



Facility Name & ID Number Lexington of LaGrange

# 0038083 Report Period Beginning: 01/01/05 Ending: 12/31/05

**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 06/30/2005

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	109	Skilled (SNF)	119	41,635	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	109	TOTALS	119	41,635	7

B. Census-For the entire report period.

	1 Level of Care	2 3 4 5 Patient Days by Level of Care and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other		Total
8	SNF	17,080	6,825	9,268	33,173	8
9	SNF/PED					9
10	ICF	1,703	1,502		3,205	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	18,783	8,327	9,268	36,378	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 87.37%

D. How many bed-hold days during this year were paid by the Department? None (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)  
None

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  Non-allowable costs have been eliminated in Schedule V, Column 7.

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

I. On what date did you start providing long term care at this location  
Date started 07/31/92

J. Was the facility purchased or leased after January 1, 1978?  
YES  Date New construction NO

K. Was the facility certified for Medicare during the reporting year?  
YES  NO  If YES, enter number of beds certified 119 and days of care provided 7,754

Medicare Intermediary AdminaStar Federal

**IV. ACCOUNTING BASIS**

ACCRUAL  MODIFIED CASH\*  CASH\*

Is your fiscal year identical to your tax year YES  NO

Tax Year: 12/31/2005 Fiscal Year: 12/31/2005

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

## STATE OF ILLINOIS

Page 3

Facility Name &amp; ID Number Lexington of LaGrange # 0038083 Report Period Beginning: 01/01/05 Ending: 12/31/05

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

	Operating Expenses	Costs Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7**	Adjusted Total 8	FOR OHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
<b>A. General Services</b>											
1	Dietary	242,285	15,075	9,435	266,795		266,795		266,795		1
2	Food Purchase		151,143		151,143		151,143	(7,931)	143,212		2
3	Housekeeping	210,335	22,195		232,530		232,530	160	232,690		3
4	Laundry	34,194	11,107		45,301		45,301	(5,917)	39,384		4
5	Heat and Other Utilities			172,339	172,339		172,339	2,531	174,870		5
6	Maintenance	26,380		85,881	112,261		112,261	25,792	138,053		6
7	Other (specify):* Allocated Benefits							2,602	2,602		7
8	<b>TOTAL General Services</b>	513,194	199,520	267,655	980,369		980,369	17,237	997,606		8
<b>B. Health Care and Programs</b>											
9	Medical Director			28,000	28,000		28,000		28,000		9
10	Nursing and Medical Records	2,057,186	119,150	37,742	2,214,078		2,214,078	44,684	2,258,762		10
10a	Therapy			867,098	867,098		867,098		867,098		10a
11	Activities	169,261	15,532	3,793	188,586		188,586		188,586		11
12	Social Services	85,827		2,882	88,709		88,709		88,709		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):* Allocated Benefits							4,970	4,970		15
16	<b>TOTAL Health Care and Programs</b>	2,312,274	134,682	939,515	3,386,471		3,386,471	49,654	3,436,125		16
<b>C. General Administration</b>											
17	Administrative	106,649		572,697	679,346		679,346	(520,872)	158,474		17
18	Directors Fees										18
19	Professional Services			45,049	45,049		45,049	6,793	51,842		19
20	Dues, Fees, Subscriptions & Promotion			12,550	12,550		12,550	427	12,977		20
21	Clerical & General Office Expense	122,471	22,915	11,834	157,220		157,220	160,326	317,546		21
22	Employee Benefits & Payroll Tax			399,283	399,283		399,283	7,931	407,214		22
23	Inservice Training & Education			9,175	9,175		9,175		9,175		23
24	Travel and Seminars			7,189	7,189		7,189	1,720	8,909		24
25	Other Admin. Staff Transportation			15	15		15	6,088	6,103		25
26	Insurance-Prop.Liab.Malpractice			106,902	106,902		106,902	2,128	109,030		26
27	Other (specify):* Allocated Benefits							22,871	22,871		27
28	<b>TOTAL General Administration</b>	229,120	22,915	1,164,694	1,416,729		1,416,729	(312,588)	1,104,141		28
29	<b>TOTAL Operating Expense (sum of lines 8, 16 &amp; 28)</b>	3,054,588	357,117	2,371,864	5,783,569		5,783,569	(245,697)	5,537,872		29

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

SEE ACCOUNTANTS' COMPILATION REPORT

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

Facility Name &amp; ID Number

Lexington of LaGrange

#0038083

Report Period Beginning:

01/01/05

Ending:

12/31/05

## V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7**	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	<b>D. Ownership</b>											
30	Depreciation			39,150	39,150		39,150	153,287	192,437			30
31	Amortization of Pre-Op. & Org											31
32	Interest			10,400	10,400		10,400	169,744	180,144			32
33	Real Estate Taxes							342,887	342,887			33
34	Rent-Facility & Grounds			941,390	941,390		941,390	(939,542)	1,848			34
35	Rent-Equipment & Vehicle:			4,779	4,779		4,779	1,288	6,067			35
36	Other (specify): <sup>3</sup>											36
37	<b>TOTAL Ownership</b>			995,719	995,719		995,719	(272,336)	723,383			37
	<b>Ancillary Expense</b>											
	<b>E. Special Cost Centers</b>											
38	Medically Necessary Transportatio											38
39	Ancillary Service Center:		228,643	574	229,217		229,217		229,217			39
40	Barber and Beauty Shops			23,930	23,930		23,930		23,930			40
41	Coffee and Gift Shop:			3,974	3,974		3,974		3,974			41
42	Provider Participation Fee			58,819	58,819		58,819		58,819			42
43	Other (specify): <sup>3</sup> Nonallowable Cost			73,673	73,673		73,673	(73,673)				43
44	<b>TOTAL Special Cost Centers</b>		228,643	160,970	389,613		389,613	(73,673)	315,940			44
	<b>GRAND TOTAL COST</b>											
45	(sum of lines 29, 37 & 44)	3,054,588	585,760	3,528,553	7,168,901		7,168,901	(591,706)	6,577,195			45

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

\*\*See Schedule of adjustments attached at end of cost report.

SEE ACCOUNTANTS' COMPILATION REPORT

**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.)

		1	2	3	
	NON-ALLOWABLE EXPENSES	Amount	Refer- ence	OHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Program				3
4	Non-Patient Meals				4
5	Telephone, TV & Radio in Resident Room				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patient				7
8	Laundry for Non-Patients	(5,917)	4		8
9	Non-Straightline Depreciation				9
10	Interest and Other Investment Income	(17)	32		10
11	Discounts, Allowances, Rebates & Refund				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(711)	43		13
14	Non-Care Related Interest	(81,856)	32		14
15	Non-Care Related Owner's Transaction				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment				19
20	Contributions	(8,400)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainer				22
23	Malpractice Insurance for Individual				23
24	Bad Debt	(30,243)	43		24
25	Fund Raising, Advertising and Promotions	(13,925)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(1,520)	43		26
27	CNA Training for Non-Employee				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule See Schedule A	(23,412)			29
30	<b>SUBTOTAL (A): (Sum of lines 1-29)</b>	\$ (166,001)		\$	30

OHF 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	2	
		Amount	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)	(425,705)		34
35	Other- Attach Schedule			35
36	<b>SUBTOTAL (B): (sum of lines 31-35)</b>	\$ (425,705)		36
	(sum of SUBTOTALS)			
37	<b>TOTAL ADJUSTMENTS (A) and (B)</b>	\$ (591,706)		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	2	3	4	
		Yes	No	Amount	Reference	
38	Medically Necessary Transport		x	\$		38
39						39
40	Gift and Coffee Shop		x			40
41	Barber and Beauty Shops		x			41
42	Laboratory and Radiology		x			42
43	Prescription Drugs		x			43
44	Exceptional Care Program		x			44
45	Other-Attach Schedule		x			45
46	Other-Attach Schedule		x			46
47	<b>TOTAL (C): (sum of lines 38-46)</b>			\$		47

SEE ACCOUNTANTS' COMPILATION REPORT

**Lexington Health Care Center of Lagrange**  
**Provider # 0038083**  
**1/1/05 - 12/31/05**

**Schedule A**

Schedule VI. Adjustment detail  
Line 29, Other

<u>Description</u>	<u>Amount</u>	<u>Reference</u>
Nonallowable collections	(3,414)	19
Disallow out of period legal fees	(482)	19
Nonallowable Chamber of Commerce dues	(525)	20
Miscellaneous income offset	(22)	21
Disallow trust fees	(75)	43
Disallow radiology	(10,262)	43
Disallow laboratory	(7,352)	43
Disallow personal item replacement	(1,280)	43
Total	<u><u>(23,412)</u></u>	

**See Accountants' Compilation Report**

Lexington of LaGrange

ID# 0038083

Report Period Beginning: 01/01/05

Ending: 12/31/05

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference
1		\$	1
2			2
3			3
4			4
5			5
6			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
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	<b>Total</b>	0	49

## STATE OF ILLINOIS

Summary A

Facility Name &amp; ID Number Lexington of LaGrange

# 0038083

Report Period Beginning:

01/01/05

Ending:

12/31/05

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

	Operating Expenses	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)	
	<b>A. General Services</b>													
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	0	0	0	0	0	0	0	0	0	0	0	0	2
3	Housekeeping	0	0	160	0	0	0	0	0	0	0	0	160	3
4	Laundry	(5,917)	0	0	0	0	0	0	0	0	0	0	(5,917)	4
5	Heat and Other Utilities	0	0	2,531	0	0	0	0	0	0	0	0	2,531	5
6	Maintenance	0	0	25,792	0	0	0	0	0	0	0	0	25,792	6
7	Other (specify):*	0	0	2,602	0	0	0	0	0	0	0	0	2,602	7
8	<b>TOTAL General Services</b>	<b>(5,917)</b>	<b>0</b>	<b>31,085</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,168</b>	<b>8</b>
	<b>B. Health Care and Programs</b>													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	44,684	0	0	0	0	0	0	0	0	44,684	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	4,970	0	0	0	0	0	0	0	0	4,970	15
16	<b>TOTAL Health Care and Programs</b>	<b>0</b>	<b>0</b>	<b>49,654</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>49,654</b>	<b>16</b>
	<b>C. General Administration</b>													
17	Administrative	0	0	51,825	(572,697)	0	0	0	0	0	0	0	(520,872)	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	0	100	10,589	0	0	0	0	0	0	0	0	10,689	19
20	Fees, Subscriptions & Promotions	0	0	952	0	0	0	0	0	0	0	0	952	20
21	Clerical & General Office Expenses	0	169	156,617	3,562	0	0	0	0	0	0	0	160,348	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	1,720	0	0	0	0	0	0	0	1,720	24
25	Other Admin. Staff Transportation	0	0	0	6,088	0	0	0	0	0	0	0	6,088	25
26	Insurance-Prop.Liab.Malpractice	0	0	0	2,128	0	0	0	0	0	0	0	2,128	26
27	Other (specify):*	0	0	0	22,871	0	0	0	0	0	0	0	22,871	27
28	<b>TOTAL General Administration</b>	<b>0</b>	<b>269</b>	<b>219,983</b>	<b>(536,328)</b>	<b>0</b>	<b>(316,076)</b>	<b>28</b>						
29	<b>TOTAL Operating Expense (sum of lines 8,16 &amp; 28)</b>	<b>(5,917)</b>	<b>269</b>	<b>300,722</b>	<b>(536,328)</b>	<b>0</b>	<b>(241,254)</b>	<b>29</b>						

## STATE OF ILLINOIS

Summary B

Facility Name & ID Number Lexington of LaGrange# 0038083

Report Period Beginning:

01/01/05

Ending:

12/31/05

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

	Capital Expense	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)
	<b>D. Ownership</b>												
30	Depreciation	0	136,610	0	16,677	0	0	0	0	0	0	0	153,287 30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0 31
32	Interest	(81,873)	246,780	0	4,837	0	0	0	0	0	0	0	169,744 32
33	Real Estate Taxes	0	341,390	0	1,497	0	0	0	0	0	0	0	342,887 33
34	Rent-Facility & Grounds	0	(941,390)	0	1,848	0	0	0	0	0	0	0	(939,542) 34
35	Rent-Equipment & Vehicles	0	0	0	1,288	0	0	0	0	0	0	0	1,288 35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0 36
37	<b>TOTAL Ownership</b>	<b>(81,873)</b>	<b>(216,610)</b>	<b>0</b>	<b>26,147</b>	<b>0</b>	<b>(272,336) 37</b>						
	<b>Ancillary Expense</b>												
	<b>E. Special Cost Centers</b>												
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):*	(54,799)	95	0	0	0	0	0	0	0	0	0	(54,704) 43
44	<b>TOTAL Special Cost Centers</b>	<b>(54,799)</b>	<b>95</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(54,704) 44</b>
45	<b>GRAND TOTAL COST (sum of lines 29, 37 &amp; 44)</b>	<b>(142,589)</b>	<b>(216,246)</b>	<b>300,722</b>	<b>(510,181)</b>	<b>0</b>	<b>(568,294) 45</b>						

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
See attached Schedule B		See attached Schedule B		Sambell of LaGrange		
				Limited Partnership	LaGrange	Real Estate ptsp.
				Royal Mgmt. Corp.	Lombard	Mgmt. Co.
				Lexington Financial		
				Services II, LLC	Lombard	Finance Co.

