FOR BHF USE

LL1

2011
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT (COST REPORT)
FOR LONG-TERM CARE FACILITIES
(FISCAL YEAR 2011)

IMPORTANT NOTICE
THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

I. IDPH License ID Number: 0049437

Facility Name: Manor Care of Homewood IL, LLC

Address: 940 Maple Avenue (Number) Homewood (City) 60430 (Zip Code)

County: Cook

Telephone Number: (708) 799-0244 **Fax #** (708) 799-1505

HFS ID Number:

Date of Initial License for Current Owners: 06/18/90

Type of Ownership:

	VOLUNTARY,NON-PROFIT	X	PROPRIETARY		GOVERNMENTAL
	Charitable Corp.		Individual		State
	Trust		Partnership		County
IRS Exemption Code		X	Corporation		Other
			"Sub-S" Corp.		
			Limited Liability Co.		
			Trust		
			Other		

In the event there are further questions about this report, please contact:
Name: Gary Geise **Telephone Number:** (419) 252-5731
Email Address:

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 01/01/2011 to 12/31/2011 and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.

Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.

Officer or Administrator of Provider
(Signed) (Date)
(Type or Print Name) Barry A. Lazarus
(Title) Vice President, Reimbursement

Paid Preparer
(Signed) (Date)
(Print Name and Title)
(Firm Name & Address)
(Telephone) ( ) Fax # ( )

MAIL TO: BUREAU OF HEALTH FINANCE
ILLINOIS DEPT OF HEALTHCARE AND FAMILY SERVICES
201 S. Grand Avenue East
Springfield, IL 62763-0001 Phone # (217) 782-1630

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days, (must agree with license). Date of change in licensed beds _____

	1 Beds at Beginning of Report Period	2 Licensure Level of Care	3 Beds at End of Report Period	4 Licensed Bed Days During Report Period	
1	120	Skilled (SNF)	120	43,800	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	120	TOTALS	120	43,800	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment: Medicaid Recipient	3 Private Pay	4 Other	5 Total	
8	SNF	17,225	3,114	17,089	37,428	8
9	SNF/PED					9
10	ICF					10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	17,225	3,114	17,089	37,428	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 85.45%

D. How many bed-hold days during this year were paid by the Department?
0 (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients.
(E.g., day care, "meals on wheels", outpatient therapy)
N/A

F. Does the facility maintain a daily midnight census? Yes

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?
YES [ ] NO [X]

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?
YES [ ] NO [X]

I. On what date did you start providing long term care at this location?
Date started 06/18/90

J. Was the facility purchased or leased after January 1, 1978?
YES [X] Date 04/07/11 NO [ ]

K. Was the facility certified for Medicare during the reporting year?
YES [X] NO [ ] If YES, enter number of beds certified 120 and days of care provided 14,034

Medicare Intermediary CGS Administrators, LLC

IV. ACCOUNTING BASIS

ACCRUAL [X] MODIFIED CASH* [ ] CASH* [ ]

Is your fiscal year identical to your tax year? YES [X] NO [ ]

Tax Year: 12/31 Fiscal Year: 12/31

* All facilities other than governmental must report on the accrual basis.

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR BHF USE ONLY		
		Salary/Wage	Supplies	Other	Total							
	A. General Services	1	2	3	4	5	6	7	8	9	10	
1	Dietary	320,425	20,449	2,188	343,062		343,062		343,062			1
2	Food Purchase		287,279		287,279		287,279	(206)	287,073			2
3	Housekeeping	140,899	21,956	2,075	164,930		164,930		164,930			3
4	Laundry	43,589	20,580		64,169		64,169	(5)	64,164			4
5	Heat and Other Utilities			194,652	194,652	2,220	196,872		196,872			5
6	Maintenance	46,026	7,154	139,155	192,335		192,335		192,335			6
7	Other (specify):* Medical Waste			2,202	2,202		2,202		2,202			7
8	TOTAL General Services	550,939	357,418	340,272	1,248,629	2,220	1,250,849	(211)	1,250,638			8
	B. Health Care and Programs											
9	Medical Director			24,000	24,000		24,000		24,000			9
10	Nursing and Medical Records	2,832,746	270,913	141,133	3,244,792	14,006	3,258,798		3,258,798			10
10a	Therapy	1,112,203	4,993	144,295	1,261,491		1,261,491		1,261,491			10a
11	Activities	85,461	2,097	4,187	91,745		91,745		91,745			11
12	Social Services	196,919			196,919		196,919		196,919			12
13	CNA Training											13
14	Program Transportation											14
15	Other (specify):*											15
16	TOTAL Health Care and Programs	4,227,329	278,003	313,615	4,818,947	14,006	4,832,953		4,832,953			16
	C. General Administration											
17	Administrative	98,839		540,518	639,357	(215,729)	423,628		423,628			17
18	Directors Fees											18
19	Professional Services			31,782	31,782		31,782	(29,531)	2,251			19
20	Dues, Fees, Subscriptions & Promotions			54,458	54,458		54,458	(25,302)	29,156			20
21	Clerical & General Office Expenses	343,101	54,845	507,747	905,693		905,693	(435,187)	470,506			21
22	Employee Benefits & Payroll Taxes			874,728	874,728	29,942	904,670		904,670			22
23	Inservice Training & Education			953	953		953		953			23
24	Travel and Seminar			1,269	1,269		1,269		1,269			24
25	Other Admin. Staff Transportation											25
26	Insurance-Prop.Liab.Malpractice			342,496	342,496		342,496		342,496			26
27	Other (specify):*											27
28	TOTAL General Administration	441,940	54,845	2,353,951	2,850,736	(185,787)	2,664,949	(490,020)	2,174,929			28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	5,220,208	690,266	3,007,838	8,918,312	(169,561)	8,748,751	(490,231)	8,258,520			29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds $1000.
NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

