotal [M7] Postage</b>		<b>1,149.31</b>		<b>0.00</b>	<b>1,149.31</b>
<b>Subgroup : [M8] Dues and Membership Fees to Professional Associations</b>					
89128	DUES & SUBSCRIPTIONS	0.00		1,293.00	1,293.00
<b>Subtotal [M8] Dues and Membership Fees to Professional Associations</b>		<b>0.00</b>	RJE - 1	<b>1,293.00</b>	<b>1,293.00</b>
<b>Subgroup : [M9] Subscriptions</b>					
89125	DUES & SUBSCRIPTIONS	14,698.51		(1,293.00)	13,405.51
<b>Subtotal [M9] Subscriptions</b>		<b>14,698.51</b>	RJE - 1	<b>(1,293.00)</b>	<b>13,405.51</b>
<b>Subgroup : [M10] Contributions</b>					
89120	DONATIONS	3,175.00		0.00	3,175.00
<b>Subtotal [M10] Contributions</b>		<b>3,175.00</b>		<b>0.00</b>	<b>3,175.00</b>
<b>Subgroup : [M11] Services Provided by Contract</b>					
88154	PURCHASED SERVICES	22,276.50		0.00	22,276.50
88182	PAYROLL SERVICE FEES	9,043.36		0.00	9,043.36
<b>Subtotal [M11] Services Provided by Contract</b>		<b>31,319.86</b>		<b>0.00</b>	<b>31,319.86</b>

Client: Cobalt Lodge  
 Engagement: Medicald - Cobalt Lodge 2015 Cost Report  
 Period Ending: 9/30/2015  
 Trial Balance: A.01 - TB-CCNH  
 Workpaper: A.03 - TB-CCNH Combined Detail LS - 2