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.  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	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization		
1	V	34 Rental expense	\$ 941,390	Sambell of LaGrange Limited Partnership	**	\$	(941,390)	1
2	V	19 Professional fees		Sambell of LaGrange Limited Partnership	**	100	100	2
3	V	21 Office supplies		Sambell of LaGrange Limited Partnership	**	169	169	3
4	V	30 Depreciation		Sambell of LaGrange Limited Partnership	**	136,610	136,610	4
5	V	32 Interest expense		Sambell of LaGrange Limited Partnership	**	245,003	245,003	5
6	V	32 Amortization of mortgage cost:		Sambell of LaGrange Limited Partnership	**	1,777	1,777	6
7	V	33 Property taxes		Sambell of LaGrange Limited Partnership	**	341,390	341,390	7
8	V	43 Trust fees		Sambell of LaGrange Limited Partnership	**	75	75	8
9	V	43 State replacement taxes:		Sambell of LaGrange Limited Partnership	**	20	20	9
10	V							10
11	V			** The owners of Lexington Health Care Center of LaGrange, Inc. own 100%				11
12	V			of Sambell of LaGrange Limited Partnership				12
13	V							13
14	Total		\$ 941,390			\$ 725,144	\$ * (216,246)	14

\* Total must agree with the amount recorded on line 34 of Schedule V1

**Lexington Health Care Center of Lagrange Inc.**  
**Provider # 0038083**  
**1/1/04 - 12/31/04**

**Schedule B**

VII. Related Parties  
Owners

<u>Name</u>	<u>Ownership %</u>
James Samatas Discretionary Trust	22.33%
John Samatas Discretionary Trust	22.33%
Cynthia Thiem Discretionary Trust	22.34%
Jeffrey J. Bell Revocable Trust	8.25%
Lawrence W. Bell Revocable Trust	8.25%
David S. Bell Revocable Trust	8.25%
David S. Bell 2001 Trust	2.75%
Jeffrey J. Bell 2001 Trust	2.75%
Lawrence W. Bell 2001 Trust	2.75%

<u>Name of facility</u>	<u>City</u>
Lexington Health Care Center of Lombard, Inc.	Lombard
Lexington Health Care Center of Bloomingdale, Inc.	Bloomingdale
Lexington Health Care Center of Chicago Ridge, Inc.	Chicago Ridge
Lexington Health Care Center of Elmhurst, Inc.	Elmhurst
Lexington Health Care Center of Lake Zurich, Inc.	Lake Zurich
Lexington Health Care Center of Schaumburg, Inc.	Schaumburg
Lexington Health Care Center of Streamwood, Inc.	Streamwood
Lexington Health Care Center of Wheeling, Inc.	Wheeling
Lexington Health Care Center of Orland Park, Inc.	Orland Park

**See Accountants' Compilation Report**

Facility Name &amp; ID Number Lexington of LaGrange

# 0038083

Report Period Beginning: 01/01/05

Ending: 12/31/05

## VII. RELATED PARTIES (continued)

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.  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	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	3 Housekeeping supplies	\$	Royal Management Corp.	**	\$ 160	\$ 160
16	V	5 Utilities - gas & electric		Royal Management Corp.	**	2,294	2,294
17	V	5 Utilities - water & sewer		Royal Management Corp.	**	57	57
18	V	5 Utilities - maintenance office		Royal Management Corp.	**	180	180
19	V	6 Management allocation - salarie		Royal Management Corp.	**	22,915	22,915
20	V	6 Repairs & maintenanc		Royal Management Corp.	**	2,814	2,814
21	V	6 Scavenger & exterminati		Royal Management Corp.	**	56	56
22	V	6 Security service		Royal Management Corp.	**	7	7
23	V	7 Management allocation - employee benefit		Royal Management Corp.	**	2,602	2,602
24	V	10 Medical consultant		Royal Management Corp.	**	913	913
25	V	10 Management allocation - salarie		Royal Management Corp.	**	43,771	43,771
26	V	15 Management allocation - employee benefit		Royal Management Corp.	**	4,970	4,970
27	V	17 Management allocation - salarie		Royal Management Corp.	**	51,825	51,825
28	V	19 Computer consultant & supplies		Royal Management Corp.	**	7,690	7,690
29	V	19 Professional fees		Royal Management Corp.	**	2,899	2,899
30	V	20 Dues & subscriptions		Royal Management Corp.	**	352	352
31	V	20 Licenses, permits & inspections		Royal Management Corp.	**	2	2
32	V	20 Advertising - help wanted		Royal Management Corp.	**	598	598
33	V	21 Management allocation - salarie		Royal Management Corp.	**	149,601	149,601
34	V	21 Bank charges		Royal Management Corp.	**	219	219
35	V	21 Office supplies & printing		Royal Management Corp.	**	4,949	4,949
36	V	21 Postage		Royal Management Corp.	**	1,848	1,848
37	V						
38	V	** Certain owners of Lexington Health Care Center of LaGrange, Inc. own 100% of Royal Management Corp.					
39	Total		\$			\$ 300,722	\$ * 300,722

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

SEE ACCOUNTANTS' COMPILATION REPORT

VII. RELATED PARTIES (continued)

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.  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	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	21 Telephone	\$	Royal Management Corp.	**	\$ 3,562	\$ 3,562	
16	V	24 Travel & semina		Royal Management Corp.	**	1,720	1,720	
17	V	25 Auto expense		Royal Management Corp.	**	6,088	6,088	
18	V	26 Insurance genera		Royal Management Corp.	**	2,128	2,128	
19	V	27 Management allocation - employee benefit		Royal Management Corp.	**	22,871	22,871	
20	V	30 Depreciation - vehicles		Royal Management Corp.	**	2,218	2,218	
21	V	30 Depreciation - leasehold improv		Royal Management Corp.	**	3,681	3,681	
22	V	30 Depreciation - equipment		Royal Management Corp.	**	10,778	10,778	
23	V	32 Interest		Royal Management Corp.	**	4,827	4,827	
24	V	32 Amortization of mortgage cost		Royal Management Corp.	**	10	10	
25	V	33 Property taxes		Royal Management Corp.	**	1,497	1,497	
26	V	34 Rent expense		Royal Management Corp.	**	1,848	1,848	
27	V	35 Equipment rental		Royal Management Corp.	**	1,288	1,288	
28	V	17 Management fees	572,697	Royal Management Corp.	**		(572,697)	
29	V							
30	V							
31	V							
32	V							
33	V							
34	V							
35	V							
36	V							
37	V							
38	V	** Certain owners of Lexington Health Care Center of LaGrange, Inc. own 100% of Royal Management Corp.						
39	Total		\$ 572,697			\$ 62,516	\$ * (510,181)	

\* Total must agree with the amount recorded on line 34 of Schedule V1

Facility Name & ID Number      Lexington of LaGrange      #      0038083      Report Period Beginning:      01/01/05      Ending:      12/31/05

## 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 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	James Samatas	Owner/officer	Administrative	22.33%	See Schedule C	2.2	6%	Salary	\$ 17,700	L 17, C 7	1
2	John Samatas	Owner/officer	Admin/Plant Ops	22.33%	See Schedule C	2.2	6%	Salary	12,643	L 17, C 7	2
3	Cynthia Thiem	Owner/officer	Administrative	22.34%	See Schedule C	2.2	6%	Salary	12,643	L 17, C 7	3
4	Jason Samatas	VP of Operations	Administrative	0.00%	See Schedule C	2.2	6%	Salary	8,839	L 17, C 7	4
5	Daniel Thiem	Staff Accountant	Accounting	0.00%	See Schedule C	0.8	2%	Salary	830	L 21, C 7	5
6	Jeremy Samatas	Corporate Director	Quality Assurance	0.00%	See Schedule C	2.2	6%	Salary	4,333	L 10, C 7	6
7											7
8											8
9						All individuals work in excess of 40 hours per week.					9
10											10
11											11
12											12
13								TOTAL	\$ 56,988		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.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of LaGrange

# 0038083 Report Period Beginning: 01/01/05

Ending: 12/31/05

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  NO

Name of Related Organization Royal Management Corp.  
 Street Address 665 W. North Avenue, Suite 500  
 City / State / Zip Code Lombard, IL 60148  
 Phone Number ( 630) 458-4700  
 Fax Number ( 630) 458-4796

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1	3	Housekeeping supplies	Bed Days	10	\$ 2,852	\$	41,635	\$ 160	1
2	5	Utilities - gas & electric	Bed Days	10	40,939		41,635	2,294	2
3	5	Utilities - water & sewer	Bed Days	10	1,020		41,635	57	3
4	5	Utilities - maintenance office	Bed Days	10	3,218		41,635	180	4
5	6	Management allocation - salarie	Bed Days	10	409,014	409,014	41,635	22,915	5
6	6	Repairs & maintenanc	Bed Days	10	50,234		41,635	2,814	6
7	6	Scavenger & exterminatin	Bed Days	10	998		41,635	56	7
8	6	Security service	Bed Days	10	129		41,635	7	8
9	7	Management allocation - employe	Bed Days	10	46,441		41,635	2,602	9
10	10	Medical consultant	Bed Days	10	16,297		41,635	913	10
11	10	Management allocation - salarie	Bed Days	10	781,289	781,289	41,635	43,771	11
12	15	Management allocation - employe	Bed Days	10	88,711		41,635	4,970	12
13	17	Management allocation - salarie	Bed Days	10	925,033	925,033	41,635	51,825	13
14	19	Computer consultant & supplies	Bed Days	10	137,269		41,635	7,690	14
15	19	Professional fees	Bed Days	10	51,742		41,635	2,899	15
16	20	Dues & subscriptions	Bed Days	10	6,285		41,635	352	16
17	20	Licenses, permits & inspections	Bed Days	10	39		41,635	2	17
18	20	Advertising - help wanted	Bed Days	10	10,677		41,635	598	18
19	21	Management allocation - salarie	Bed Days	10	2,670,308	2,670,308	41,635	149,601	19
20	21	Bank charges	Bed Days	10	3,905		41,635	219	20
21	21	Office supplies & printing	Bed Days	10	88,340		41,635	4,949	21
22	21	Postage	Bed Days	10	32,985		41,635	1,848	22
23	21	Telephone	Bed Days	10	63,577		41,635	3,562	23
24	24	Travel and semina	Bed Days	10	30,702		41,635	1,720	24
25	TOTALS				\$ 5,462,004	\$ 4,785,644		\$ 306,004	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of LaGrange # 0038083 Report Period Beginning: 01/01/05 Ending: 12/31/05

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  NO

Name of Related Organization Royal Management Corp.  
 Street Address 665 W. North Avenue, Suite 500  
 City / State / Zip Code Lombard, IL 60148  
 Phone Number ( 630) 458-4700  
 Fax Number ( 630) 458-4796

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1	25	Auto expense	Bed Days	10	\$ 108,672	\$	41,635	\$ 6,088	1
2	26	Insurance genera	Bed Days	10	37,986		41,635	2,128	2
3	27	Management allocation - employe	Bed Days	10	408,231		41,635	22,871	3
4	30	Depreciation - vehicles	Bed Days	10	39,587		41,635	2,218	4
5	30	Depreciation - leasehold improv	Bed Days	10	65,712		41,635	3,681	5
6	30	Depreciation - equipment	Bed Days	10	192,380		41,635	10,778	6
7	32	Interest	Bed Days	10	86,153		41,635	4,827	7
8	32	Amortization of mortgage cost:	Bed Days	10	174		41,635	10	8
9	33	Property taxes	Bed Days	10	26,714		41,635	1,497	9
10	34	Rent expense	Bed Days	10	32,978		41,635	1,848	10
11	35	Equipment rental	Bed Days	10	22,992		41,635	1,288	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	TOTALS				\$ 1,021,579	\$		\$ 57,234	25

SEE ACCOUNTANTS' COMPILATION REPORT

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

B. Real Estate Taxes

1. Real Estate Tax accrual used on 2004 report.		<b>Important</b> , please see the next worksheet, "RE_Tax". The real estate tax statement and t must accompany the cost report	\$	<b>216,000</b>	1														
		Allocated from Management Company		<b>1,497</b>															
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.)		2004	\$	<b>217,366</b>	2														
3. Under or (over) accrual (line 2 minus line 1).			\$	<b>2,863</b>	3														
4. Real Estate Tax accrual used for 2005 report. (Detail and explain your calculation of this accrual on the lines below.)			\$	<b>346,200</b>	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. <b>(Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)</b>			\$	<b>11,604</b>	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. <b>Total Refund = \$457.71 (1998) and \$15,909.93 (2002)</b>																			
<b>TOTAL REFUND \$</b>		<b>For</b>	<b>Tax Year.</b>	<b>(Attach a copy of the real estate tax appeal board's decision.)</b>															
			\$	<b>(17,780)</b>	6														
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru			\$	<b>342,887</b>	7														
Real Estate Tax History:																			
Real Estate Tax Bill for Calendar Year:																			
2000	<u>208,552</u>	8	<table border="1"> <thead> <tr> <th colspan="2">FOR OHF USE ONLY</th> </tr> </thead> <tbody> <tr> <td>13</td> <td>FROM R. E. TAX STATEMENT FOR 2004 \$</td> <td>13</td> </tr> <tr> <td>14</td> <td>PLUS APPEAL COST FROM LINE 5 \$</td> <td>14</td> </tr> <tr> <td>15</td> <td>LESS REFUND FROM LINE 6 \$</td> <td>15</td> </tr> <tr> <td>16</td> <td>AMOUNT TO USE FOR RATE CALCULATION \$</td> <td>16</td> </tr> </tbody> </table>			FOR OHF USE ONLY		13	FROM R. E. TAX STATEMENT FOR 2004 \$	13	14	PLUS APPEAL COST FROM LINE 5 \$	14	15	LESS REFUND FROM LINE 6 \$	15	16	AMOUNT TO USE FOR RATE CALCULATION \$	16
FOR OHF USE ONLY																			
13	FROM R. E. TAX STATEMENT FOR 2004 \$	13																	
14	PLUS APPEAL COST FROM LINE 5 \$	14																	
15	LESS REFUND FROM LINE 6 \$	15																	
16	AMOUNT TO USE FOR RATE CALCULATION \$	16																	
2001	<u>220,342</u>	9																	
2002	<u>198,271</u>	10																	
2003	<u>205,441</u>	11																	
2004	<u>217,366</u>	12																	
Est. 05 taxes payable 06:	<u>336,100</u>																		
Est. 05 tax with 3% increase:	<u>346,183</u>																		
Use:	<u>346,200</u>																		

- 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**

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of LaGrange # 0038083 Report Period Beginning: 01/01/05 Ending: 12/31/05