Facility Name & ID Number Manor Care of Homewood IL, LLC #0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR BHF USE ONLY		
		Salary/Wage	Supplies	Other	Total							
	D. Ownership	1	2	3	4	5	6	7	8	9	10	
30	Depreciation			278,325	278,325	15,471	293,796		293,796			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			774,700	774,700	154,090	928,790	(776,755)	152,035			32
33	Real Estate Taxes			446,363	446,363		446,363		446,363			33
34	Rent-Facility & Grounds											34
35	Rent-Equipment & Vehicles			42,798	42,798		42,798		42,798			35
36	Other (specify):*											36
37	TOTAL Ownership			1,542,186	1,542,186	169,561	1,711,747	(776,755)	934,992			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation			950	950		950		950			38
39	Ancillary Service Centers		526,390	3,875	530,265		530,265		530,265			39
40	Barber and Beauty Shops			18,071	18,071		18,071		18,071			40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			65,703	65,703		65,703		65,703			42
43	Other (specify):*		56,245	89,242	145,487		145,487		145,487			43
44	TOTAL Special Cost Centers		582,635	177,841	760,476		760,476		760,476			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	5,220,208	1,272,901	4,727,865	11,220,974		11,220,974	(1,266,986)	9,953,988			45

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds $1000.

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7. In column 2 below, reference the line on which the particular cost was included. (See instructions.)

	NON-ALLOWABLE EXPENSES	1 Amount	2 Reference	3 BHF USE ONLY	
1	Day Care	$		$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(206)	2		4
5	Telephone, TV & Radio in Resident Rooms	(2)	21		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients	(5)	4		8
9	Non-Straightline Depreciation				9
10	Interest and Other Investment Income				10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(118)	21		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment				19
20	Contributions				20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(29,531)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(418,201)	21		24
25	Fund Raising, Advertising and Promotional	(25,302)	20		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule	(793,621)			29
30	**SUBTOTAL (A): (Sum of lines 1-29)**	$ (1,266,986)		$	30

BHF USE ONLY								
48		49		50		51		52	

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

		1 Amount	2 Reference	
31	Non-Paid Workers-Attach Schedule*	$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)			34
35	Other- Attach Schedule			35
36	**SUBTOTAL (B): (sum of lines 31-35)**	$		36
37	**TOTAL ADJUSTMENTS (sum of SUBTOTALS (A) and (B))**	$ (1,266,986)		37

***These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.**

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification. (See instructions.)

		1 Yes	2 No	3 Amount	4 Reference	
38	Medically Necessary Transport.		X	$		38
39						39
40	Gift and Coffee Shops		X			40
41	Barber and Beauty Shops		X			41
42	Laboratory and Radiology		X			42
43	Prescription Drugs		X			43
44						44
45	Other-Attach Schedule					45
46	Other-Attach Schedule					46
47	**TOTAL (C): (sum of lines 38-46)**			$		47

STATE OF ILLINOIS

Manor Care of Homewood IL, LLC

ID# 0049437

Report Period Beginning: 01/01/2011

Ending: 12/31/2011

	NON-ALLOWABLE EXPENSES	Amount	Sch. V Line Reference	
1	Wages - Marketing	$ (12,885)	21	1
2	Employee benefits - Marketing	(3,375)	21	2
3	HCP Lease Interest	(776,755)	32	3
4	Vending Income	(606)	21	4
5	Misc. Income	0	21	5
6	Acitivity Income	0	11	6
7	Loss on Disposal of Fixed Assets	0	36	7
8				8
9				9
10				10
11				11
12				12
13				13
14				14
15				15
16				16
17				17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	**Total**	(793,621)		49

STATE OF ILLINOIS **Summary A**

Facility Name & ID Number Manor Care of Homewood IL, LLC **#** 0049437 **Report Period Beginning:** 01/01/2011 **Ending:** 12/31/2011

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Operating Expenses	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY TOTALS	
	A. General Services	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	(to Sch V, col.7)	
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	(206)	0	0	0	0	0	0	0	0	0	0	(206)	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	(5)	0	0	0	0	0	0	0	0	0	0	(5)	4
5	Heat and Other Utilities	0	0	0	0	0	0	0	0	0	0	0	0	5
6	Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	**TOTAL General Services**	(211)	0	0	0	0	0	0	0	0	0	0	(211)	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	0	0	0	0	0	0	0	0	0	0	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	CNA Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	15
16	**TOTAL Health Care and Programs**	0	0	0	0	0	0	0	0	0	0	0	0	16
	C. General Administration													
17	Administrative	0	0	0	0	0	0	0	0	0	0	0	0	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(29,531)	0	0	0	0	0	0	0	0	0	0	(29,531)	19
20	Fees, Subscriptions & Promotions	(25,302)	0	0	0	0	0	0	0	0	0	0	(25,302)	20
21	Clerical & General Office Expenses	(435,187)	0	0	0	0	0	0	0	0	0	0	(435,187)	21
22	Employee Benefits & Payroll Taxes	0	0	0	0	0	0	0	0	0	0	0	0	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	0	0	0	0	0	0	0	0	0	0	0	0	24
25	Other Admin. Staff Transportation	0	0	0	0	0	0	0	0	0	0	0	0	25
26	Insurance-Prop.Liab.Malpractice	0	0	0	0	0	0	0	0	0	0	0	0	26
27	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	27
28	**TOTAL General Administration**	(490,020)	0	0	0	0	0	0	0	0	0	0	(490,020)	28
29	**TOTAL Operating Expense (sum of lines 8,16 & 28)**	(490,231)	0	0	0	0	0	0	0	0	0	0	(490,231)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 **Report Period Beginning:** 01/01/2011 **Ending:** 12/31/2011