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2015			9/30/2015
<b>Subgroup : [M13] Other</b>					
89129	LICENSES	275.00		0.00	275.00
89141	ADMIN & GENERAL - MISC	(1,856.71)		0.00	(1,856.71)
89173	Internet	842.57		0.00	842.57
<b>Subtotal [M13] Other</b>		<b>(739.14)</b>		<b>0.00</b>	<b>(739.14)</b>
<b>Total [16] Expenditures Other than Salaries (cont'd) - Admin. and General</b>		<b>89,013.80</b>		<b>0.00</b>	<b>89,013.80</b>
<b>Group : [18] Dietary Basis for Allocation of Costs</b>					
<b>Subgroup : [2A1] Raw Food</b>					
83121	FOOD	147,115.22		0.00	147,115.22
<b>Subtotal [2A1] Raw Food</b>		<b>147,115.22</b>		<b>0.00</b>	<b>147,115.22</b>
<b>Subgroup : [2A2] Non-Food Supplies</b>					
82135	FURNITURE & APPLIANCE EXPENSE	8,548.93		0.00	8,548.93
83131	DIETARY SUPPLIES	7,083.61		0.00	7,083.61
<b>Subtotal [2A2] Non-Food Supplies</b>		<b>15,632.54</b>		<b>0.00</b>	<b>15,632.54</b>
<b>Total [18] Dietary Basis for Allocation of Costs</b>		<b>162,747.76</b>		<b>0.00</b>	<b>162,747.76</b>
<b>Group : [19] Laundry-Basis for Allocation of Costs</b>					
<b>Subgroup : [3B] Purchased Services</b>					
84140	LAUNDRY SERVICE CONTRACTED	67,139.40		0.00	67,139.40
<b>Subtotal [3B] Purchased Services</b>		<b>67,139.40</b>		<b>0.00</b>	<b>67,139.40</b>
<b>Total [19] Laundry-Basis for Allocation of Costs</b>		<b>67,139.40</b>		<b>0.00</b>	<b>67,139.40</b>
<b>Group : [20] Housekeeping and Resident Care Basis for Allocation of Costs</b>					
<b>Subgroup : [4D] Other</b>					
85131	HOUSEKEEPING SUPPLIES	135.36		0.00	135.36
<b>Subtotal [4D] Other</b>		<b>135.36</b>		<b>0.00</b>	<b>135.36</b>
<b>Subgroup : [5A2] Purchased from</b>					
61010	DRUGS	188,138.08		0.00	188,138.08
<b>Subtotal [5A2] Purchased from</b>		<b>188,138.08</b>		<b>0.00</b>	<b>188,138.08</b>
<b>Subgroup : [5B] Medicine Cabinet Drugs</b>					
71135	SUPPLIES - NURSING	109,419.81		0.00	109,419.81
<b>Subtotal [5B] Medicine Cabinet Drugs</b>		<b>109,419.81</b>		<b>0.00</b>	<b>109,419.81</b>
<b>Subgroup : [5D] Ambulance/Limousine</b>					
71177	PATIENT TRANSPORTATION	12,473.78		0.00	12,473.78
<b>Subtotal [5D] Ambulance/Limousine</b>		<b>12,473.78</b>		<b>0.00</b>	<b>12,473.78</b>
<b>Subgroup : [5E2] Oxygen - Other</b>					
62020	OXYGEN SUPPLIES	13,383.84		0.00	13,383.84
62040	PURCHASED SERVICES	2,360.23		0.00	2,360.23
<b>Subtotal [5E2] Oxygen - Other</b>		<b>15,744.07</b>		<b>0.00</b>	<b>15,744.07</b>
<b>Subgroup : [5F] X-Rays and related radiological</b>					
60040	XRAY - PURCH SERV	1,766.12		0.00	1,766.12
<b>Subtotal [5F] X-Rays and related radiological</b>		<b>1,766.12</b>		<b>0.00</b>	<b>1,766.12</b>
<b>Subgroup : [5H] Laboratory</b>					
60030	LAB - PURCH SERV	10,494.82		0.00	10,494.82
<b>Subtotal [5H] Laboratory</b>		<b>10,494.82</b>		<b>0.00</b>	<b>10,494.82</b>
<b>Subgroup : [5I] Recreation</b>					
82149	PURCH SVCS - CABLE TV	5,411.04		0.00	5,411.04
87131	SUPPLIES ACTIVITIES	1,434.15		0.00	1,434.15
<b>Subtotal [5I] Recreation</b>		<b>6,845.19</b>		<b>0.00</b>	<b>6,845.19</b>
<b>Subgroup : [5J] Other</b>					
72095	PHYSICAL THER - SUPPLIES	2,750.19		0.00	2,750.19
86180	MTG - STAFF	207.41		0.00	207.41
<b>Subtotal [5J] Other</b>		<b>2,957.60</b>		<b>0.00</b>	<b>2,957.60</b>
<b>Total [20] Housekeeping and Resident Care Basis for Allocation of Costs</b>		<b>347,974.83</b>		<b>0.00</b>	<b>347,974.83</b>

Client: *Cobalt Lodge*  
 Engagement: *Medicaid - Cobalt Lodge 2015 Cost Report*  
 Period Ending: *9/30/2015*  
 Trial Balance: *A.01 - TB-CCNH*  
 Workpaper: *A.03 - TB-CCNH Combined Detail LS - 2*