## 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
		Related**					Amount of Note					
	Name of Lender	YES	NO	Purpose of Loan	Monthly Payment Required	Date of Note	Original	Balance	Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense	
	<b>A. Directly Facility Related</b>											
	<b>Long-Term</b>											
1	Lexington Financial						\$	\$			\$	1
2	Services II, LLC	X		Mortgage	\$22,735.00	12/29/98	2,990,000	2,366,396	12/29/2008	0.0675	163,147	2
3												3
4												4
5												5
	<b>Working Capital</b>											
6	LaSalle Bank, N.A.		X	Line of Credit	Various	12/1/02	500,000	125,000	05/31/2006	Prime	10,400	6
7	Partner Loans	X		Working Capital	Various	11/26/03	1,330,000	2,110,000	Demand	0.0425	81,856	7
8												8
9	TOTAL Facility Related				\$22,735.00		\$ 4,820,000	\$ 4,601,396			\$ 255,403	9
	<b>B. Non-Facility Related*</b>											
10									Amortization of loan costs		1,777	10
11									Interest income offset		(17)	11
12									Nonallowable partner loan interest		(81,856)	12
13									Allocated from management company		4,837	13
14	TOTAL Non-Facility Related						\$	\$			(75,259)	14
15	TOTALS (line 9+line14)						\$ 4,820,000	\$ 4,601,396			\$ 180,144	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ N/A Line # N/A

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

\*\* 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 Lexington of LaGrange

# 0038083 Report Period Beginning:

01/01/05 Ending:

12/31/05

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 50,072 B. General Construction Type: Exterior Concrete Block Frame Steel Number of Stories 2

C. Does the Operating Entity?  (a) Own the Facility  (b) Rent from a Related Organization  (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  (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 ground (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA training facilities, et 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  NO  
If so, please complete the following:

1. Total Amount Incurred: N/A 2. Number of Years Over Which it is Being Amortized N/A  
3. Current Period Amortization: N/A 4. Dates Incurred: N/A

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	<u>Resident Care</u>	<u>40,000</u>	<u>1991</u>	<u>\$ 500,000</u>	<u>1</u>
2	<u>Allocated from Management Company</u>			<u>8,605</u>	<u>2</u>
3	<b>TOTALS</b>			<b>\$ 508,605</b>	<b>3</b>

SEE ACCOUNTANTS' COMPILATION REPORT

XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9		
Beds*	FOR OHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4	99	1992	1992	\$ 2,661,448	\$	35	\$ 76,040	\$ 76,040	\$ 1,026,558	4
5	10	1995	1995	79,363	3,307	10	3,307		78,702	5
6	10	2005	2005	2,321,014		21	55,262	55,262	55,262	6
7										7
8										8
<b>Improvement Type**</b>										
9	Land Improvements	1992	1992	1,152		20	58	58	778	9
10	Building Improvements	1992	1992	2,714		31			2,714	10
11	Building Improvements	1993	1993	2,901		35	83	83	1,036	11
12	Leasehold Improvements	1994	1994	6,402		10			6,295	12
13	Leasehold Improvements - Corner Guards	1996	1996	2,195	219	10	219		2,085	13
14	Wiring	1998	1998	3,378	338	10	338		2,534	14
15	Resurface & Restripe Parking Lot	1998	1998	3,753	375	10	375		2,815	15
16	Lobby Tile	1998	1998	19,488	1,949	10	1,949		13,966	16
17	Resurface & Restripe Parking Lot	2000	2000	1,997	200	10	200		1,098	17
18	Automatic Door	2000	2000	1,300	130	10	130		715	18
19	Kitchen Rehab	2001	2001	1,441	144	10	144		649	19
20	Infrared curtains for elevator	2001	2001	3,000	300	10	300		1,350	20
21	Dining room, resident rooms, and corridors renovations	2002	2002	150,083	7,505	20	7,505		23,138	21
22	Elevator upgrade	2002	2002	5,399	540	10	540		1,979	22
23	Air conditioner compressor	2003	2003	9,218	922	10	922		2,228	23
24	Sidewalk and fencing	2005	2005	46,701	389	20	389		389	24
25	HVAC	2005	2005	8,141	34	20	34		34	25
26	Wiring	2005	2005	4,506	56	20	56		56	26
27	Lobby, lounge and reception renovations	2005	2005	24,362	406	20	406		406	27
28	First floor renovations	2005	2005	326,862	1	20	1		1	28
29	Wallcoverings	2005	2005	10,822	1,263	5	1,263		1,263	29
30										30
31										31
32										32
33										33
34										34
35										35
36										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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of LaGrange

# 0038083

Report Period Beginning:

01/01/05

Ending:

12/31/05

XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9	
Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation		
37	Land improvements - management compan	2002	\$ 13,562	\$	15	\$ 412	\$ 412	\$ 3,541	37
38	Building - management company	2002	105,510		40	3,226	3,226	10,331	38
39	HVAC, electrical, security system - management compan	2003	1,046		30	29	29	172	39
40	Key card system - management compan	2004	164		20	12	12	12	40
41	VAV TX controls - management compan	2005	50		20	2	2	2	41
42									42
43									43
44									44
45									45
46									46
47									47
48									48
49									49
50									50
51									51
52									52
53									53
54									54
55									55
56									56
57									57
58									58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$ 5,817,972	\$ 18,078		\$ 153,202	\$ 135,124	\$ 1,240,109	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Lexington of LaGrange

# 0038083

Report Period Beginning:

01/01/05

Ending:

12/31/05

XI. OWNERSHIP COSTS (continued)

C. Equipment Depreciation-Excluding Transportation. (See instruction

	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	\$ 126,256	\$ 17,651	\$ 17,652	\$ 1	3-10 years	\$ 70,246	71
72	Current Year Purchases	96,757	3,421	8,587	5,166	5 years	8,587	72
73	Fully Depreciated Assets	276,809					276,809	73
74	Allocated from Management Company	104,956		10,778	10,778		52,882	74
75	TOTALS	\$ 604,778	\$ 21,072	\$ 37,017	\$ 15,945		\$ 408,524	75

D. Vehicle Depreciation (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	Allocated from Management Company			23,395		2,218	2,218		16,737	79
80	TOTALS			\$ 23,395	\$	\$ 2,218	\$ 2,218		\$ 16,737	80

E. Summary of Care-Related Asset

	1	2	
	Reference	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)	\$ 6,954,750	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 39,150	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 192,437	83 **
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 153,287	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 1,665,370	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	Phone system	\$ 38,688	92
93			93
94			94
95	TOTALS	\$ 38,688	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 1

**XII. RENTAL COSTS**

**A. Building and Fixed Equipment (See instructions.)**

1. Name of Party Holding Lease: N/A  
 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:				\$			3
4	Additions							4
5								5
6	Allocated from management company				1,848			6
7	<b>TOTAL</b>				\$ 1,848			7

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.       /2006       \$ \_\_\_\_\_  
 13.       /2007       \$ \_\_\_\_\_  
 14.       /2008       \$ \_\_\_\_\_

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: \_\_\_\_\_ \*

**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: \$ 6,067      Description: Copier - \$4,315; Fax machine - \$285; Postage meter - \$179 ; Allocated from management company - \$1,288  
 (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			\$	\$	17
18					18
19					19
20					20
21	<b>TOTAL</b>		\$	\$	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.

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)

<p>1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p>It is the policy of this facility to only hire certified nurses aides If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.</p>	<p>2. CLASSROOM PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>	<p>3. CLINICAL PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>
--	--	---

B. EXPENSES

ALLOCATION OF COSTS (d)

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

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefit;
- (b) Include wages paid during the clinical portion of training. Do not include fringe benefit;
- (c) For in-house training programs only. Do not include fringe benefit;
- (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

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	

- (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.

SEE ACCOUNTANTS' COMPILATION REPORT

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

	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	L10A, C3	hrs	\$	4,009	\$ 341,596	\$	4,009	\$ 341,596	1
2	Licensed Speech and Language Development Therapist	L10A, C3	hrs		489	35,450		489	35,450	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	L10A, C3	hrs		7,557	488,698		7,557	488,698	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	L39, C2	# of prescripts				228,643		228,643	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Wound Therapy Other (specify): <b>Dentist</b>	L10A, C3 L39, C3				1,354 574			1,354 574	13
14	<b>TOTAL</b>			\$	12,055	\$ 867,672	\$ 228,643	12,055	\$ 1,096,315	14

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

SEE ACCOUNTANTS' COMPILATION REPORT

## STATE OF ILLINOIS

Page 17

Facility Name &amp; ID Number Lexington of LaGrange

# 0038083

Report Period Beginning: 01/01/05

Ending:

12/31/05

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/05

(last day of reporting year)

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

		1	2	
		Operating	After Consolidation*	
<b>A. Current Assets</b>				
1	Cash on Hand and in Banks	\$ (45,293)	\$ (32,957)	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 264,000 )	1,025,056	1,025,056	3
4	Supply Inventory (priced at )			4
5	Short-Term Investments			5
6	Prepaid Insurance	107,374	107,374	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	147,350		8
9	Other(specify): Escrow		62,674	9
10	<b>TOTAL Current Assets (sum of lines 1 thru 9)</b>	\$ 1,234,487	\$ 1,162,147	10
<b>B. Long-Term Assets</b>				
11	Long-Term Notes Receivable			11
12	Long-Term Investments	4,269	4,269	12
13	Land		508,605	13
14	Buildings, at Historical Cost		2,664,349	14
15	Leasehold Improvements, at Historical Cost	708,411	3,153,623	15
16	Equipment, at Historical Cost	232,806	628,173	16
17	Accumulated Depreciation (book methods)	(274,818)	(1,665,370)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (sp Construction in progr	38,688	38,688	22
23	Other(specify): Unamortized loan costs		23,094	23
24	<b>TOTAL Long-Term Assets (sum of lines 11 thru 23)</b>	\$ 709,356	\$ 5,355,431	24
25	<b>TOTAL ASSETS (sum of lines 10 and 24)</b>	\$ 1,943,843	\$ 6,517,578	25

		1	2	
		Operating	After Consolidation*	
<b>C. Current Liabilities</b>				
26	Accounts Payable	\$ 375,888	\$ 376,992	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	125,000	2,235,000	29
30	Accrued Salaries Payable	147,011	147,011	30
31	Accrued Taxes Payable (excluding real estate taxes)			31
32	Accrued Real Estate Taxes(Sch.IX-B)		346,200	32
33	Accrued Interest Payable		27,922	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
<b>Other Current Liabilities(specify):</b>				
36	See attached Schedule E	337,085	156,649	36
37				37
38	<b>TOTAL Current Liabilities (sum of lines 26 thru 37)</b>	\$ 984,984	\$ 3,289,774	38
<b>D. Long-Term Liabilities</b>				
39	Long-Term Notes Payable			39
40	Mortgage Payable		2,366,396	40
41	Bonds Payable			41
42	Deferred Compensation			42
<b>Other Long-Term Liabilities(specify):</b>				
43				43
44				44
45	<b>TOTAL Long-Term Liabilities (sum of lines 39 thru 44)</b>	\$	\$ 2,366,396	45
46	<b>TOTAL LIABILITIES (sum of lines 38 and 45)</b>	\$ 984,984	\$ 5,656,170	46
47	<b>TOTAL EQUITY(page 18, line 24)</b>	\$ 958,859	\$ 861,408	47
48	<b>TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)</b>	\$ 1,943,843	\$ 6,517,578	48

SEE ACCOUNTANTS' COMPILATION REPORT

\*(See instructions.)

**Lexington Health Care Center of Lagrange, Inc.**  
**Provider # 0038083**  
**1/1/05 - 12/31/05**

**Schedule E**

XV. Balance Sheet  
C. Current Liabilities

36. Other Current Liabilities

<u>Description</u>	<u>Operating</u>	<u>After Consolidation</u>
Accrued Rent	220,668	
Accrued management fees	9,130	9,130
Accrued 401 (k) contribution	16,766	16,766
Due from related parties	22,319	62,551
Other accrued expenses	68,202	68,202
Total line 36	<u>337,085</u>	<u>156,649</u>

**See Accountants' Compilation Report**

**XVI. STATEMENT OF CHANGES IN EQUITY**

		1 Total	
<b>1</b>	<b>Balance at Beginning of Year, as Previously Reported</b>	\$ <b>444,137</b>	<b>1</b>
<b>2</b>	Restatements (describe):		<b>2</b>
<b>3</b>	<b>Post closing entries</b>	<b>162,835</b>	<b>3</b>
<b>4</b>			<b>4</b>
<b>5</b>			<b>5</b>
<b>6</b>	<b>Balance at Beginning of Year, as Restated (sum of lines 1-5)</b>	\$ <b>606,972</b>	<b>6</b>
<b>A. Additions (deductions):</b>			
<b>7</b>	NET Income (Loss) (from page 19, line 43)	<b>603,887</b>	<b>7</b>
<b>8</b>	Aquisitions of Pooled Companies		<b>8</b>
<b>9</b>	Proceeds from Sale of Stock		<b>9</b>
<b>10</b>	Stock Options Exercised		<b>10</b>
<b>11</b>	Contributions and Grants		<b>11</b>
<b>12</b>	Expenditures for Specific Purposes		<b>12</b>
<b>13</b>	Dividends Paid or Other Distributions to Owners	<b>(252,000)</b>	<b>13</b>
<b>14</b>	Donated Property, Plant, and Equipment		<b>14</b>
<b>15</b>	Other (describe)		<b>15</b>
<b>16</b>	Other (describe)		<b>16</b>
<b>17</b>	<b>TOTAL Additions (deductions) (sum of lines 7-16)</b>	\$ <b>351,887</b>	<b>17</b>
<b>B. Transfers (Itemize):</b>			
<b>18</b>			<b>18</b>
<b>19</b>			<b>19</b>
<b>20</b>			<b>20</b>
<b>21</b>			<b>21</b>
<b>22</b>			<b>22</b>
<b>23</b>	<b>TOTAL Transfers (sum of lines 18-22)</b>	\$	<b>23</b>
<b>24</b>	<b>BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)</b>	\$ <b>958,859</b>	<b>24</b> *

Operating Entity Only

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name &amp; ID Number Lexington of LaGrange