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Capital Expense D. Ownership	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
30	Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(776,755)	0	0	0	0	0	0	0	0	0	0	(776,755)	32
33	Real Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0	33
34	Rent-Facility & Grounds	0	0	0	0	0	0	0	0	0	0	0	0	34
35	Rent-Equipment & Vehicles	0	0	0	0	0	0	0	0	0	0	0	0	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	**TOTAL Ownership**	(776,755)	0	0	0	0	0	0	0	0	0	0	(776,755)	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	0	0	0	0	0	0	0	0	0	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	43
44	**TOTAL Special Cost Centers**	0	0	0	0	0	0	0	0	0	0	0	0	44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	(1,266,986)	0	0	0	0	0	0	0	0	0	0	(1,266,986)	45

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Use Page 6-Supplemental as necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
HCR Manor Care, LLC	100					
				HCR Manor Care Svcs	Toledo	Home Office
				HL Empl Svcs, LLC	Toledo	Personnel
				HL Rehab Svcs, LLC	Toledo	Therapy Mgmt Svcs
				HL Rehab Svcs, LLC	Toledo	Therapy Services
				HL Home Health Care	Toledo	Nursing Staff
		See PG6-Supp for list of related nursing homes in Illinois				

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. [X] YES [ ] NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
1	V	See	Home Office Allocation	$ 540,518	HCR Manor Care Services, LLC	100.00%	$ 540,518	$	1
2	V	Page 8							2
3	V								3
4	V	1-44	Personnel	5,220,208	Heartland Employment Services, LLC	100.00%	5,220,208		4
5	V	10a	Therapy Management	14,293	Heartland Rehab Services, LLC	100.00%	14,293		5
6	V								6
7	V								7
8	V								8
9	V								9
10	V								10
11	V								11
12	V								12
13	V								13
14	Total			$ 5,775,019			$ 5,775,019	$ *	14

*** Total must agree with the amount recorded on line 34 of Schedule VI.**

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

VII. RELATED PARTIES

A. (Continued) Enter below the names of ALL owners and related organizations (parties) as defined in the instructions.

	1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES			
	Name	Ownership %	Name	City	Name	City	Type of Business	
1			Heartland of Canton IL, LLC	Canton				1
2			Heartland of Champaign IL, LLC	Champaign				2
3			Heartland of Decatur IL, LLC	Decatur				3
4			Heartland of Galesburg IL, LLC	Galesburg				4
5			Heartland of Henry IL, LLC	Henry				5
6			Heartland of Macomb IL, LLC	Macomb				6
7			Heartland of Moline IL, LLC	Moline				7
8			Heartland of Normal IL, LLC	Normal				8
9			Heartland of Paxton IL, LLC	Paxton				9
10			Heartland of Peoria IL, LLC	Peoria				10
11			Heartland-Riverview of East Peoria IL, LLC	East Peoria				11
12			Manor Care at Arlington Heights	Arlington Heights				12
13			Manor Care of Elgin IL, LLC	Elgin				13
14			Manor Care of Elk Grove Village IL, LLC	Elk Grove Village				14
15			Manor Care - Highland Park	Highland Park				15
16			Manor Care of Hinsdale IL, LLC	Hinsdale				16
17			Manor Care of Kankakee IL, LLC	Kankakee				17
18			Manor Care of Libertyville IL, LLC	Libertyville				18
19			Manor Care of Naperville IL, LLC	Naperville				19
20			Manor Care of Northbrook IL, LLC	Northbrook				20
21			Manor Care of Oak Lawn (East) IL, LLC	Oak Lawn				21
22			Manor Care of Oak Lawn (West) IL, LLC	Oak Lawn				22
23			Manor Care of Palos Heights West IL, LLC	Palos Heights				23
24			Manor Care of Palos Heights IL, LLC	Palos Heights				24
25			Manor Care of Rolling Meadows IL, LLC	Rolling Meadows				25
26			Manor Care of South Holland IL, LLC	South Holland				26
27			Manor Care of Westmont IL, LLC	Westmont				27
28			Manor Care of Wilmette IL, LLC	Wilmette				28
29			Arden Courts of Elk Grove Village IL, LLC	Elk Grove Village				29
30								30

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

VII. RELATED PARTIES

A. (Continued) Enter below the names of ALL owners and related organizations (parties) as defined in the instructions.

	1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES			
	Name	Ownership %	Name	City	Name	City	Type of Business	
1			Arden Courts of Geneva IL, LLC	Geneva				1
2			Arden Courts of Glen Ellyn IL, LLC	Glen Ellyn				2
3			Arden Courts of Hazel Crest IL, LLC	Hazel Crest				3
4			Arden Courts of Northbrook IL, LLC	Northbrook				4
5			Arden Courts of Palos Heights IL, LLC	Palos Heights				5
6			Arden Courts of South Holland IL, LLC	South Holland				6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1	2	3	4	5	6		7		8	
	Name	Title	Function	Ownership Interest	Compensation Received From Other Nursing Homes*	Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		Compensation Included in Costs for this Reporting Period**		Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	N/A								$		1
2											2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	$		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 2/31/2011