Account	Description	ADJ 9/30/2015	JE Ref #	RJE	FINAL 9/30/2015
<b>Group : [22]</b>	<b>Maintenance and Property</b>				
<b>Subgroup : [6A]</b>	<b>Repairs and Maintenance</b>				
82131	SUPPLIES - MAINTENANCE	12,755.01		0.00	12,755.01
82145	BUILDING SERV.- REPAIRS & MAINT	18,137.04		0.00	18,137.04
82146	EQUIP SVCS - REPAIRS & MAINT E	19,183.88		0.00	19,183.88
	<b>Subtotal [6A] Repairs and Maintenance</b>	<b>50,075.93</b>		<b>0.00</b>	<b>50,075.93</b>
<b>Subgroup : [6B]</b>	<b>Heat</b>				
82122	FUEL - GAS	8,811.29		0.00	8,811.29
82127	FUEL - OIL	34,046.51		0.00	34,046.51
	<b>Subtotal [6B] Heat</b>	<b>42,857.80</b>		<b>0.00</b>	<b>42,857.80</b>
<b>Subgroup : [6C]</b>	<b>Light &amp; Power</b>				
82123	ELECTRICITY	36,047.99		0.00	36,047.99
	<b>Subtotal [6C] Light &amp; Power</b>	<b>36,047.99</b>		<b>0.00</b>	<b>36,047.99</b>
<b>Subgroup : [6D]</b>	<b>Water</b>				
82125	WATER, SEWER, GARBAGE	65,397.37		0.00	65,397.37
	<b>Subtotal [6D] Water</b>	<b>65,397.37</b>		<b>0.00</b>	<b>65,397.37</b>
<b>Subgroup : [6F]</b>	<b>Other</b>				
82126	HAZARDOUS WASTE	2,384.40		0.00	2,384.40
82150	PLANT OPERATIONS MAINT-EQUIPMENT RENTAL	10,489.85		0.00	10,489.85
	<b>Subtotal [6F] Other</b>	<b>12,874.25</b>		<b>0.00</b>	<b>12,874.25</b>
<b>Subgroup : [7A]</b>	<b>Land Improvements</b>				
93050	DEPREC EXPENSE-LAND IMPROVEMENTS	3,006.43		0.00	3,006.43
	<b>Subtotal [7A] Land Improvements</b>	<b>3,006.43</b>		<b>0.00</b>	<b>3,006.43</b>
<b>Subgroup : [7B]</b>	<b>Building &amp; Building Improvements</b>				
93110	DEPREC EXPENSE-BUILD IMP	47,871.14		0.00	47,871.14
	<b>Subtotal [7B] Building &amp; Building Improvements</b>	<b>47,871.14</b>		<b>0.00</b>	<b>47,871.14</b>
<b>Subgroup : [7C]</b>	<b>Non-movable Equipment</b>				
93253	DEPREC EXP-OFFICE EQ	29,213.00		0.00	29,213.00
	<b>Subtotal [7C] Non-movable Equipment</b>	<b>29,213.00</b>		<b>0.00</b>	<b>29,213.00</b>
<b>Subgroup : [8B]</b>	<b>Mortgage Expense</b>				
93501	AMORT EXPENSE-ORGANI	1,181.80		0.00	1,181.80
	<b>Subtotal [8B] Mortgage Expense</b>	<b>1,181.80</b>		<b>0.00</b>	<b>1,181.80</b>
<b>Subgroup : [10A]</b>	<b>Real estate taxes paid by owner</b>				
92232	REAL PROPERTY TAXES	47,983.52		0.00	47,983.52
	<b>Subtotal [10A] Real estate taxes paid by owner</b>	<b>47,983.52</b>		<b>0.00</b>	<b>47,983.52</b>
<b>Subgroup : [10C]</b>	<b>Personal property taxes</b>				
92233	PERSONAL PROPERTY TAXES	4,896.11		0.00	4,896.11
	<b>Subtotal [10C] Personal property taxes</b>	<b>4,896.11</b>		<b>0.00</b>	<b>4,896.11</b>
	<b>Total [22] Maintenance and Property</b>	<b>341,405.34</b>		<b>0.00</b>	<b>341,405.34</b>
<b>Group : [26]</b>	<b>Interest</b>				
<b>Subgroup : [12A1]</b>	<b>First Mortgage</b>				
94211	INTEREST EXPENSE-BUI	24,717.05		0.00	24,717.05
	<b>Subtotal [12A1] First Mortgage</b>	<b>24,717.05</b>		<b>0.00</b>	<b>24,717.05</b>
	<b>Total [26] Interest</b>	<b>24,717.05</b>		<b>0.00</b>	<b>24,717.05</b>
<b>Group : [27]</b>	<b>Interest and Insurance</b>				
<b>Subgroup : [12D]</b>	<b>Other Interest Expense</b>				
94231	INTEREST LOC	4,407.83		0.00	4,407.83
	<b>Subtotal [12D] Other Interest Expense</b>	<b>4,407.83</b>		<b>0.00</b>	<b>4,407.83</b>
<b>Subgroup : [14A]</b>	<b>Insurance on Property</b>				
92242	INSURANCE - LIABILITY	13,000.00		0.00	13,000.00
92243	INSURANCE - PROPERTY & AUTO	9,211.51		(6,428.00)	2,783.51
	<b>Subtotal [14A] Insurance on Property</b>	<b>22,211.51</b>		<b>(6,428.00)</b>	<b>15,783.51</b>
<b>Subgroup : [14B]</b>	<b>Insurance of Automobiles</b>				
Marcum 101	Automobile Insurance	0.00		6,428.00	6,428.00