# 0038083

Report Period Beginning: 01/01/05

Ending: 12/31/05

**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 expenses.**

		1	
Revenue		Amount	
<b>A. Inpatient Care</b>			
1	Gross Revenue -- All Levels of Care	\$ 6,509,263	1
2	Discounts and Allowances for all Levels	(791,534)	2
3	<b>SUBTOTAL Inpatient Care (line 1 minus line 2)</b>	\$ 5,717,729	3
<b>B. Ancillary Revenue</b>			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	1,536,598	6
7	Oxygen	945	7
8	<b>SUBTOTAL Ancillary Revenue (lines 4 thru 7)</b>	\$ 1,537,543	8
<b>C. Other Operating Revenue</b>			
9	Payments for Educator		9
10	Other Government Grants		10
11	CNA Training Reimbursement		11
12	Gift and Coffee Shop	4,272	12
13	Barber and Beauty Care	29,740	13
14	Non-Patient Meals	4	14
15	Telephone, Television and Radio	3	15
16	Rental of Facility Space		16
17	Sale of Drugs	341,242	17
18	Sale of Supplies to Non-Patient		18
19	Laboratory	22,060	19
20	Radiology and X-Ray	11,766	20
21	Other Medical Services	102,197	21
22	Laundry	5,917	22
23	<b>SUBTOTAL Other Operating Revenue (lines 9 thru 22)</b>	\$ 517,201	23
<b>D. Non-Operating Revenue</b>			
24	Contributions		24
25	Interest and Other Investment Income**	17	25
26	<b>SUBTOTAL Non-Operating Revenue (lines 24 and 25)</b>	\$ 17	26
<b>E. Other Revenue (specify):****</b>			
27	<b>Settlement Income (Insurance, Legal, Etc.)</b>		27
28	<b>Miscellaneous income</b>	22	28
28a	<b>Investment income</b>	276	28a
29	<b>SUBTOTAL Other Revenue (lines 27, 28 and 28a)</b>	\$ 298	29
30	<b>TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)</b>	\$ 7,772,788	30

		2	
Expenses		Amount	
<b>A. Operating Expenses</b>			
31	General Services	980,369	31
32	Health Care	3,386,471	32
33	General Administrator	1,416,729	33
<b>B. Capital Expense</b>			
34	Ownership	995,719	34
<b>C. Ancillary Expense</b>			
35	Special Cost Centers	330,794	35
36	Provider Participation Fee	58,819	36
<b>D. Other Expenses (specify):</b>			
37			37
38			38
39			39
40	<b>TOTAL EXPENSES (sum of lines 31 thru 39)*</b>	\$ 7,168,901	40
41	<b>Income before Income Taxes (line 30 minus line 40)**</b>	603,887	41
42	<b>Income Taxes</b>		42
43	<b>NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)</b>	\$ 603,887	43

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

\*\* Does this agree with taxable income (loss) per Federal Income Tax Return? No If not, please attach a reconciliation.  
This entity is a cash basis taxpayer.

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

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

Facility Name & ID Number Lexington of LaGrange

# 0038083

Report Period Beginning: 01/01/05

Ending:

12/31/05

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

(This schedule must cover the entire reporting period.)

	1	2**	3	4		
	# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage		
1	Director of Nursing	1,111	1,253	\$ 44,992	\$ 35.91	1
2	Assistant Director of Nursing	2,803	3,089	97,405	31.53	2
3	Registered Nurses	18,434	20,121	611,026	30.37	3
4	Licensed Practical Nurses	20,099	21,606	522,580	24.19	4
5	CNAs & Orderlies	60,314	65,281	716,823	10.98	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	4,504	4,858	64,360	13.25	8
9	Activity Director	1,989	2,276	38,309	16.83	9
10	Activity Assistants	12,312	13,197	130,952	9.92	10
11	Social Service Worker	4,386	4,582	85,827	18.73	11
12	Dietician					12
13	Food Service Supervisor	2,039	2,267	47,532	20.97	13
14	Head Cook	2,054	2,100	26,195	12.47	14
15	Cook Helpers/Assistants	11,827	12,862	103,292	8.03	15
16	Dishwashers	8,875	9,384	65,266	6.96	16
17	Maintenance Worker	1,981	2,138	26,380	12.34	17
18	Housekeepers	25,908	27,950	210,335	7.53	18
19	Laundry	4,510	4,954	34,194	6.90	19
20	Administrator	2,008	2,085	106,649	51.15	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	8,256	8,977	122,471	13.64	24
25	Vocational Instructor					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					31
32	Other Health Care(specify)					32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	193,410	208,980	\$ 3,054,588 *	\$ 14.62	34

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

\*\* See instructions.

B. CONSULTANT SERVICES

	1	2	3		
	Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference		
35	Dietary Consultant	185	\$ 9,435	L1, C3	35
36	Medical Director	Monthly	28,000	L9, C3	36
37	Medical Records Consultant	21	1,128	L10, C3	37
38	Nurse Consultant	16	1,432	L10, C3	38
39	Pharmacist Consultant	Monthly	1,200	L10, C3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	79	3,793	L11, C3	44
45	Social Service Consultant	54	2,882	L12, C3	45
46	Other(specify)				46
47	Rehabcare Consultant	1	881	L10, C3	47
48					48
49	TOTAL (lines 35 - 48)	356	\$ 48,751		49

C. CONTRACT NURSES

	1	2	3		
	Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference		
50	Registered Nurses	88	\$ 3,872	L10, C3	50
51	Licensed Practical Nurses	222	7,788	L10, C3	51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)	310	\$ 11,660		53

SEE ACCOUNTANTS' COMPILATION REPORT



**Lexington Health Care Center of Lagrange, Inc.**  
**Provider # 0038083**  
**1/1/05 - 12/31/05**

**Schedule F**

XIX. Support Schedules  
C. Professional Services

<u>Vendor/Payee</u>	<u>Type</u>	<u>Amount</u>
Advanced Answers on Demand, Inc.	Computer Consulting	2,633
National Datacare Corporation	Computer Consulting	1,367
AdminaStar	Computer Consulting	366
Mcaffe	Computer Consulting	88
Information Controls, Inc.	Computer Consulting	867
eHealth Solutions	Computer Consulting	2,600
Action Computer Service	Computer Consulting	324
Microsoft	Computer Consulting	3,882
Covad Communications	Computer Consulting	1,539
Total, Other Professional Services		<u>13,666</u>
Total, Agrees to Schedule V, Line 19, Column 3		45,049
Allocated from management co.		
American Express Tax & Business Services	Accounting	189
Altschuler, Melvoin and Glasser LLP	Accounting	73
Account Temps	Accounting	586
Gene Whitehorn	Medicaid Billing Consultant	1,362
Personnel Planners	U/C Consulting	4
Gilson, Labus and Silverman	Accounting	119
James Samatas	Legal	15
Sachnoff and Weaver	Legal	69
Katten, Muchin, Zavis & Rosenman	Legal	10
ILIAC / Pension Administrators	401 (k) Administration	472
Various	Computer Consulting	7,690
Allocated from building partnership		
James Samatas	Filing and recording fees	100
Nonallowable legal fees		
Grabowski Law Center	Legal-collection fees	(1,739)
Systematic Management Systems	Collection fees	(1,675)
Disallow out of period legal fees		
Katten, Muchin, Zavis & Rosenman	Legal - out of period	(482)
Total, Agrees to Schedule V, Line 19, Column 8		<u>51,842</u>

**See accountants' compilation report**

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

	1 Improvement Type	2 Month & Year Improvement Was Made	3 Total Cost	4 Useful Life	5 Amount of Expense Amortized Per Year								
					6 FY2002	7 FY2003	8 FY2004	9 FY2005	10 FY2006	11 FY2007	12 FY2008	13 FY2009	14 FY2010
1			\$		\$	\$	\$ N/A	\$	\$	\$	\$	\$	\$
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of LaGrange# 0038083Report Period Beginning: 01/01/05Ending: 12/31/05**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 No  
If YES, give association name and amount N/A
- (3) Did the nursing home make political contributions or payments to a political action organization? No If YES, have these costs been properly adjusted out of the cost report? N/A
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (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 years
- (6) Indicate the total amount of both disposable and non-disposable diaper expenses and the location of this expense on Sch. V. 30,690 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? No  
If YES, give effective date of lease N/A
- (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 N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 58,819  
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 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 if 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. \$ 7,931 Has any meal income been offset against related costs? No Indicate the amount \$ N/A
- (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 program during this reporting period. \$ N/A  
c. What percent of all travel expense relates to transportation of nurses and patients? 0%  
d. Have vehicle usage logs been maintained Adequate records have been maintained.  
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? N/A  
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. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm No  
Firm Name: N/A The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? N/A If no, please explain. N/A
- (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 \$2500, have legal invoices and a summary of services performed been attached to this cost report? Yes  
Attach invoices and a summary of services for all architect and appraisal fees

**SEE ACCOUNTANTS' COMPILATION REPORT**

RECONCILIATION REPORT

11:46 AM 5/16/2006

ITEM	Value 1	Cond.	Value 2	Difference	RESULTS	COMPARE CEL	SUB-SCHED.	LINE NO.	COL. NO.	WITH CELL	SUB-SCHED.	LINE NO.	COL. NO.
Adjustment Detail	-591,706	equal to	-591,706	0	O.K.	Pg5 Z22	B.	37	1	Pg4 K29	N/A	45	7
Interest Expense	180,144	equal to	180,144	0	O.K.	Pg9 P34	A.	15	10	Pg4 L13	N/A	32	8
Real Estate Tax Expenses	342,887	equal to	342,887	0	O.K.	Pg10 W24	B.	5	N/A	Pg4 L14	N/A	33	8
Amortization exp. Pre-opening & org.	N/A	equal to	0	#VALUE!	#VALUE!	Pg11 I33	E.	3	N/A	Pg4 L12	N/A	31	8
Ownership Costs-Depreciation	192,437	equal to	192,437	0	O.K.	Pg13 Y28	E.	49	2	Pg4 L11	N/A	30	8
Rental Costs A	1,848	equal to	1,848	0	O.K.	Pg14 L20+N22	A.	7 + 8	4+N/A	Pg4 L15	N/A	34	8
Rental Costs B	6,067	equal to	6,067	0	O.K.	Pg14 J30+N40	B.+ C.	16+21	N/A+4	Pg4 L16	N/A	35	8
Nurse Aid Training Prog.	0	equal to	0	0	O.K.	Pg15 L36	B.	10	1	Pg3 L23	N/A	13	8
Special Serv. - Staff Wages		equal to		0	O.K.	Pg16 N32	N/A	14	3	Pg4 E22	N/A	39	1
Therapy Services	865,744	equal to	867,098	-1,354	FAILED	Pg16 Z12+Z14.	N/A/B	1-4;40-43	8;2	Pg3 H20	N/A	10a	4
Special Serv.- Supplies	228,643	equal to	228,643	0	O.K.	Pg16 V32	N/A	14	6	Pg4 F22 + Pg 3	N/A	39.10a	2
Income Stat. General Serv.	980,369	equal to	980,369	0	O.K.	Pg19 P11	N/A	31	2	Pg3 H16	N/A	8	4
Income Stat. Health Care	3,386,471	equal to	3,386,471	0	O.K.	Pg19 P12	N/A	32	2	Pg3 H26	N/A	16	4
Income Stat. Administration	1,416,729	equal to	1,416,729	0	O.K.	Pg19 P13	N/A	33	2	Pg3 H39	N/A	28	4
Income Stat. Ownership	995,719	equal to	995,719	0	O.K.	Pg19 P15	N/A	34	2	Pg4 H18	N/A	37	4
Income Stat. Special Cost Ctr	330,794	equal to	330,794	0	O.K.	Pg19 P17	N/A	35	2	Pg4 H21..H24+i	N/A	38to41+43	4
Income Stat. Prov. Partic.	58,819	equal to	58,819	0	O.K.	Pg19 P18	N/A	36	2	Pg4 H25	N/A	42	4
Staff- Nursing	1,992,826	equal to	2,057,186	-64,360	FAILED	Pg20 K11..K15+	A.	1-5,24,25,27-30	3	Pg3 E19	N/A	10	1
Staff- Nurse aide Training	0	< or = to	0	0	O.K.	Pg20 K16	A.	6	3	Pg3 E23	N/A	13	1
Staff-Licensed Therapist	0	equal to	0	0	O.K.	Pg20 K17	A.	7	3	Pg4 E22	N/A	39	1
Staff- Activities	169,261	equal to	169,261	0	O.K.	Pg20 K19+K20	A.	9-10	3	Pg3 E21	N/A	11	1
Staff- Social Serv. Workers	85,827	equal to	85,827	0	O.K.	Pg20 K21	A.	11	3	Pg3 E22	N/A	12	1
Staff- Dietary	242,285	equal to	242,285	0	O.K.	Pg20 K22..K26	A.	16-Dec	3	Pg3 E9	N/A	1	1
Staff- Maintenance	26,380	equal to	26,380	0	O.K.	Pg20 K27	A.	17	3	Pg3 E14	N/A	6	1
Staff- Housekeeping	210,335	equal to	210,335	0	O.K.	Pg20 K28	A.	18	3	Pg3 E11	N/A	3	1
Staff- Laundry	34,194	equal to	34,194	0	O.K.	Pg20 K29	A.	19	3	Pg3 E12	N/A	4	1
Staff- Administrative	106,649	equal to	106,649	0	O.K.	Pg20 K30..K32	A.	20-22	3	Pg3 E28	N/A	17	1
Staff- Clerical	122,471	equal to	122,471	0	O.K.	Pg20 K33..K34	A.	23+24	3	Pg3 E32	N/A	21	1
Staff- Medical Director	0	equal to	0	0	O.K.	Pg20 K37	A.	27	3	Pg3 E18	N/A	9	1
Total Salaries And Wages	3,054,588	equal to	3,054,588	0	O.K.	Pg20 K44	A.	34	3	Pg4 E29	N/A	45	1
Dietary Consultant	9,435	< or = to	9,435	0	O.K.	Pg20 X12	B.	35	2	Pg3 G9	N/A	1	3
Medical Director	28,000	< or = to	28,000	0	O.K.	Pg20 X13	B.	36	2	Pg3 G18	N/A	9	3
Consultants & contractors	15,420	< or = to	37,742	-22,322	O.K.	Pg20 X14..X16+	B. & C.	17to39 and 50to6	2	Pg3 G19	N/A	10	3
Activity Consultant	3,793	< or = to	3,793	0	O.K.	Pg20 X21	B.	44	2	Pg3 G21	N/A	11	3
Social Service Consultant	2,882	< or = to	2,882	0	O.K.	Pg20 X22	B.	45	2	Pg3 G22	N/A	12	3
Supp. Sched. - Admin. Salar.	106,649	equal to	106,649	0	O.K.	Pg21 I16	A.	N/A	N/A	Pg3 E28	N/A	17	1
Supp. Sched. - Admin. Other	572,697	equal to	572,697	0	O.K.	Pg21 I24	B.	N/A	N/A	Pg3 G28	N/A	17	3
Supp. Sched. - Prof. Serv.	45,049	equal to	45,049	0	O.K.	Pg21 I41	C.	N/A	N/A	Pg3 G30	N/A	19	3
Supp. Sched. - Benefit/Taxes	407,214	equal to	407,214	0	O.K.	Pg21 P22	D.	N/A	N/A	Pg3 L33	N/A	22	8
Supp. Sched. - Sched of dues...	12,977	equal to	12,977	0	O.K.	Pg21 V22	F.	N/A	N/A	Pg3 L31	N/A	20	8
Supp. Sched. - Sched. of trav	8,909	equal to	8,909	0	O.K.	Pg21 V41	G.	N/A	N/A	Pg3 L35	N/A	24	8
Gen. Info - Particip. Fees	58,819	equal to	58,819	0	O.K.	Pg23 I38	N/A	11	N/A	Pg4 G25	N/A	42	3
Gen. Info - Employee Meals	7,931	< or = to	7,931	0	O.K.	Pg23 S16	N/A	16	N/A	Pg3 K33	N/A	2 & 22	7
Gen. Info - Employee Meals	7,931	equal to	7,931	0	O.K.	Pg23 S16	N/A	16	N/A	Pg21 P12	D.	N/A	N/A
Nurse aide training	0	equal to	0	0	O.K.	Pg15 U29..U31	B.	3, 4 & 5	4	Pg3 E23	N/A	13	1
Days of medicare provided	7,754	equal to	9,268	-1,514	FAILED	Pg2 AB29	K.	N/A	N/A	Pg2 J30	B.	8	4
Adjustment for related org. costs	-425,705	equal to	-425,705	0	O.K.	Pg5 Z18	B.	34	1	Pg6 to Pg 6l Y4	B.	14	8
Total loan balance	4,601,396	equal to	4,601,396	0	O.K.	Pg9 L34	A.	15	7	Pg17 V13+V27.	N/A	29+39-41	2
Real estate tax accrual	346,200	equal to	346,200	0	O.K.	Pg10 W15	B.	4	N/A	Pg17 V17	N/A	32	2
Land	508,605	equal to	508,605	0	O.K.	Pg11 T43	A.	3	4	Pg17 K25	N/A	13	2
Building cost	5,817,972	equal to	5,817,972	0	O.K.	Pg12 to 12l L43	B.	36	4	Pg17 K26+K27	N/A	14 & 15	2
Equipment and vehicle cost	628,173	equal to	628,173	0	O.K.	Pg13 O22+L13	C.& D.	41 + 46	1 + 4	Pg17 K28	N/A	16	2
Accumulated depr.	1,665,370	equal to	1,665,370	0	O.K.	Pg13 Y30	E.	51	2	Pg17 K29	N/A	17	2
End of year equity	958,859	equal to	958,859	0	O.K.	Pg18 I33	N/A	24	1	Pg17 S39	N/A	47	1
Net income (loss)	603,887	equal to	603,887	0	O.K.	Pg18 I15	N/A	7	1	Pg19 P30	N/A	43	2
Unamortized deferred maint. cost	0	equal to	0	0	O.K.	Pg22 F31-J31..l	H.	20	3	Pg17 K30	N/A	18	2
Balance Sheet	1,943,843	equal to	1,943,843	0	O.K.	Pg17 H41		25	1	Pg17 S41	N/A	48	1