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES [X] NO [ ]

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization: HCR Manor Care Services, LLC
Street Address: 333 North Summit Street
City / State / Zip Code: Toledo, OH 43604-2617
Phone Number: ((419) 252-5500
Fax Number: ((419) 254-5495

	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	5	Utilities - Pooled	Accumulated Cost	3,765,230,368	731 NFs, HHs, &	$ 775,999	$	10,769,668	$ 2,220	1
2	5	Utilities - Direct to All SNFs	Accumulated Cost	3,333,512,949	353 NFs			10,769,668	0	2
3	5	Utilities - Direct to Central Divisio	Accumulated Cost	803,363,605	92 NFs			10,769,668	0	3
4	5	Utilities - Direct to Midwest Divisi	Accumulated Cost	474,102,184	48 NFs			10,769,668	0	4
5	10	Nursing - Pooled	Accumulated Cost	3,765,230,368	731 NFs, HHs, & Re	485,056	352,684	10,769,668	1,387	5
6	10	Nursing - Direct to All SNFs	Accumulated Cost	3,333,512,949	353 NFs	3,905,972	1,829,606	10,769,668	12,619	6
7	10	Nursing - Direct to Central Divisio	Accumulated Cost	803,363,605	92 NFs			10,769,668	0	7
8	10	Nursing - Direct to Midwest Divisi	Accumulated Cost	474,102,184	48 NFs			10,769,668	0	8
9	17	General & Administrative - Pooled	Accumulated Cost	3,765,230,368	731 NFs, HHs, & Re	71,430,003	38,287,220	10,769,668	204,311	9
10	17	General & Administrative - Direct	Accumulated Cost	3,333,512,949	353 NFs	23,601,055	18,695,747	10,769,668	76,249	10
11	17	General & Administrative - Direct	Accumulated Cost	803,363,605	92 NFs	1,782,698	1,278,408	10,769,668	23,898	11
12	17	General & Administrative - Direct	Accumulated Cost	474,102,184	48 NFs	895,017	639,204	10,769,668	20,331	12
13	22	Employee Benefits - Pooled	Accumulated Cost	3,765,230,368	731 NFs, HHs, & Re	2,952,374		10,769,668	8,445	13
14	22	Employee Benefits - Direct to All S	Accumulated Cost	3,333,512,949	353 NFs	6,653,909		10,769,668	21,497	14
15	22	Employee Benefits - Direct to Cent	Accumulated Cost	803,363,605	92 NFs			10,769,668	0	15
16	22	Employee Benefits - Direct to Mid	Accumulated Cost	474,102,184	48 NFs			10,769,668	0	16
17	30	Depreciation - Pooled	Accumulated Cost	3,765,230,368	731 NFs, HHs, & Re	4,719,938		10,769,668	13,500	17
18	30	Depreciation - Direct to All SNFs	Accumulated Cost	3,333,512,949	353 NFs	609,966		10,769,668	1,971	18
19	30	Depreciation - Direct to Central D	Accumulated Cost	803,363,605	92 NFs			10,769,668	0	19
20	30	Depreciation - Direct to Midwest I	Accumulated Cost	474,102,184	48 NFs			10,769,668	0	20
21	32	Pooled Interest	Accumulated Cost	3,765,230,368		26,343,470		10,769,668	75,350	21
22	32	Directly Assigned Interest	Not Allocated			18,851,990			78,740	22
23		H/O Costs Allocated to Non-SNFs and Other Divisions				32,615,916				23
24										24
25	TOTALS					$ 195,623,363	$ 61,082,869		$ 540,518	25

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

	1	2		3	4	5	6	7	8	9	10	
	Name of Lender	Related** YES	Related** NO	Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note Original	Amount of Note Balance	Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense	
	A. Directly Facility Related Long-Term											
1	Various		X	Facility		4/2004	$ 1,183,314	$ 1,183,314		0.0665	$ 78,740	1
2												2
3												3
4												4
5												5
	Working Capital											
6												6
7	Home Office Pooled Interest										75,350	7
8	Interest Income Other										(2,055)	8
9	TOTAL Facility Related						$ 1,183,314	$ 1,183,314			$ 152,035	9
	B. Non-Facility Related*											
10												10
11												11
12												12
13												13
14	TOTAL Non-Facility Related						$	$			$	14
15	TOTALS (line 9+line14)						$ 1,183,314	$ 1,183,314			$ 152,035	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. **$** _____ **Line #** _____

*** Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7. (See instructions.)**

**** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2. (See instructions.)**

Facility Name & ID Number Manor Care of Homewood IL, LLC **#** 0049437 **Report Period Beginning:** 01/01/2011 **Ending:** 12/31/2011

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)

B. Real Estate Taxes

1. Real Estate Tax accrual used on 2010 report.	**Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.**	$ 457,923	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)		$ 450,745	2
3. Under or (over) accrual (line 2 minus line 1).		$ (7,178)	3
4. Real Estate Tax accrual used for 2011 report. (Detail and explain your calculation of this accrual on the lines below.)		$ 450,745	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. **(Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.**		$ 2,796	5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. **TOTAL REFUND $ For Tax Year.** **(Attach a copy of the real estate tax appeal board's decision.)**		$	6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.		$ 446,363	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:		
2006	372,896	8
2007	377,943	9
2008	409,305	10
2009	409,305	11
2010	450,745	12

Line 5: $2,796 ---Worsek & Vihon P.C. - 2007 Specific Objection-Filing fees

	FOR BHF USE ONLY		
13	FROM R. E. TAX STATEMENT FOR 2010	$	13
14	PLUS APPEAL COST FROM LINE 5	$	14
15	LESS REFUND FROM LINE 6	$	15
16	AMOUNT TO USE FOR RATE CALCULATION	$	16

NOTES:

1. **Please indicate a negative number by use of brackets( ). Deduct any overaccrual of taxes from prior year.**
2. **If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.**
   This denial must be no more than four years old at the time the cost report is filed.