Client: **Cobalt Lodge**  
 Engagement: **Medicaid - Cobalt Lodge 2015 Cost Report**  
 Period Ending: **9/30/2015**  
 Trial Balance: **A.01 - TB-CCNH**  
 Workpaper: **A.03 - TB-CCNH Combined Detail LS - 2**

Account	Description	ADJ 9/30/2015	JE Ref #	RJE	FINAL 9/30/2015
			RJE - 3	6,428.00	
Subtotal [14B] Insurance of Automobiles		0.00		6,428.00	6,428.00
Total [27] Interest and Insurance		26,619.34		0.00	26,619.34
Group : [30] Statement of Revenue					
Subgroup : [1A] Medicaid Residents (CT only)					
41301 Medicaid		(2,384,568.20)		0.00	(2,384,568.20)
41392 ADJ REV-OTHER		(3,985.66)		0.00	(3,985.66)
Subtotal [1A] Medicaid Residents (CT only)		(2,388,553.86)		0.00	(2,388,553.86)
Subgroup : [3A] Medicare Residents (All inclusive)					
41208 Medicare		(1,026,410.19)		0.00	(1,026,410.19)
Subtotal [3A] Medicare Residents (All inclusive)		(1,026,410.19)		0.00	(1,026,410.19)
Subgroup : [4A] Private-pay residents and other					
41101 Private		(1,394,362.69)		0.00	(1,394,362.69)
41401 Commercial		(162,188.20)		0.00	(162,188.20)
Subtotal [4A] Private-pay residents and other		(1,556,550.89)		0.00	(1,556,550.89)
Subgroup : [5A] Prescription Drugs - Medicare					
51032 PHARMACY REVENUE - W		0.00		(112,191.00)	(112,191.00)
Subtotal [5A] Prescription Drugs - Medicare		0.00	RJE - 4	(112,191.00)	(112,191.00)
Subgroup : [5B] Prescription Drugs - Medicare Contractual Allowance					
51038 ADJUSTMENT TO REV-PHARMACY		0.00		112,191.00	112,191.00
Subtotal [5B] Prescription Drugs - Medicare Contractual Allowance		0.00	RJE - 4	112,191.00	112,191.00
Subgroup : [7C] Physical Therapy - Non-medicare					
52022 PHYS THERAPY REV		0.00		(258,163.00)	(258,163.00)
Subtotal [7C] Physical Therapy - Non-medicare		0.00	RJE - 4	(258,163.00)	(258,163.00)
Subgroup : [7D] Physical Therapy - Non-medicare Contractual Allowance					
52028 ADJ TO REV-PHY THER		0.00		258,163.00	258,163.00
Subtotal [7D] Physical Therapy - Non-medicare Contractual Allowance		0.00	RJE - 4	258,163.00	258,163.00
Subgroup : [8C] Speech Therapy - Non-medicare					
55522 SPEECH THER REVENUE		0.00		(87,472.00)	(87,472.00)
Subtotal [8C] Speech Therapy - Non-medicare		0.00	RJE - 4	(87,472.00)	(87,472.00)
Subgroup : [8D] Speech Therapy - Non-medicare Contractual Allowance					
55528 ADJ TO REV-SPEECH THERAPY		0.00		87,472.00	87,472.00
Subtotal [8D] Speech Therapy - Non-medicare Contractual Allowance		0.00	RJE - 4	87,472.00	87,472.00
Subgroup : [9C] Occupational Therapy - Non-medicare					
55093 OT SALARIES THERAPIES		0.00		(241,293.00)	(241,293.00)
Subtotal [9C] Occupational Therapy - Non-medicare		0.00	RJE - 4	(241,293.00)	(241,293.00)
Subgroup : [9D] Occupational Therapy - Non-medicare Contractual Allowance					
55068 ADJ TO REV-OCCUP THERAPY		0.00		241,293.00	241,293.00
Subtotal [9D] Occupational Therapy - Non-medicare Contractual Allowance		0.00	RJE - 4	241,293.00	241,293.00
Subgroup : [10A] Other - Medicare					
54522 X-RAY REVENUE-M		0.00		(901.00)	(901.00)
54528 ADJSTMNT TO REV-X-RAY		0.00		(901.00)	(901.00)
			RJE - 4	901.00	901.00
			RJE - 4	901.00	901.00