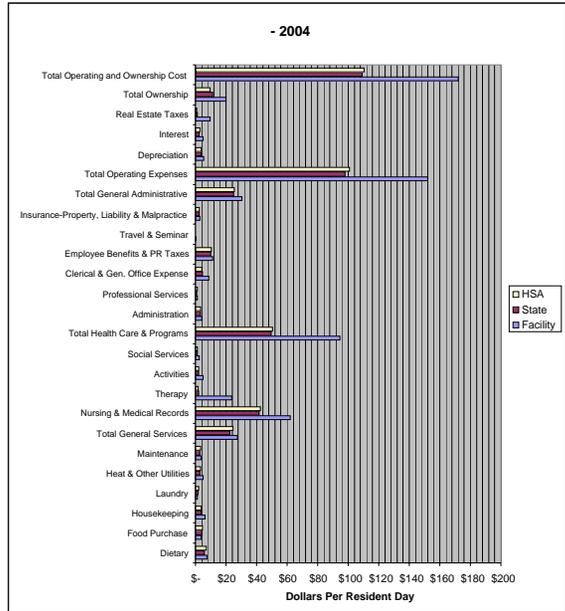
Lexington of LaGrange  
 IDPA Comparative Data - Per Resident Day Cost  
 Year Ending 12/31/05

Enter your HSA # in next column   
 Census (Pulls from Page 2)

Cost Report Line	Description	Average Median Cost Per Day			Report Line	Description	State-Wide	HSA											10th %	90th %
		Year Facility	State	HSA				1	2	3	4	5	6	7	8	9	10	11		
1	Dietary	7.33	6.01	7.02	1	Dietary	6.01	7.02	6.48	5.50	6.48	5.48	6.06	6.06	6.06	5.60	7.02	5.70	4.13	9.81
2	Food Purchase	3.94	4.31	4.47	2	Food Purchase	4.31	4.47	4.40	4.27	4.40	3.99	4.31	4.31	4.31	4.28	4.47	4.11	3.56	6.04
3	Housekeeping	6.40	3.70	3.59	3	Housekeeping	3.70	3.59	3.68	2.91	3.68	3.40	4.05	4.05	4.05	3.97	3.59	3.61	2.48	5.80
4	Laundry	1.08	1.85	2.23	4	Laundry	1.85	2.23	1.90	1.79	1.90	2.10	1.59	1.59	1.59	1.69	2.23	2.13	0.91	3.14
5	Heat & Other Utilities	4.81	2.95	3.17	5	Heat & Other Utilities	2.95	3.17	2.93	2.94	2.93	2.71	2.93	2.93	2.93	2.91	3.17	2.95	2.05	4.25
6	Maintenance	3.79	3.01	3.26	6	Maintenance	3.01	3.26	3.03	2.99	3.03	2.55	3.21	3.21	3.21	3.05	3.26	2.82	1.92	5.12
8	Total General Services	27.42	22.58	24.49	8	TOTAL GENERAL SERVICES	22.58	24.49	22.99	21.14	22.99	21.47	22.65	22.65	22.65	22.45	24.49	21.73	17.57	31.51
10	Nursing & Medical Records	62.09	41.83	42.52	10	Nursing & Medical Records	41.83	42.52	43.12	38.37	43.12	33.78	45.12	45.12	45.12	47.22	42.52	42.15	27.25	64.47
10A	Therapy	23.84	2.10	1.86	10A	Therapy	2.10	1.86	2.69	3.34	2.69	3.47	1.45	1.45	1.45	2.41	1.86	2.24	-	10.55
11	Activities	5.18	1.91	2.18	11	Activities	1.91	2.18	1.92	1.61	1.92	1.48	2.16	2.16	2.16	2.05	2.18	1.54	1.06	3.45
12	Social Services	2.44	1.42	1.45	12	Social Services	1.42	1.45	1.64	1.05	1.64	1.09	1.60	1.60	1.60	1.12	1.45	1.27	0.58	3.00
16	Total Health Care & Programs	94.46	49.48	50.39	16	TOTAL HEALTH CARE & PROGRAMS	49.48	50.39	51.22	46.39	51.22	41.58	52.34	52.34	52.34	54.96	50.39	49.49	32.10	77.23
17	Administration	4.36	3.36	3.33	17	Administration	3.33	3.36	3.15	3.15	3.15	3.60	3.46	3.46	3.46	3.04	3.33	3.17	1.71	7.21
19	Professional Services	1.43	0.99	1.09	19	Professional Services	0.99	1.09	0.85	0.83	0.85	0.76	1.12	1.12	1.12	1.13	1.09	0.77	0.07	3.44
21	Clerical & Gen. Office Expense	8.73	4.79	4.32	21	Clerical & Gen. Office Expense	4.32	4.79	3.98	4.97	3.46	5.56	5.56	5.56	5.04	4.32	4.25	2.49	10.78	
22	Employee Benefits & PR Taxes	11.19	10.09	10.42	22	Employee Benefits & PR Taxes	10.09	10.42	11.01	8.88	11.01	7.67	10.51	10.51	10.51	11.38	10.42	9.08	6.33	19.34
24	Travel & Seminar	0.24	0.08	0.10	24	Travel & Seminar	0.08	0.10	0.13	0.10	0.13	0.13	0.06	0.06	0.06	0.05	0.10	0.07	-	0.43
26	Insurance-Property, Liability & Malpractice	3.00	2.58	2.47	26	Insurance-Property, liability & Malpractice	2.47	2.58	2.35	2.55	2.22	2.85	2.85	2.85	2.19	2.47	2.61	0.88	4.32	
28	Total General Administrative	30.35	24.94	25.31	28	TOTAL GENERAL ADMINISTRATIVE	24.94	25.31	26.11	23.02	26.11	21.37	25.81	25.81	25.81	26.59	25.31	22.93	16.95	39.14
29	Total Operating Expenses	152.23	98.06	100.77	29	TOTAL OPERATING EXPENSES	98.06	100.77	100.03	92.47	100.03	88.05	100.96	100.96	100.96	103.01	100.77	94.71	69.40	142.56
30	Depreciation	5.29	3.70	3.82	30	Depreciation	3.70	3.82	4.08	3.29	4.08	2.54	4.11	4.11	4.11	3.54	3.82	3.38	1.01	8.43
32	Interest	4.95	2.54	2.81	32	Interest	2.54	2.81	1.96	2.09	1.96	1.41	4.05	4.05	4.05	2.63	2.81	1.50	-	11.53
33	Real Estate Taxes	9.43	1.38	0.92	33	Real Estate Taxes	1.38	0.92	1.08	0.82	1.08	0.80	3.20	3.20	3.20	1.36	0.92	1.11	-	4.85
37	Total Operating and Ownership Cost	172.12	110.50	110.50	37	TOTAL OWNERSHIP	11.11	9.73	9.80	8.00	9.80	7.04	14.54	14.54	14.54	11.02	9.73	8.39	3.76	23.58
						TOTAL OPERATING & OWNERSHIP CC	109.17	110.50	109.83	100.47	109.83	95.09	115.50	115.50	115.50	114.03	110.50	103.10	73.16	166.14

Notes:  
 Your Facility data is from page 3, column 8 of your 2005 Medicaid cost report, divided by your annual census.

The Average Median Cost Per Day for the State and your HSA is taken from data available from the Illinois Department of Public Aid and corresponds with the respective cost report data after final adjustments.



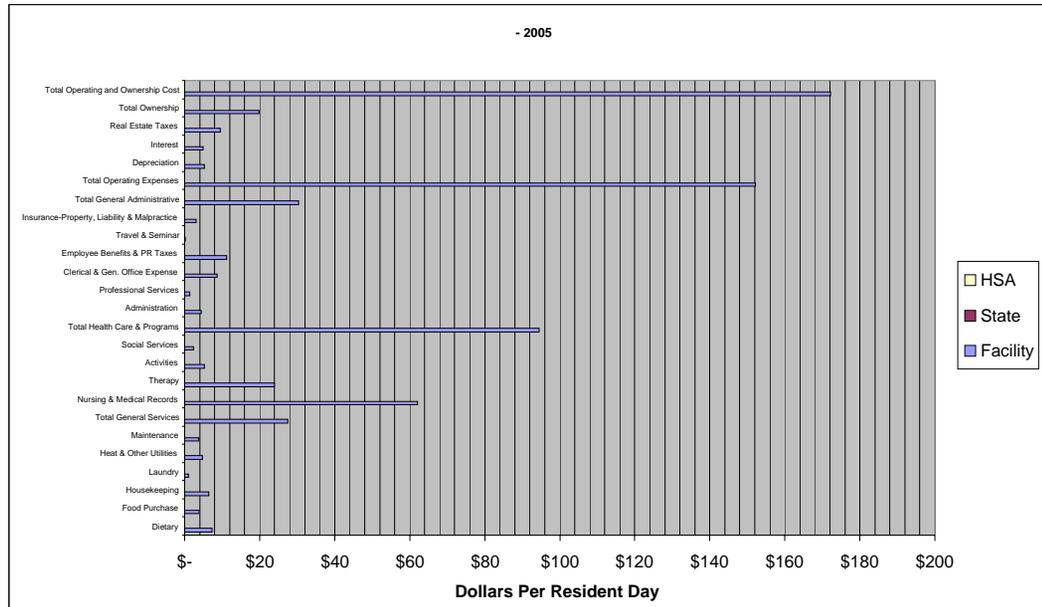
Lexington of LaGrange  
 IDPA Comparative Data - Per Resident Day Cost  
 Year Ending 12/31/05

Enter your HSA # in next column   
 Census (Pulls from Page 2)