2010 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Manor Care of Homewood IL, LLC COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0049437

CONTACT PERSON REGARDING THIS REPORT Gary Geise

TELEPHONE (419) 252-5731 FAX #: (419) 254-5495

A. **Summary of Real Estate Tax Cost**

Enter the tax index number and real estate tax assessed for 2010 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2010.

	(A) Tax Index Number	(B) Property Description	(C) Total Tax	(D) Tax Applicable to Nursing Home
1.	29-32-200-046-0000	See Attached	$ 251,857.57	$ 251,857.57
2.	29-32-200-046-0000	See Attached	$ 198,887.65	$ 198,887.65
3.			$	$
4.			$	$
5.			$	$
6.			$	$
7.			$	$
8.			$	$
9.			$	$
10.			$	$
		TOTALS	$ 450,745.22	$ 450,745.22

B. **Real Estate Tax Cost Allocations**

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? _____ YES X NO

If YES, attach an explanation and a schedule which shows the calculation of the cost allocated to the nursing home. (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

C. **Tax Bills**

Attach a copy of the original 2010 tax bills which were listed in Section A to this statement. Be sure to use the 2010 tax bill which is normally paid during 2011.

PLEASE NOTE: ***Payment information from the Internet*** or otherwise is ***not considered acceptable tax bill documentation*** . Facilities located in Cook County are required to provide copies of their original **second installment** tax bill.

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 39,083 B. General Construction Type: Exterior Masonry Frame Wood Number of Stories 1

C. Does the Operating Entity? [ ] (a) Own the Facility [ ] (b) Rent from a Related Organization. [X] (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity? [ ] (a) Own the Equipment [ ] (b) Rent equipment from a Related Organization. [X] (c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable).

None

F. Does this cost report reflect any organization or pre-operating costs which are being amortized? [ ] YES [X] NO
If so, please complete the following:

1. Total Amount Incurred: 2. Number of Years Over Which it is Being Amortized:

3. Current Period Amortization: 4. Dates Incurred:

Nature of Costs:
(Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

XI. OWNERSHIP COSTS:

A. Land.

	1 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	Facility		1990	$ 383,373	1
2					2
3	TOTALS			$ 383,373	3

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Beds*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4	120		1990		$ 2,845,251	$ 71,146		$ 71,146	$	$ 1,530,509	4
5											5
6											6
7											7
8											8
	Improvement Type**										
9	Current Year Depreciation					82,358		82,358		2,158,610	9
10	Land Improvement			1990	429,835						10
11	Building Improvement			1990	65,079						11
12	Land Improvement			1991	1,679						12
13	Building Improvement			1991	4,525						13
14	Land Improvement			1992	565						14
15	Building Improvement			1992	1,403						15
16	Land Improvement			1993	5,108						16
17	Building Improvement			1993	136,058						17
18	Land Improvement			1994	13,285						18
19	Building Improvement			1994	68,753						19
20	Land Improvement			1995	5,027						20
21	Building Improvement			1995	421,042						21
22	Land Improvement			1996	20,361						22
23	Building Improvement			1996	506,756						23
24	Land Improvement			1997	8,235						24
25	Building Improvement			1997	70,208						25
26	Land Improvement			1998	20,770						26
27	Building Improvement			1998	80,701						27
28	Building Improvement			1999	31,240						28
29	Bldg. Improvement: Wallcovering, Paper, Paint, & Corner Guards			2000	34,575						29
30	Bldg. Improvement: Carpet			2000	8,718						30
31	Bldg. Improvement: Signs			2000	639						31
32	Land Improvement: Sign			2000	1,385						32
33	Land Improvement			2001	none						33
34	Building Improvement			2001	none						34
35	Land Improvement			2002	none						35
36	Building Improvement			2002	none						36

*Total beds on this schedule must agree with page 2.

**Improvement type must be detailed in order for the cost report to be considered complete

See Page 12A, Line 70 for total

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
37	Renovation construction Dept. costs & Interest on financing	2003	$ 5,781	$		$	$	$	37
38	Audit, Adjust Remove OH & Interest 6/23/2004	2003	(5,781)						38
39	Carpet, Paint, & Wallcovering	2003	147,107						39
40	Wallcovering & Borders	2003	1,895						40
41	Carpet	2003	101						41
42	Paint, Wallcovering, & Borders	2003	8,010						42
43	Electric wiring	2003	2,870						43
44	Parking lot sealing & striping	2003	35,895						44
45	Sidewalk	2003	3,873						45
46	Paint, Wallcovering, & Borders	2004	1,015						46
47	Doors	2004	3,557						47
48	Flooring & Base	2004	24,082						48
49	Carpet	2004	20,461						49
50	Carpet	2005	1,080						50
51	Flooring	2005	58,964						51
52	Plumbing	2006	10,698						52
53	General Overhead & Interest	2007	5,717						53
54	Flooring	2007	15,015						54
55	Wallcovering & Borders	2007	33,209						55
56	Roof Replacement	2008	109,990						56
57	Doors - Front entrance, Handicap Assessable	2008	18,209						57
58	Water Heaters	2009	20,296						58
59	Water Heaters	2009	578						59
60	Drywall	2009	12,174						60
61	sidewalks and flagpole	2009	4,508						61
62									62
63	BI 40480 basic electric upgrade	2010	5,325						63
64									64
65	BI 040485 Kitchen water heater	2011	6,727						65
66	BI 040500 2 EXHAUST FANS, CENTRAL S	2011	4,535						66
67	BI 040506 THEROPANE WINDOW (FRNT LO	2011	4,770						67
68	BI 040508 EXTERIOR HM DOOR & FRAME	2011	6,971						68
69									69
70	TOTAL (lines 4 thru 69)		$ 5,348,830	$ 153,504		$ 153,504	$	$ 3,689,119	70