Client: **Cobalt Lodge**  
 Engagement: **Medicaid - Cobalt Lodge 2015 Cost Report**  
 Period Ending: **9/30/2015**  
 Trial Balance: **A.01 - TB-CCNH**  
 Workpaper: **A.03 - TB-CCNH Combined Detail LS - 2**

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2015			9/30/2015
<b>Subtotal [10A] Other - Medicare</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>Subgroup : [10B] Other - Non-medicare</b>					
54028	LAB ADJ TO REV	0.00		(15,546.00)	(15,546.00)
			RJE - 4	(15,546.00)	
54097	LABORATORY EXPENSE-P	0.00		15,546.00	15,546.00
			RJE - 4	15,546.00	
<b>Subtotal [10B] Other - Non-medicare</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>Subgroup : [18] Other Revenue</b>					
53497	OXYGEN EXPENSE-PURCH	0.00		(872.00)	(872.00)
			RJE - 4	(872.00)	
53498	Oxygen adjustment	0.00		872.00	872.00
			RJE - 4	872.00	
<b>Subtotal [18] Other Revenue</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>Total [30] Statement of Revenue</b>		<b>(4,971,514.94)</b>		<b>0.00</b>	<b>(4,971,514.94)</b>
<b>Group : [99] Balance Sheet</b>					
<b>Subgroup : None</b>					
10100	CASH - PETTY CASH	245.66		0.00	245.66
10105	CASH - REC	75.00		0.00	75.00
10110	CASH - OPERATING ACCOUNT	110,105.39		0.00	110,105.39
10140	CASH - PAYROLL ACCOUNT	1,165.82		0.00	1,165.82
10170	CASH - Project Holding Account	1,025.00		0.00	1,025.00
11100	Private	130,474.63		0.00	130,474.63
11120	Medicare	122,562.61		0.00	122,562.61
11130	Medicaid	277,136.93		0.00	277,136.93
11160	Commercial	49,620.11		0.00	49,620.11
11170	ALLOWANCE FOR BAD DEBT	(10,250.00)		0.00	(10,250.00)
11486	DUE FROM AFFILIATES	253,500.00		0.00	253,500.00
12130	MEDICAID CREDITS ACCTS REC.	(7,644.09)		0.00	(7,644.09)
14310	INSURANCE - PROPERTY	6,136.00		0.00	6,136.00
14320	INSURANCE - LIABILITY	6,500.00		0.00	6,500.00
15000	LAND	25,000.00		0.00	25,000.00
16050	LAND IMPROVEMENTS	103,178.97		0.00	103,178.97
15100	BUILDINGS	61,013.06		0.00	61,013.06
15110	BUILDING IMPROVEMENTS	594,514.37		0.00	594,514.37
15120	BUILDING ADDITION	774,191.21		0.00	774,191.21
15125	Work in Process	8,244.52		0.00	8,244.52
15250	FURNITURE & EQUIPMENT	131,814.05		0.00	131,814.05
15253	OFFICE EQUIPMENT	69,814.26		0.00	69,814.26
15254	KITCHEN EQUIPMENT	34,488.09		0.00	34,488.09
15255	LAUNDRY EQUIPMENT	3,738.13		0.00	3,738.13
15256	NURSING EQUIPMENT	112,923.45		0.00	112,923.45
15257	HOUSEKEEPING	4,608.31		0.00	4,608.31
15280	MINOR EQUIPMENT	22,023.00		0.00	22,023.00
16050	LAND IMPROVEMENTS	(58,349.63)		0.00	(58,349.63)
16100	BUILDINGS	(1,200,775.55)		0.00	(1,200,775.55)
16256	NURSING EQUIPMENT	(337,969.06)		0.00	(337,969.06)
16404	REFINANCING CLOSING COST A	7,090.80		0.00	7,090.80
21000	TRADE ACCOUNTS	(338,367.39)		0.00	(338,367.39)
21331	PAYROLL ACCRUED	(48,296.15)		0.00	(48,296.15)
21333	PAYROLL CLEARING & PENSION	(8,098.69)		0.00	(8,098.69)
21748	PENSION	(10,000.00)		0.00	(10,000.00)
21921	STATE EXCISE OR B & O TAX	(90,827.00)		0.00	(90,827.00)
22511	NOTES & LOANS	(159,534.00)		0.00	(159,534.00)
22531	2011 FORD F350	(47,030.61)		0.00	(47,030.61)
22640	Renovation Loan Citizens Bank	(481,067.53)		0.00	(481,067.53)
29501	Distribution TPZ, MPZ	1,898,223.64		0.00	1,898,223.64
29502	Distribution JZ	518,392.67		0.00	518,392.67
35101	COMMON STOCK	(5,000.00)		0.00	(5,000.00)
35301	RETAINED EARNINGS	(2,518,063.01)		0.00	(2,518,063.01)
<b>Subtotal : None</b>		<b>6,532.97</b>		<b>0.00</b>	<b>6,532.97</b>
<b>Total [99] Balance Sheet</b>		<b>6,532.97</b>		<b>0.00</b>	<b>6,532.97</b>
<b>Sum of Account Groups</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>Net (Income) Loss</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>