Cost Report Line	Description	2005			2004			2003			2002		
		Per Diem Your Facility	State	HSA	Per Diem Your Facility	State	HSA	Per Diem Your Facility	State	HSA	Per Diem Your Facility	State	HSA
1	Dietary	7.33	-	-	#DIV/0!	-	-	#DIV/0!	6.10	5.70	#DIV/0!	6.01	5.60
2	Food Purchase	3.94	-	-	#DIV/0!	-	-	#DIV/0!	4.31	4.11	#DIV/0!	4.27	4.09
3	Housekeeping	6.40	-	-	#DIV/0!	-	-	#DIV/0!	3.70	3.61	#DIV/0!	3.65	3.48
4	Laundry	1.08	-	-	#DIV/0!	-	-	#DIV/0!	1.85	2.13	#DIV/0!	1.90	2.23
5	Heat & Other Utilities	4.81	-	-	#DIV/0!	-	-	#DIV/0!	2.95	2.95	#DIV/0!	2.71	2.73
6	Maintenance	3.79	-	-	#DIV/0!	-	-	#DIV/0!	3.01	2.82	#DIV/0!	2.99	2.92
8	Total General Services	27.42	-	-	#DIV/0!	-	-	#DIV/0!	22.58	21.73	#DIV/0!	22.09	22.04
10	Nursing & Medical Records	62.09	-	-	#DIV/0!	-	-	#DIV/0!	41.83	42.15	#DIV/0!	40.68	41.16
10A	Therapy	23.84	-	-	#DIV/0!	-	-	#DIV/0!	2.10	2.24	#DIV/0!	1.85	2.27
11	Activities	5.18	-	-	#DIV/0!	-	-	#DIV/0!	1.91	1.54	#DIV/0!	1.88	1.60
12	Social Services	2.44	-	-	#DIV/0!	-	-	#DIV/0!	1.42	1.27	#DIV/0!	1.44	1.32
16	Total Health Care & Programs	94.46	-	-	#DIV/0!	-	-	#DIV/0!	49.48	49.49	#DIV/0!	47.55	47.76
17	Administration	4.36	-	-	#DIV/0!	-	-	#DIV/0!	3.36	3.17	#DIV/0!	3.39	3.54
19	Professional Services	1.43	-	-	#DIV/0!	-	-	#DIV/0!	0.99	0.77	#DIV/0!	0.98	0.72
21	Clerical & Gen. Office Expense	8.73	-	-	#DIV/0!	-	-	#DIV/0!	4.79	4.25	#DIV/0!	4.58	4.31
22	Employee Benefits & PR Taxes	11.19	-	-	#DIV/0!	-	-	#DIV/0!	10.09	9.08	#DIV/0!	9.63	8.44
24	Travel & Seminar	0.24	-	-	#DIV/0!	-	-	#DIV/0!	0.08	0.07	#DIV/0!	0.09	0.09
26	Insurance-Property, Liability & Malpractice	3.00	-	-	#DIV/0!	-	-	#DIV/0!	2.58	2.61	#DIV/0!	2.19	2.03
28	Total General Administrative	30.35	-	-	#DIV/0!	-	-	#DIV/0!	24.94	22.93	#DIV/0!	23.47	21.93
29	Total Operating Expenses	152.23	-	-	#DIV/0!	-	-	#DIV/0!	98.06	94.71	#DIV/0!	94.39	91.33
30	Depreciation	5.29	-	-	#DIV/0!	-	-	#DIV/0!	3.70	3.38	#DIV/0!	3.53	3.04
32	Interest	4.95	-	-	#DIV/0!	-	-	#DIV/0!	2.54	1.50	#DIV/0!	2.73	1.54
33	Real Estate Taxes	9.43	-	-	#DIV/0!	-	-	#DIV/0!	1.38	1.11	#DIV/0!	1.30	1.03
37	Total Ownership	19.89	-	-	#DIV/0!	-	-	#DIV/0!	11.11	8.39	#DIV/0!	11.44	10.00
	Total Operating and Ownership Cost	172.12	-	-	#DIV/0!	-	-	#DIV/0!	103.10	103.10	#DIV/0!	105.83	101.30

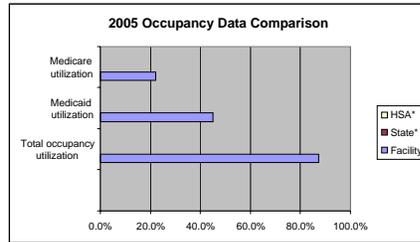
Notes:  
 Your Facility data is from page 3, column 8 of each of your respective Medicaid cost reports, divided by the respective annual census.

The 2005, 2004, 2003 & 2002 Median Cost Per Day for the State and your HSA is taken from data available from the Illinois Department of Public Aid and corresponds with the respective cost report data after final adjustments.



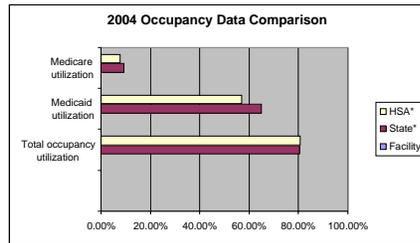
**2005**

Your	Facility	State*	HSA*
Total occupancy utilization	87.37%	0.00%	0.00%
Medicaid utilization	45.11%	0.00%	0.00%
Medicare utilization	22.26%	0.00%	0.00%
Private pay percent utilization	20.00%	N/A	N/A
Capacity in Patient Days	41,635	N/A	N/A
Census days of service provided	36,378	N/A	N/A



**2004**

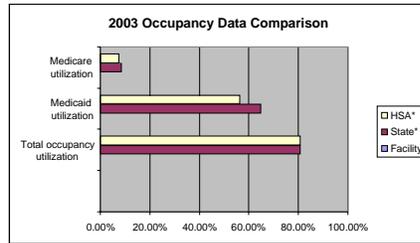
Your	Facility	State*	HSA*
Total occupancy utilization	#DIV/0!	80.50%	80.70%
Medicaid utilization	#DIV/0!	65.00%	57.00%
Medicare utilization	#DIV/0!	9.40%	7.70%
Private pay percent utilization	#DIV/0!	N/A	N/A
Capacity in Patient Days		N/A	N/A
Census days of service provided		N/A	N/A



\* State and HSA data for 2004 and 2005 is not expected to be available from HFS until March 2006 and 2007 respectively.

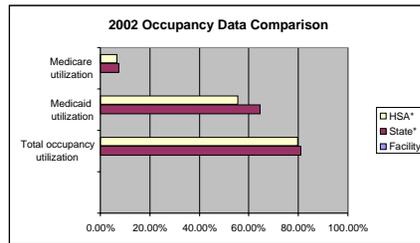
**2003**

Your	Facility	State*	HSA*
Total occupancy utilization	#DIV/0!	80.80%	80.80%
Medicaid utilization	#DIV/0!	64.80%	56.40%
Medicare utilization	#DIV/0!	8.50%	7.50%
Private pay percent utilization	#DIV/0!	N/A	N/A
Capacity in Patient Days		N/A	N/A
Census days of service provided		N/A	N/A



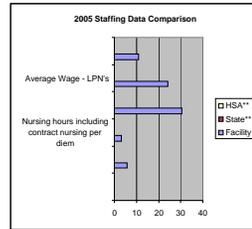
**2002**

Your	Facility	State*	HSA*
Total occupancy utilization	#DIV/0!	80.90%	79.60%
Medicaid utilization	#DIV/0!	64.50%	55.50%
Medicare utilization	#DIV/0!	7.40%	6.80%
Private pay percent utilization	#DIV/0!	N/A	N/A
Capacity in Patient Days		N/A	N/A
Census days of service provided		N/A	N/A



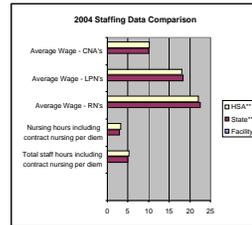
**2005**

Year	State**	HSA**
<b>Facility</b>		
Total staff hours including contract nursing per diem	5.75	0.00
Nursing hours including contract nursing per diem	3.07	0.00
Average Wage - RN's	30.37	0.00
Average Wage - LPN's	24.19	0.00
Average Wage - CNA's	10.98	0.00



**2004**

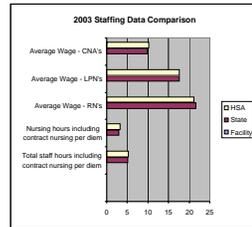
Year	State**	HSA**
<b>Facility</b>		
Total staff hours including contract nursing per diem	5.00	5.30
Nursing hours including contract nursing per diem	3.00	3.20
Average Wage - RN's	22.54	22.05
Average Wage - LPN's	18.40	18.02
Average Wage - CNA's	10.02	10.13



\*\* State and HSA data for 2004 and 2005 is not expected to be available from HFS until March 2006 and 2007 respectively.

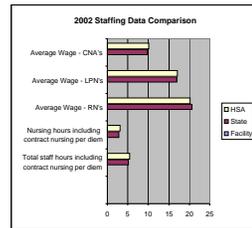
**2003**

Year	State	HSA
<b>Facility</b>		
Total staff hours including contract nursing per diem	5.10	5.30
Nursing hours including contract nursing per diem	2.90	3.20
Average Wage - RN's	21.56	21.14
Average Wage - LPN's	17.64	17.65
Average Wage - CNA's	9.91	10.11

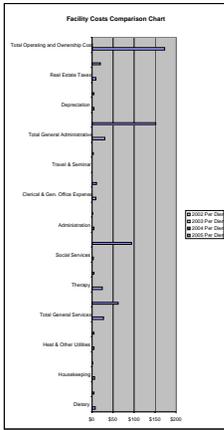


**2002**

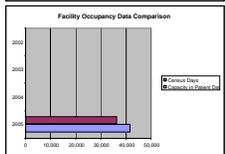
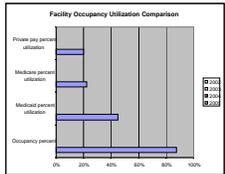
Year	State	HSA
<b>Facility</b>		
Total staff hours including contract nursing per diem	5.20	5.50
Nursing hours including contract nursing per diem	2.80	3.10
Average Wage - RN's	20.69	20.12
Average Wage - LPN's	16.89	17.04
Average Wage - CNA's	9.73	10.05



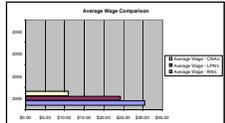
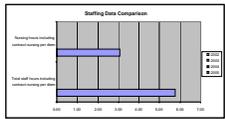
Report Line	Account	Year 2003	Year 2004	Year 2005	Year 2006
		Per Bed	Per Bed	Per Bed	Per Bed
1	Energy	7.33	450V/01	450V/01	450V/01
2	Food Purchase	2.84	450V/01	450V/01	450V/01
3	Housekeeping	4.49	450V/01	450V/01	450V/01
4	Laundry	1.88	450V/01	450V/01	450V/01
5	Heat & Other Utilities	4.81	450V/01	450V/01	450V/01
6	Maintenance	2.76	450V/01	450V/01	450V/01
8	Total General Services	27.62	450V/01	450V/01	450V/01
9	Nursing & Medical Records	42.04	450V/01	450V/01	450V/01
10A	Therapy	22.84	450V/01	450V/01	450V/01
11	Administration	1.54	450V/01	450V/01	450V/01
12	Social Services	2.44	450V/01	450V/01	450V/01
16	Total Health Care & Programs	94.34	450V/01	450V/01	450V/01
17	Administration	1.24	450V/01	450V/01	450V/01
19	Professional Services	1.47	450V/01	450V/01	450V/01
21	Child & Gen. Office Expense	8.73	450V/01	450V/01	450V/01
22	Medical Records & PR Taxes	13.19	450V/01	450V/01	450V/01
24	Taxid & Transfer	0.25	450V/01	450V/01	450V/01
26	Insurance-Property, Liability & Malpractice	3.89	450V/01	450V/01	450V/01
28	Total General Administration	46.35	450V/01	450V/01	450V/01
29	Total Operating Expenses	152.33	450V/01	450V/01	450V/01
30	Depreciation	1.29	450V/01	450V/01	450V/01
32	Interest	4.45	450V/01	450V/01	450V/01
33	Total Facility Taxes	14.22	450V/01	450V/01	450V/01
37	Total Ownership	39.89	450V/01	450V/01	450V/01
	Total Operating and Ownership Cost	192.12	450V/01	450V/01	450V/01



	Facility 2003	Facility 2004	Facility 2005	Facility 2006
Occupancy percent	82.37%	450V/01	450V/01	450V/01
Medicaid percent utilization	45.11%	450V/01	450V/01	450V/01
Medicare percent utilization	22.26%	450V/01	450V/01	450V/01
Private pay percent utilization	29.26%	450V/01	450V/01	450V/01
Capacity in Patient Days	41,826	0	0	0
Current Days	38,339	0	0	0



	Facility 2003	Facility 2004	Facility 2005	Facility 2006
Total staff hours including contract temporary per day	0.75	0.00	0.00	0.00
Working staff including contract temporary per day	3.87	0.00	0.00	0.00
Average Wage - BNY	30.37	0.00	0.00	0.00
Average Wage - LPHS	24.19	0.00	0.00	0.00
Average Wage - CHS	19.88	0.00	0.00	0.00



	Salaries	Supplies	Other	Total	Reclass- ifications	Reclassified Total	Adjusted Adjustments	Adjusted Total
1. Dietary	242,285	15,075	9,435	266,795	0	266,795	0	266,795
2. Food Purchase	0	151,143	0	151,143	0	151,143	-7,931	143,212
3. Housekeeping	210,335	22,195	0	232,530	0	232,530	160	232,690
4. Laundry	34,194	11,107	0	45,301	0	45,301	-5,917	39,384
5. Heat and Other Utilities	0	0	172,339	172,339	0	172,339	2,531	174,870
6. Maintenance	26,380	0	85,881	112,261	0	112,261	25,792	138,053
7. Other (specify)*	0	0	0	0	0	0	2,602	2,602
8. Total General Services	513,194	199,520	267,655	980,369	0	980,369	17,237	997,606
9. Medical Director	0	0	28,000	28,000	0	28,000	0	28,000
10. Nursing & Medical Records	2,057,186	119,150	37,742	2,214,078	0	2,214,078	44,684	2,258,762
10a. Therapy	0	0	867,098	867,098	0	867,098	0	867,098
11. Activities	169,261	15,532	3,793	188,586	0	188,586	0	188,586
12. Social Services	85,827	0	2,882	88,709	0	88,709	0	88,709
13. Nurse Aide Training	0	0	0	0	0	0	0	0
14. Program Transportation	0	0	0	0	0	0	0	0
15. Other (specify)*	0	0	0	0	0	0	4,970	4,970
16. Total Health Care & Programs	2,312,274	134,682	939,515	3,386,471	0	3,386,471	49,654	3,436,125
17. Administrative	106,649	0	572,697	679,346	0	679,346	-520,872	158,474
18. Directors Fees	0	0	0	0	0	0	0	0
19. Professional Services	0	0	45,049	45,049	0	45,049	6,793	51,842
20. Fees, Subscriptions & Promotion	0	0	12,550	12,550	0	12,550	427	12,977
21. Clerical & General Office	122,471	22,915	11,834	157,220	0	157,220	160,326	317,546
22. Employee Benefits & Payroll	0	0	399,283	399,283	0	399,283	7,931	407,214
23. Inservice Training & Education	0	0	9,175	9,175	0	9,175	0	9,175
24. Travel and Seminar	0	0	7,189	7,189	0	7,189	1,720	8,909
25. Other Admin. Staff Trans	0	0	15	15	0	15	6,088	6,103
26. Insurance-Prop.Liab.Malpractice	0	0	106,902	106,902	0	106,902	2,128	109,030
27. Other (specify)*	0	0	0	0	0	0	22,871	22,871
28. Total General Adminis	229,120	22,915	1,164,694	1,416,729	0	1,416,729	-312,588	1,104,141
29. Total General Administrative	3,054,588	357,117	2,371,864	5,783,569	0	5,783,569	-245,697	5,537,872
30. Depreciation	0	0	39,150	39,150	0	39,150	153,287	192,437
31. Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0
32. Interest	0	0	10,400	10,400	0	10,400	169,744	180,144
33. Real Estate	0	0	0	0	0	0	342,887	342,887
34. Rent - Facility & Grounds	0	0	941,390	941,390	0	941,390	-939,542	1,848
35. Rent - Equipment & Vehicles	0	0	4,779	4,779	0	4,779	1,288	6,067
36. Other (specify):*	0	0	0	0	0	0	0	0
37. Total Ownership	0	0	995,719	995,719	0	995,719	-272,336	723,383
38. Medically Necessary T	0	0	0	0	0	0	0	0
39. Ancillary Service Cent	0	228,643	574	229,217	0	229,217	0	229,217
40. Barber and Beauty Shop	0	0	23,930	23,930	0	23,930	0	23,930
41. Coffee and Gift Shops	0	0	3,974	3,974	0	3,974	0	3,974
42. Provider Participation	0	0	58,819	58,819	0	58,819	0	58,819
43. Other (specify):*	0	0	73,673	73,673	0	73,673	-73,673	0
44. Total Special Cost Ce	0	228,643	160,970	389,613	0	389,613	-73,673	315,940
45. Grand Total	3,054,588	585,760	3,528,553	7,168,901	0	7,168,901	-591,706	6,577,195