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

XI. OWNERSHIP COSTS (continued)

C. Equipment Costs-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	$ 2,305,893	$ 124,821	$ 124,821	$		$ 2,040,134	71
72	Current Year Purchases	73,117						72
73	Fully Depreciated Assets							73
74	Home Office			15,471	15,471			74
75	TOTALS	$ 2,379,010	$ 124,821	$ 140,292	$ 15,471		$ 2,040,134	75

D. Vehicle Costs. (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76				$	$	$	$		$	76
77										77
78										78
79										79
80	TOTALS			$	$	$	$		$	80

E. Summary of Care-Related Assets

		1 Reference	2 Amount		
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	$ 8,111,213	81	
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	$ 278,325	82	
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	$ 293,796	83	**
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	$ 15,471	84	
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	$ 5,729,253	85	

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		$	$	$	86
87					87
88					88
89					89
90					90
91	TOTALS	$	$	$	91

G. Construction-in-Progress

	Description	Cost	
92		$	92
93			93
94			94
95		$	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease:
2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4? If NO, see instructions. ☐ YES ☐ NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:	N/A			$			3
4	Additions							4
5								5
6								6
7	TOTAL				$ **			7

8. List separately any amortization of lease expense included on page 4, line 34. This amount was calculated by dividing the total amount to be amortized by the length of the lease .

9. Option to Buy: ☐ YES ☐ NO Terms: *

10. Effective dates of current rental agreement:
Beginning
Ending

11. Rent to be paid in future years under the current rental agreement:

	Fiscal Year Ending	Annual Rent
12.	/2012	$
13.	/2013	$
14.	/2014	$

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental? ☐ YES ☐ NO
16. Rental Amount for movable equipment: $ 41,828 Description: 02 concentrators, wheelchairs, gerichairs, electric beds, etc.
(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17	Patient Transportation	various	$	$ 970	17
18				Above figure includes	18
19				gas & maintenance too.	19
20					20
21	TOTAL		$	$ 970	21

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

XIII. EXPENSES RELATING TO CERTIFIED NURSE AIDE (CNA) TRAINING PROGRAMS (See instructions.)

A. TYPE OF TRAINING PROGRAM (If CNAs are trained in another facility program, attach a schedule listing the facility name, address and cost per CNA trained in that facility.)

1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD?
   - [ ] YES
   - [X] NO

   If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.

2. CLASSROOM PORTION:
   - IN-HOUSE PROGRAM [ ]
   - IN OTHER FACILITY [ ]
   - COMMUNITY COLLEGE [ ]
   - HOURS PER CNA ____

3. CLINICAL PORTION:
   - IN-HOUSE PROGRAM [ ]
   - IN OTHER FACILITY [ ]
   - HOURS PER CNA ____

B. EXPENSES

ALLOCATION OF COSTS (d)

		1	2	3	4
		Facility			
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	$	$	$	$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	CNA Competency Tests				
9	TOTALS	$	$	$	$
10	SUM OF line 9, col. 1 and 2 (e)	$			

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training CNAs from other facilities.

$

D. NUMBER OF CNAs TRAINED

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

(a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
(b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
(c) For in-house training programs only. Do not include fringe benefits.
(d) Allocate based on if the CNA is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own CNAs.
(e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.
(f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.

STATE OF ILLINOIS

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

	1	2		3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff Units of Service		Staff Cost	Outside Practitioner (other than consultant) Units	Outside Practitioner (other than consultant) Cost	Supplies (Actual or) Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
1	Licensed Occupational Therapist	10a	2,895	hrs	$ 122,981	462	$ 27,736	$ 639	3,357	$ 151,356	1
2	Licensed Speech and Language Development Therapist	10a	2917	hrs	123,890	21	1,250		2,938	125,140	2
3	Licensed Recreational Therapist			hrs							3
4	Licensed Physical Therapist	10a	9149	hrs	388,654	1,861	111,685	4,354	11,010	504,693	4
5	Physician Care			visits							5
6	Dental Care			visits							6
7	Work Related Program			hrs							7
8	Habilitation			hrs							8
9	Pharmacy	39, 2		# of prescrpts				526,390		526,390	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)			hrs							10
11	Academic Education			hrs							11
12	Other (specify): IV Therapy	43, 2						56,245		56,245	12
13	Other (specify): X-ray & Lab	43, 3					89,242			89,242	13
14	TOTAL				$ 635,525	2,344	$ 229,913	$ 587,628	17,305	$ 1,453,066	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as CNAs, who help with the above activities should not be listed on this schedule.