Client: *Cobalt Lodge*  
 Engagement: *Medicaid - Cobalt Lodge 2015 Cost Report*  
 Period Ending: *9/30/2015*  
 Trial Balance: *A.01 - TB-CCNH*  
 Workpaper: *H.01 - Reclassifying Journal Entries Report*

Account	Description	W/P Ref	Debit	Credit
<b>Reclassifying Journal Entries JE # 1</b>		D.01		
To reclass subscriptions to the correct account				
89128	DUES & SUBSCRIPTIONS		1,293.00	
89125	DUES & SUBSCRIPTIONS			1,293.00
<b>Total</b>			<b>1,293.00</b>	<b>1,293.00</b>
<b>Reclassifying Journal Entries JE # 2</b>				
To reclass admin salaries out of marketing salaries				
88104	SALARIES - BUSINESS OFFICE		23,450.00	
88101	SALARIES - ASSISTANT ADMINISTRATOR			23,450.00
<b>Total</b>			<b>23,450.00</b>	<b>23,450.00</b>
<b>Reclassifying Journal Entries JE # 3</b>				
To reclass auto insurance				
Marcum 101	Automobile Insurance		6,428.00	
92243	INSURANCE - PROPERTY & AUTO			6,428.00
<b>Total</b>			<b>6,428.00</b>	<b>6,428.00</b>
<b>Reclassifying Journal Entries JE # 4</b>				
To record ancillaries for 2015				
51038	ADJUSTMENT TO REV-PHARMACY		112,191.00	
52028	ADJ TO REV-PHY THER		258,163.00	
53498	Oxygen adjustment		872.00	
54097	LABORATORY EXPENSE-P		15,546.00	
54528	ADJSTMNT TO REV-X-RAY		901.00	
55068	ADJ TO REV-OCCUP THERAPY		241,293.00	
55528	ADJ TO REV-SPEECH THERAPY		87,472.00	
51032	PHARMACY REVENUE - W			112,191.00
52022	PHYS THERAPY REV			258,163.00
53497	OXYGEN EXPENSE-PURCH			872.00
54028	LAB ADJ TO REV			15,546.00
54522	X-RAY REVENUE-M			901.00
55093	OT SALARIES THERAPIES			241,293.00
55522	SPEECH THER REVENUE			87,472.00
<b>Total</b>			<b>716,438.00</b>	<b>716,438.00</b>



Workpaper Index: 400.2  
 Prepared By:  
 Reviewed By:  
 Workpaper Date: 1/28/2016  
 Run Date: 1/28/2016

Provider Name: Cobalt Lodge Health & Rehabilitation Center  
 Provider Number: 8136  
 Period Ended: 9/30/15

Name of Workpaper: VHCL CKLST

**VEHICLE COMPLIANCE CHECKLIST**

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

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

**Conclusion:**