	Operating	After Consolidation
General Service Cost Center		
1. Cash on hand and in banks	-45,293	-32,957
2. Cash - Patient Deposits	0	0
3. Accounts & Notes Recievable	1,025,056	1,025,056
4. Supply Inventory	0	0
5. Short-Term Investments	0	0
6. Prepaid Insurance	107,374	107,374
7. Other Prepaid Expenses	0	0
8. Accounts Receivable-Owner/Related Party	147,350	0
9. Other (specify):	0	62,674
10. Total current assets	1,234,487	1,162,147
LONG TERM ASSETS		
11. Long-Term Notes Receivable	0	0
12. Long-Term Investments	4,269	4,269
13. Land	0	508,605
14. Buildings, at Historical Cost	0	2,664,349
15. Leasehold Improvements, Historical Cost	708,411	3,153,623
16. Equipment, at Historical Cost	232,806	628,173
17. Accumulated Depreciation (book methods)	-274,818	-1,665,370
18. Deferred Charges	0	0
19. Organization & Pre-Operating Costs	0	0
20. Accum Amort - Org/Pre-Op Costs	0	0
21. Restricted Funds	0	0
22. Other Long-Term Assets (specify):	38,688	38,688
23. other (specify):	0	23,094
24. Total Long-Term Assets	709,356	5,355,431
25. Total Assets	1,943,843	6,517,578
CURRENT LIABILITIES		
26. Accounts Payable	375,888	376,992
27. Officer's Accounts Payable	0	0
28. Accounts Payable-Patients Deposits	0	0
29. Short-Term Notes Payable	125,000	2,235,000
30. Accrued Salaries Payable	147,011	147,011
31. Accrued Taxes Payable	0	0
32. Accrued Real Estate Taxes	0	346,200
33. Accrued Interest Payable	0	27,922
34. Deferred Compensation	0	0
35. Federal and State Income Taxes	0	0
36. Other Current Liabilities (specify):	337,085	156,649
37. Other Current Liabilities (specify):	0	0
38. Total Current Liabilities	984,984	3,289,774
LONG TERM LIABILITES		
39. Long-Term Notes Payable	0	0
40. Mortgage Payable	0	2,366,396
41. Bonds Payable	0	0
42. Deferred Compensation	0	0
43. Other Long-Term Liabilities (specify):	0	0
44. Other Long-Term Liabilities (specify):	0	0
45. Total Long-Term Liabilities	0	2,366,396
46. Total Liabilities	984,984	5,656,170
47. Total Equity	958,859	861,408
48. Total Liabilities and Equity	1,943,843	6,517,578

	Balance per Medicaid Trial Balance
1. Gross Revenue - All levels of Care	6,509,263
2. Discounts and Allowances for all Levels	-791,534
Subtotal - Inpatient Care	5,717,729
4. Day Care	0
5. Other Care for Outpatients	0
6. Therapy	1,536,598
7. Oxygen	945
Subtotal - Ancillary Revenue	1,537,543
9. Payments for Education	0
10. Other Governmental Grants	0
11. Nurses Aide Training Reimbursements	0
12. Gift and Coffee Shop	4,272
13. Barber and Beauty Care	29,740
14. Non-Patient Meals	4
15. Telephone, Television, and Radio	3
16. Rental of Facility Space	0
17. Sale of Drugs	341,242
18. Sale of Supplies to Non-Patients	0
19. Laboratory	22,060
20. Radiology and X-Ray	11,766
21. Other Medical Services	102,197
22. Laundry	5,917
Subtotal - Other Operating Revenue	517,201
24. Contributions	0
25. Interest and Other Investments Income	17
Subtotal - Non-Operating Revenue	17
27. Other Revenue (specify):	22
28. Other Revenue (specify):	276
Subtotal - Other Revenue	298
30. Total Revenue	7,772,788
31. General Services	980,369
32. Health Care	3,386,471
33. General Administration	1,416,729
34. Ownership	995,719
35. Special Cost Centers	330,794
35. Provider Participation Fee	58,819
37. Other	0
40. Total Expenses	7,168,901
41. Income Before Income Taxes	603,887
42. Income Taxes	0
43. Net Income or Loss for the Year	603,887

Page

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23



IDPA LTC Profiles  
 LTC Median Per Diem Cost by HSA - 2004 Cost Reports  
 2004 (Run June 1, 2004)

UN-INFLATED

Lexington  
 of  
 LaGrange  
 2004  
 Costs

Lexington  
 of  
 LaGrange  
 2004  
 Census

Cost Report	Description	State-Wide	HSA 1	HSA 2	HSA 3	HSA 4	HSA 5	HSA 6	HSA 7	HSA 8	HSA 9	HSA 10	HSA 11
1	Dietary												
2	Food Purchase												
3	Housekeeping												
4	Laundry												
5	Heat & Other Utilities												
6	Maintenance												
8	<b>TOTAL GENERAL SERVICES</b>												
10	Nursing & Medical Records												
10A	Therapy												
11	Activities												
12	Social Services												
16	<b>TOTAL HEALTH CARE &amp; PROGRAMS</b>												
17	Administration												
19	Professional Services												
21	Clerical & Gen. Office Expense												
22	Employee Benefits & PR Taxes												
24	Travel & Seminar												
26	Insurance-Property, liability & Malpractice												
28	<b>TOTAL GENERAL ADMINISTRATIVE</b>												
29	<b>TOTAL OPERATING EXPENSES</b>												
30	Depreciation												
32	Interest												
33	Real Estate Taxes												
37	<b>TOTAL OWNERSHIP</b>												
	<b>TOTAL OPERATING &amp; OWNERSHIP COST</b>												

10th % 90th %

Cost Report	Description
1	Dietary
2	Food Purchase
3	Housekeeping
4	Laundry
5	Heat & Other Utilities
6	Maintenance
8	<b>TOTAL GENERAL SERVICES</b>
10	Nursing & Medical Records
10A	Therapy
11	Activities
12	Social Services
16	<b>TOTAL HEALTH CARE &amp; PROGRAMS</b>
17	Administration
19	Professional Services
21	Clerical & Gen. Office Expense
22	Employee Benefits & PR Taxes
24	Travel & Seminar
26	Insurance-Property, liability & Malpractice
28	<b>TOTAL GENERAL ADMINISTRATIVE</b>
29	<b>TOTAL OPERATING EXPENSES</b>
30	Depreciation
32	Interest
33	Real Estate Taxes
37	<b>TOTAL OWNERSHIP</b>
	<b>TOTAL OPERATING &amp; OWNERSHIP COST</b>

Average Wage Data Table

State-Wide	HSA 1	HSA 2	HSA 3	HSA 4	HSA 5	HSA 6	HSA 7	HSA 8	HSA 9	HSA 10	HSA 11
Total staff hours including contract nurses per diem	5.00	5.30	5.30	5.30	5.10	4.80	4.80	4.80	5.10	5.30	5.20
Nursing hours including contract nurses per diem	3.00	3.20	3.20	3.30	3.20	3.10	2.80	2.80	3.10	3.20	3.10
RN	22.54	22.05	20.73	19.72	20.73	17.47	25.72	25.72	23.44	22.05	20.42
LPN	18.4	18.02	17.23	15.4	17.23	13.82	21.06	21.06	19.09	18.02	17.13
CNA	10.02	10.13	10.03	9.32	10.03	8.4	10.52	10.52	10.53	10.13	9.84
DON	28.97	27.38	25.17	23.86	25.17	22.23	34.39	34.39	30.41	27.38	25.97
ADON	25.23	23.95	21.85	19.41	21.85	19.13	28.74	28.74	26.68	23.95	23.72

2003 - Staffing and Occupancy Data

State-Wide	HSA 1	HSA 2	HSA 3	HSA 4	HSA 5	HSA 6	HSA 7	HSA 8	HSA 9	HSA 10	HSA 11
Average Occupancy	80.50%	80.70%	80.40%	78.10%	80.40%	74.40%	81.80%	81.80%	82.90%	80.70%	78.20%
Medicaid Utilization	65.00%	57.00%	56.70%	58.50%	56.70%	61.80%	70.60%	70.60%	64.50%	57.00%	60.60%
Medicare Utilization	9.40%	7.70%	8.90%	9.30%	8.90%	8.80%	9.90%	9.90%	10.30%	7.70%	8.90%

IDPA LTC Profiles  
 LTC Median Per Diem Cost by HSA - 2003 Cost Reports  
 2003 (Run June 1, 2004)

UN-INFLATED

Lexington  
 of  
 LaGrange

2003  
 Census

Cost Report Line	Description	State-Wide	HSA 1	HSA 2	HSA 3	HSA 4	HSA 5	HSA 6	HSA 7	HSA 8	HSA 9	HSA 10	HSA 11	10th %	90th %
1	Dietary	6.10	7.02	6.48	5.50	6.48	5.48	6.06	6.06	6.06	5.60	7.02	5.70	4.13	9.81
2	Food Purchase	4.31	4.47	4.40	4.27	4.40	3.99	4.31	4.31	4.31	4.28	4.47	4.11	3.36	6.04
3	Housekeeping	3.70	3.59	3.68	2.91	3.68	3.40	4.05	4.05	4.05	3.97	3.59	3.61	2.48	5.80
4	Laundry	1.85	2.23	1.90	1.79	1.90	2.10	1.59	1.59	1.59	1.69	2.23	2.13	0.91	3.14
5	Heat & Other Utilities	2.95	3.17	2.93	2.94	2.93	2.71	2.93	2.93	2.93	2.91	3.17	2.95	2.05	4.25
6	Maintenance	3.01	3.26	3.03	2.99	3.03	2.55	3.21	3.21	3.21	3.05	3.26	2.82	1.92	5.12
8	<b>TOTAL GENERAL SERVICES</b>	<b>22.58</b>	<b>24.49</b>	<b>22.99</b>	<b>21.14</b>	<b>22.99</b>	<b>21.47</b>	<b>22.65</b>	<b>22.65</b>	<b>22.65</b>	<b>22.45</b>	<b>24.49</b>	<b>21.73</b>	<b>17.57</b>	<b>31.51</b>
10	Nursing & Medical Records	41.83	42.52	43.12	38.37	43.12	33.78	45.12	45.12	45.12	47.22	42.52	42.15	27.25	64.47
10A	Therapy	2.10	1.86	2.69	3.34	2.69	3.47	1.45	1.45	1.45	2.41	1.86	2.24	-	10.55
11	Activities	1.91	2.18	1.92	1.61	1.92	1.48	2.16	2.16	2.16	2.05	2.18	1.54	1.06	3.45
12	Social Services	1.42	1.45	1.64	1.05	1.64	1.09	1.60	1.60	1.60	1.12	1.45	1.27	0.58	3.00
16	<b>TOTAL HEALTH CARE &amp; PROGRAMS</b>	<b>49.48</b>	<b>50.39</b>	<b>51.22</b>	<b>46.39</b>	<b>51.22</b>	<b>41.58</b>	<b>52.34</b>	<b>52.34</b>	<b>52.34</b>	<b>54.96</b>	<b>50.39</b>	<b>49.49</b>	<b>32.10</b>	<b>77.23</b>
17	Administration	3.36	3.33	3.15	3.15	3.15	3.60	3.46	3.46	3.46	3.04	3.33	3.17	1.71	7.21
19	Professional Services	0.99	1.09	0.85	0.83	0.85	0.76	1.12	1.12	1.12	1.13	1.09	0.77	0.07	3.44
21	Clerical & Gen. Office Expense	4.79	4.32	4.97	3.98	4.97	3.46	5.56	5.56	5.56	5.04	4.32	4.25	2.49	10.78
22	Employee Benefits & PR Taxes	10.09	10.42	11.01	8.88	11.01	7.67	10.51	10.51	10.51	11.38	10.42	9.08	6.33	19.34
24	Travel & Seminar	0.08	0.10	0.13	0.10	0.13	0.13	0.06	0.06	0.06	0.05	0.10	0.07	-	0.43
26	Insurance-Property, liability & Malpractice	2.58	2.47	2.55	2.35	2.55	2.22	2.85	2.85	2.85	2.19	2.47	2.61	0.88	4.32
28	<b>TOTAL GENERAL ADMINISTRATIVE</b>	<b>24.94</b>	<b>25.31</b>	<b>26.11</b>	<b>23.02</b>	<b>26.11</b>	<b>21.37</b>	<b>25.81</b>	<b>25.81</b>	<b>25.81</b>	<b>26.59</b>	<b>25.31</b>	<b>22.93</b>	<b>16.95</b>	<b>39.14</b>
29	<b>TOTAL OPERATING EXPENSES</b>	<b>98.06</b>	<b>100.77</b>	<b>100.03</b>	<b>92.47</b>	<b>100.03</b>	<b>88.05</b>	<b>100.96</b>	<b>100.96</b>	<b>100.96</b>	<b>103.01</b>	<b>100.77</b>	<b>94.71</b>	<b>69.40</b>	<b>142.56</b>
30	Depreciation	3.70	3.82	4.08	3.29	4.08	2.54	4.11	4.11	4.11	3.54	3.82	3.38	1.01	8.43
32	Interest	2.54	2.81	1.96	2.09	1.96	1.41	4.05	4.05	4.05	2.63	2.81	1.50	-	11.53
33	Real Estate Taxes	1.38	0.92	1.08	0.82	1.08	0.80	3.20	3.20	3.20	1.36	0.92	1.11	-	4.85
37	<b>TOTAL OWNERSHIP</b>	<b>11.11</b>	<b>9.73</b>	<b>9.80</b>	<b>8.00</b>	<b>9.80</b>	<b>7.04</b>	<b>14.54</b>	<b>14.54</b>	<b>14.54</b>	<b>11.02</b>	<b>9.73</b>	<b>8.39</b>	<b>3.76</b>	<b>23.58</b>
	<b>TOTAL OPERATING &amp; OWNERSHIP COST</b>	<b>109.17</b>	<b>110.50</b>	<b>109.83</b>	<b>100.47</b>	<b>109.83</b>	<b>95.09</b>	<b>115.50</b>	<b>115.50</b>	<b>115.50</b>	<b>114.03</b>	<b>110.50</b>	<b>103.10</b>	<b>73.16</b>	<b>166.14</b>