STATE OF ILLINOIS

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2011 (last day of reporting year)

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	$ (121,209)	$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 520,633)	1,982,247		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance			6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):			9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 1,861,038	$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	383,373		13
14	Buildings, at Historical Cost	5,354,612		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	2,379,010		16
17	Accumulated Depreciation (book methods)	(5,735,034)		17
18	Deferred Charges	13,019,653		18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): Construction in Progress	1,395,864		23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 16,797,478	$	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 18,658,516	$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 147,616	$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	416,560		30
31	Accrued Taxes Payable (excluding real estate taxes)			31
32	Accrued Real Estate Taxes(Sch.IX-B)	450,745		32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	Accrued Payable	28,427		36
37				37
38	**TOTAL Current Liabilities (sum of lines 26 thru 37)**	$ 1,043,348	$	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable	13,970,085		39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	**TOTAL Long-Term Liabilities (sum of lines 39 thru 44)**	$ 13,970,085	$	45
46	**TOTAL LIABILITIES (sum of lines 38 and 45)**	$ 15,013,433	$	46
47	**TOTAL EQUITY(page 18, line 24)**	$ 3,645,083	$	47
48	**TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)**	$ 18,658,516	$	48

*(See instructions.)

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 **Report Period Beginning:** 01/01/2011 **Ending:** 12/31/2011

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	**Balance at Beginning of Year, as Previously Reported**	$ 2,653,396	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	**Balance at Beginning of Year, as Restated (sum of lines 1-5)**	$ 2,653,396	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	1,364,781	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	( )	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	**TOTAL Additions (deductions) (sum of lines 7-16)**	$ 1,364,781	17
	B. Transfers (Itemize):		
18	**Change in interdivision**	(373,094)	18
19			19
20			20
21			21
22			22
23	**TOTAL Transfers (sum of lines 18-22)**	$ (373,094)	23
24	**BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)**	$ 3,645,083	24 *

*** This must agree with page 17, line 47.**

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.

Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.

	Revenue	1 Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	$ 12,803,472	1
2	Discounts and Allowances for all Levels	(3,836,800)	2
3	**SUBTOTAL Inpatient Care (line 1 minus line 2)**	$ 8,966,672	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	2,908,513	6
7	Oxygen		7
8	**SUBTOTAL Ancillary Revenue (lines 4 thru 7)**	$ 2,908,513	8
	C. Other Operating Revenue		
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop	606	12
13	Barber and Beauty Care	17,354	13
14	Non-Patient Meals	206	14
15	Telephone, Television and Radio	2	15
16	Rental of Facility Space		16
17	Sale of Drugs	510,588	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	77,542	19
20	Radiology and X-Ray	35,154	20
21	Other Medical Services	69,113	21
22	Laundry	5	22
23	**SUBTOTAL Other Operating Revenue (lines 9 thru 22)**	$ 710,570	23
	D. Non-Operating Revenue		
24	Contributions		24
25	Interest and Other Investment Income***		25
26	**SUBTOTAL Non-Operating Revenue (lines 24 and 25)**	$	26
	E. Other Revenue (specify):**		
27	Settlement Income (Insurance, Legal, Etc.)		27
28			28
28a			28a
29	**SUBTOTAL Other Revenue (lines 27, 28 and 28a)**	$	29
30	**TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)**	$ 12,585,755	30

	Expenses	2 Amount	
	A. Operating Expenses		
31	General Services	1,248,629	31
32	Health Care	4,818,947	32
33	General Administration	2,850,736	33
	B. Capital Expense		
34	Ownership	1,542,186	34
	C. Ancillary Expense		
35	Special Cost Centers	694,773	35
36	Provider Participation Fee	65,703	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	**TOTAL EXPENSES (sum of lines 31 thru 39)***	$ 11,220,974	40
41	**Income before Income Taxes (line 30 minus line 40)****	1,364,781	41
42	**Income Taxes**		42
43	**NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)**	$ 1,364,781	43

*** This must agree with page 4, line 45, column 4.**

**** Does this agree with taxable income (loss) per Federal Income Tax Return? _____ If not, please attach a reconciliation.**

***** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation.**

******Provide a detailed breakdown of "Other Revenue" on an attached sheet.**

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)

(This schedule must cover the entire reporting period.)

		1 # of Hrs. Actually Worked	2** # of Hrs. Paid and Accrued	3 Reporting Period Total Salaries, Wages	4 Average Hourly Wage	
1	Director of Nursing	1,346	1,461	$ 63,224	$ 43.27	1
2	Assistant Director of Nursing	5,963	6,472	215,833	33.35	2
3	Registered Nurses	23,298	25,289	801,806	31.71	3
4	Licensed Practical Nurses	30,224	32,807	788,904	24.05	4
5	CNAs & Orderlies	77,831	84,712	920,529	10.87	5
6	CNA Trainees	0	0	0		6
7	Licensed Therapist	16,076	17,448	741,097	42.47	7
8	Rehab/Therapy Aides	13,837	15,018	371,106	24.71	8
9	Activity Director	6,018	6,546	85,461	13.06	9
10	Activity Assistants					10
11	Social Service Workers	8,286	9,007	196,919	21.86	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	22,396	24,333	320,425	13.17	15
16	Dishwashers					16
17	Maintenance Workers	2,055	2,232	46,026	20.62	17
18	Housekeepers	12,651	13,749	140,899	10.25	18
19	Laundry	4,029	4,378	43,589	9.96	19
20	Administrator	2,080	2,080	91,174	43.83	20
21	Assistant Administrator	240	240	7,665	31.94	21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	15,546	17,101	354,198	20.71	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	1,832	1,992	31,353	15.74	31
32	Other Health Care(specify)					32
33	Other(specify)	0	0	0		33
34	TOTAL (lines 1 - 33)	243,708	264,865	$ 5,220,208 *	$ 19.71	34

* This total must agree with page 4, column 1, line 45.