Cost Report Line	Description	10th %	90th %
1	Dietary	4.13	9.81
2	Food Purchase	3.36	6.04
3	Housekeeping	2.48	5.80
4	Laundry	0.91	3.14
5	Heat & Other Utilities	2.05	4.25
6	Maintenance	1.92	5.12
8	<b>TOTAL GENERAL SERVICES</b>	<b>17.57</b>	<b>31.51</b>
10	Nursing & Medical Records	27.25	64.47
10A	Therapy	-	10.55
11	Activities	1.06	3.45
11	Activities	0.58	3.00
12	Social Services	0.58	3.00
16	<b>TOTAL HEALTH CARE &amp; PROGRAMS</b>	<b>32.10</b>	<b>77.23</b>
17	Administration	1.71	7.21
19	Professional Services	0.07	3.44
21	Clerical & Gen. Office Expense	2.49	10.78
22	Employee Benefits & PR Taxes	6.33	19.34
24	Travel & Seminar	-	0.43
26	Insurance-Property, liability & Malpractice	0.88	4.32
28	<b>TOTAL GENERAL ADMINISTRATIVE</b>	<b>16.95</b>	<b>39.14</b>
29	<b>TOTAL OPERATING EXPENSES</b>	<b>69.40</b>	<b>142.56</b>
30	Depreciation	1.01	8.43
32	Interest	-	11.53
33	Real Estate Taxes	-	4.85
37	<b>TOTAL OWNERSHIP</b>	<b>3.76</b>	<b>23.58</b>
	<b>TOTAL OPERATING &amp; OWNERSHIP COST</b>	<b>73.16</b>	<b>166.14</b>

Average Wage Data Table

State-Wide	HSA 1	HSA 2	HSA 3	HSA 4	HSA 5	HSA 6	HSA 7	HSA 8	HSA 9	HSA 10	HSA 11	
Total staff hours including contract nurses per diem	5.10	5.30	5.30	5.00	5.30	5.10	4.90	4.90	4.90	5.10	5.30	5.30
Nursing hours including contract nurses per diem	2.90	3.20	3.10	3.10	3.10	3.00	2.70	2.70	2.70	3.00	3.20	3.10
RN	21.56	21.14	19.99	18.79	19.99	16.66	24.55	24.55	24.55	22.85	21.14	20.33
LPN	17.64	17.65	16.41	14.79	16.41	13.36	20.23	20.23	20.23	18.67	17.65	16.45
CNA	9.91	10.11	9.89	9.19	9.89	8.28	10.44	10.44	10.44	10.54	10.11	9.76
DON	27.82	26.67	24.49	23.07	24.49	20.82	33.29	33.29	33.29	29.65	26.67	24.62
ADON	24.39	22.67	21.12	19.67	21.12	18.73	27.45	27.45	27.45	26.14	22.67	22.50

2003 - Staffing and Occupancy Data

State-Wide	HSA 1	HSA 2	HSA 3	HSA 4	HSA 5	HSA 6	HSA 7	HSA 8	HSA 9	HSA 10	HSA 11	
Average Occupancy	80.80%	80.80%	80.60%	79.90%	80.60%	75.20%	82.00%	82.00%	82.00%	81.60%	80.80%	77.30%
Medicaid Utilization	64.80%	56.40%	57.70%	59.60%	57.70%	62.80%	70.00%	70.00%	70.00%	64.30%	56.40%	59.30%
Medicare Utilization	8.50%	7.50%	7.50%	7.70%	7.50%	8.70%	9.10%	9.10%	9.10%	9.30%	7.50%	8.00%

IDPA LTC Profiles  
 LTC Median Per Diem Cost by HSA - 2002 Cost Reports  
 2002 (Run June 1, 2004)

UN-INFLATED

Cost Report	Description	State-Wide	HSA 1	HSA 2	HSA 3	HSA 4	HSA 5	HSA 6	HSA 7	HSA 8	HSA 9	HSA 10	HSA 11
1	Dietary	6.01	7.28	6.51	5.36	6.51	5.48	5.92	5.92	5.83	7.28	5.60	
2	Food Purchase	4.27	4.52	4.40	4.15	4.40	3.99	4.31	4.31	4.11	4.52	4.09	
3	Housekeeping	3.65	3.84	3.56	3.05	3.56	3.25	4.13	4.13	3.89	3.84	3.48	
4	Laundry	1.90	2.15	2.01	1.72	2.01	2.09	1.67	1.67	1.58	2.15	2.23	
5	Heat & Other Utilities	2.71	2.84	2.76	2.75	2.76	2.54	2.67	2.67	2.72	2.84	2.73	
6	Maintenance	2.99	3.41	2.96	2.91	2.96	2.48	3.16	3.16	2.90	3.41	2.92	
<b>8</b>	<b>TOTAL GENERAL SERVICES</b>	<b>22.09</b>	<b>24.39</b>	<b>22.49</b>	<b>20.85</b>	<b>22.49</b>	<b>20.47</b>	<b>22.71</b>	<b>22.71</b>	<b>22.66</b>	<b>24.39</b>	<b>22.04</b>	
10	Nursing & Medical Records	40.68	42.79	42.10	37.44	42.10	33.35	43.96	43.96	43.84	42.79	41.16	
10A	Therapy	1.85	1.90	2.38	2.86	2.38	1.81	1.54	1.54	3.02	1.90	2.27	
11	Activities	1.88	2.12	1.89	1.50	1.89	1.37	2.23	2.23	2.10	2.12	1.60	
12	Social Services	1.44	1.46	1.50	1.08	1.50	1.13	1.61	1.61	1.32	1.46	1.32	
<b>16</b>	<b>TOTAL HEALTH CARE &amp; PROGRAMS</b>	<b>47.55</b>	<b>50.19</b>	<b>49.32</b>	<b>44.36</b>	<b>49.32</b>	<b>39.56</b>	<b>50.57</b>	<b>50.57</b>	<b>52.75</b>	<b>50.19</b>	<b>47.76</b>	
17	Administration	3.39	3.49	3.30	3.27	3.30	3.61	3.39	3.39	3.20	3.49	3.54	
19	Professional Services	0.98	1.00	0.76	0.88	0.76	0.98	1.05	1.05	1.05	1.00	0.72	
21	Clerical & Gen. Office Expense	4.58	4.07	4.40	3.67	4.40	3.47	5.75	5.75	4.19	4.07	4.31	
22	Employee Benefits & PR Taxes	9.63	10.11	10.26	8.28	10.26	7.80	10.26	10.26	9.30	10.11	8.44	
24	Travel & Seminar	0.09	0.12	0.10	0.09	0.10	0.16	0.06	0.06	0.03	0.12	0.09	
26	Insurance-Property, liability & Malpractice	2.19	1.93	1.97	1.87	1.97	2.00	2.46	2.46	2.40	1.93	2.03	
<b>28</b>	<b>TOTAL GENERAL ADMINISTRATIVE</b>	<b>23.47</b>	<b>23.64</b>	<b>24.80</b>	<b>21.32</b>	<b>24.80</b>	<b>20.28</b>	<b>25.17</b>	<b>25.17</b>	<b>23.10</b>	<b>23.64</b>	<b>21.93</b>	
<b>29</b>	<b>TOTAL OPERATING EXPENSES</b>	<b>94.39</b>	<b>99.26</b>	<b>97.46</b>	<b>85.50</b>	<b>97.46</b>	<b>82.47</b>	<b>99.35</b>	<b>99.35</b>	<b>97.86</b>	<b>99.26</b>	<b>91.33</b>	
30	Depreciation	3.53	3.13	3.86	3.26	3.86	2.41	4.18	4.18	3.94	3.13	3.04	
32	Interest	2.73	2.84	2.05	2.60	2.05	1.55	4.55	4.55	2.14	2.84	1.54	
33	Real Estate Taxes	1.30	0.77	0.88	0.93	0.88	0.72	3.17	3.17	1.29	0.77	1.03	
<b>37</b>	<b>TOTAL OWNERSHIP</b>	<b>11.44</b>	<b>9.19</b>	<b>9.85</b>	<b>8.76</b>	<b>9.85</b>	<b>6.52</b>	<b>15.35</b>	<b>15.35</b>	<b>11.40</b>	<b>9.19</b>	<b>10.60</b>	
	<b>TOTAL OPERATING &amp; OWNERSHIP COST</b>	<b>105.83</b>	<b>108.45</b>	<b>107.31</b>	<b>94.26</b>	<b>107.31</b>	<b>88.99</b>	<b>114.70</b>	<b>114.70</b>	<b>109.26</b>	<b>108.45</b>	<b>101.30</b>	

10th %	90th %
4.17	9.77
3.29	5.90
2.51	5.63
1.10	3.13
1.89	4.03
1.95	5.11
<b>17.19</b>	<b>30.80</b>
26.11	62.04
-	10.03
1.13	3.39
0.58	3.00
<b>31.31</b>	<b>74.79</b>
1.65	6.84
0.07	2.93
2.36	10.72
6.22	17.51
-	0.37
0.83	3.92
<b>16.13</b>	<b>36.02</b>
<b>67.15</b>	<b>138.58</b>
0.73	8.09
-	12.86
-	5.05
<b>3.55</b>	<b>24.50</b>
<b>70.70</b>	<b>163.08</b>

Cost Report	Description	10th %	90th %
1	Dietary	3.29	5.90
2	Food Purchase	2.51	5.63
3	Housekeeping	1.10	3.13
4	Laundry	1.89	4.03
5	Heat & Other Utilities	1.95	5.11
6	Maintenance	26.11	62.04
<b>8</b>	<b>TOTAL GENERAL SERVICES</b>	<b>17.19</b>	<b>30.80</b>
10	Nursing & Medical Records	-	10.03
10A	Therapy	1.13	3.39
11	Activities	0.58	3.00
12	Social Services	-	-
<b>16</b>	<b>TOTAL HEALTH CARE &amp; PROGRAMS</b>	<b>31.31</b>	<b>74.79</b>
17	Administration	1.65	6.84
19	Professional Services	0.07	2.93
21	Clerical & Gen. Office Expense	2.36	10.72
22	Employee Benefits & PR Taxes	6.22	17.51
24	Travel & Seminar	-	0.37
26	Insurance-Property, liability & Malpractice	0.83	3.92
<b>28</b>	<b>TOTAL GENERAL ADMINISTRATIVE</b>	<b>16.13</b>	<b>36.02</b>
<b>29</b>	<b>TOTAL OPERATING EXPENSES</b>	<b>67.15</b>	<b>138.58</b>
30	Depreciation	0.73	8.09
32	Interest	-	12.86
33	Real Estate Taxes	-	5.05
<b>37</b>	<b>TOTAL OWNERSHIP</b>	<b>3.55</b>	<b>24.50</b>
	<b>TOTAL OPERATING &amp; OWNERSHIP COST</b>	<b>70.70</b>	<b>163.08</b>

2002 Census

2002 Costs

2002 - Average Wage Data Table

State-Wide	HSA 1	HSA 2	HSA 3	HSA 4	HSA 5	HSA 6	HSA 7	HSA 8	HSA 9	HSA 10	HSA 11
Total staff hours including contract nursing per diem	5.20	5.50	5.40	5.00	5.40	5.10	5.00	5.00	4.90	5.50	5.30
Nursing hours including contract nurses per diem	2.80	3.10	3.10	3.00	3.10	2.90	2.60	2.60	2.60	3.10	3.00
RN	20.69	20.12	19.18	18.57	19.18	16.06	23.49	23.49	23.49	21.31	19.45
LPN	16.89	17.04	15.72	14.33	15.72	12.75	19.39	19.39	19.39	17.96	15.69
CNA	9.73	10.05	9.65	9.09	9.65	8.08	10.28	10.28	10.28	10.39	9.62
DON	26.38	24.75	22.98	22.48	22.98	20.02	31.78	31.78	31.78	28.56	23.68
ADON	23.27	21.44	20.51	18.93	20.51	17.26	26.34	26.34	26.34	24.33	21.27

2002 - Staffing and Occupancy Data

State-Wide	HSA 1	HSA 2	HSA 3	HSA 4	HSA 5	HSA 6	HSA 7	HSA 8	HSA 9	HSA 10	HSA 11
Average Occupancy	79.60%	81.90%	80.30%	81.90%	75.30%	82.20%	82.20%	82.20%	82.00%	79.60%	76.60%
Medicaid Utilization	64.50%	55.50%	56.10%	58.50%	56.10%	63.30%	69.90%	69.90%	69.90%	66.70%	60.90%
Medicare Utilization	7.40%	6.80%	7.20%	6.10%	7.20%	7.40%	7.70%	7.70%	7.70%	8.20%	7.00%