** See instructions.

B. CONSULTANT SERVICES

		1 Number of Hrs. Paid & Accrued	2 Total Consultant Cost for Reporting Period	3 Schedule V Line & Column Reference	
35	Dietary Consultant		$		35
36	Medical Director				36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant				39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant				44
45	Social Service Consultant				45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)		$		49

C. CONTRACT NURSES

		1 Number of Hrs. Paid & Accrued	2 Total Contract Wages	3 Schedule V Line & Column Reference	
50	Registered Nurses		$		50
51	Licensed Practical Nurses				51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)		$		53

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XIX. SUPPORT SCHEDULES

A. Administrative Salaries

Name	Function	Ownership %	Amount
Leslie Slosser	Administrator	0	$ 91,174
Lucas Temp Admin	Asst Administrator	0	7,665
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)			$ 98,839

B. Administrative - Other

Description	Amount
Home Office Costs	$ 540,518
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)	$ 540,518

C. Professional Services

Vendor/Payee	Type	Amount
United Collection Bureau Inc	Collection Services	$ 1,705
The Weissman Group	Mgmt. Consulting Services	546
Constangy Brooks & Smith LLC	Legal Fees	2,994
Foote Meyers Melke & Flowers LLC	Legal Fees	23,745
Littler Mendelson PC	Legal Fees	2,792
(All legal fees are adjusted off via Page 5, Line 22, therefore, no invoices are attached.)		
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed $5,000, attach copy of invoices.)		$ 31,782

D. Employee Benefits and Payroll Taxes

Description	Amount
Workers' Compensation Insurance	$ 57,198
Unemployment Compensation Insurance	71,417
FICA Taxes	379,325
Employee Health Insurance	303,313
Employee Meals	
Illinois Municipal Retirement Fund (IMRF)*	
401K	39,046
Appreciation & Other Employee Benefits & Mark	17,546
Tuition Program	3,277
SMSP Match & RSU	53
Employee Uniforms	3,553
Home Office Allocation	29,942
TOTAL (agree to Schedule V, line 22, col.8)	$ 904,670

E. Schedule of Non-Cash Compensation Paid to Owners or Employees

Description	Line #	Amount
TOTAL		$

F. Dues, Fees, Subscriptions and Promotions

Description	Amount
IDPH License Fee	$ 4,478
Advertising: Employee Recruitment	5,614
Health Care Worker Background Check (Indicate # of checks performed)	
Patient Background Checks	12,947
Dues & Subscriptions	2,049
Associatin Dues	14,484
Advertising (non-allowable)	11,840
Advertising (Allowable)	3,046
Less: Non-allowable Association Dues	(10,416)
Less: Public Relations Expense	(3,046)
Non-allowable advertising	(11,840)
Yellow page advertising	( )
TOTAL (agree to Sch. V, line 20, col. 8)	$ 29,156

G. Schedule of Travel and Seminar**

Description	Amount
Out-of-State Travel	$
In-State Travel	1,269
Seminar Expense	
Entertainment Expense	( )
TOTAL (agree to Sch. V, line 24, col. 8)	$ 1,269

* Attach copy of IMRF notifications

**See instructions.

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XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
(See instructions.)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year								
					FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
1	N/A		$		$	$	$	$	$	$	$	$	$
2													
3													
4													
5													
6													
7													
8													
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19													
20	TOTALS		$		$	$	$	$	$	$	$	$	$

Facility Name & ID Number Manor Care of Homewood IL, LLC # 0049437 Report Period Beginning: 01/01/2011 Ending: 12/31/2011

XX. GENERAL INFORMATION:

(1) Are nursing employees (RN,LPN,NA) represented by a union? **No**

(2) Are there any dues to nursing home associations included on the cost report? **Yes**
If YES, give association name and amount. **IHCA $4068**

(3) Did the nursing home make political contributions or payments to a political action organization? **Yes $5741** If YES, have these costs been properly adjusted out of the cost report? **Yes**

(4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? _____ If YES, what is the capacity? _____

(5) Have you properly capitalized all major repairs and equipment purchases? **Yes**
What was the average life used for new equipment added during this period? **5-10 years**

(6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. $ **69,128** Line **10**

(7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? **Yes** If NO, attach a complete explanation.

(8) Are you presently operating under a sale and leaseback arrangement? **Yes**
If YES, give effective date of lease. **04/07/11**

(9) Are you presently operating under a sublease agreement? _____ YES **X** NO

(10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES _____ NO **X** If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.

_____

(11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. $ **65,703**
This amount is to be recorded on line 42 of Schedule V.

(12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? **No** If YES, attach an explanation of the allocation.

(13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? **Yes**

(14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? **No** For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.

(15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. $ **N/A** Has any meal income been offset against related costs? **Yes** Indicate the amount. $ **206**

(16) Travel and Transportation
a. Are there costs included for out-of-state travel? **No**
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? **No** If YES, please indicate the amount of income earned from such a program during this reporting period. $ _____
c. What percent of all travel expense relates to transportation of nurses and patients? **N/A**
d. Have vehicle usage logs been maintained? **N/A**
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? **N/A**
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? _____
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. $ _____

(17) Has an audit been performed by an independent certified public accounting firm? **No**
Firm Name: _____

(18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? **Yes**

(19) If total legal fees are in excess of $5,000, have legal invoices and a summary of services performed been attached to this cost report? **No**
Attach invoices and a summary of services for all architect and appraisal fees.