

			FOR OHF USE			

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**2005**  
**STATE OF ILLINOIS**  
**DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES**  
**FINANCIAL AND STATISTICAL REPORT FOR**  
**LONG-TERM CARE FACILITIES**  
**(FISCAL YEAR 2005)**

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

<p><b>I. IDPH Facility ID Number:</b> <u>0046243</u></p> <p><b>Facility Name:</b> <u>Royal Oaks Care Center</u></p> <p><b>Address:</b> <u>605 East Church Street, Box 600</u> <u>Kewanee</u> <u>61443</u>  <small>Number City Zip Code</small></p> <p><b>County:</b> <u>Henry</u></p> <p><b>Telephone Number:</b> <u>(309) 852-3389</u> <b>Fax #</b> <u>(309) 853-1838</u></p> <p><b>IDPA ID Number:</b> <u>743055934002</u></p> <p><b>Date of Initial License for Current Owners:</b> <u>03/01/2003</u></p> <p><b>Type of Ownership:</b></p> <table style="width:100%; border: none;"> <tr> <td style="width:33%; border: none;"><input type="checkbox"/> VOLUNTARY, NON-PROFIT</td> <td style="width:33%; border: none;"><input checked="" type="checkbox"/> PROPRIETARY</td> <td style="width:33%; border: none;"><input type="checkbox"/> GOVERNMENTAL</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Charitable Corp.</td> <td style="border: none;"><input type="checkbox"/> Individual</td> <td style="border: none;"><input type="checkbox"/> State</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Trust</td> <td style="border: none;"><input type="checkbox"/> Partnership</td> <td style="border: none;"><input type="checkbox"/> County</td> </tr> <tr> <td style="border: none;"><b>IRS Exemption Code</b> _____</td> <td style="border: none;"><input type="checkbox"/> Corporation</td> <td style="border: none;"><input type="checkbox"/> Other _____</td> </tr> <tr> <td style="border: none;"></td> <td style="border: none;"><input checked="" type="checkbox"/> "Sub-S" Corp.</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;"></td> <td style="border: none;"><input type="checkbox"/> Limited Liability Co.</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;"></td> <td style="border: none;"><input type="checkbox"/> Trust</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;"></td> <td style="border: none;"><input type="checkbox"/> Other _____</td> <td style="border: none;"></td> </tr> </table> <p><b>In the event there are further questions about this report, please contact</b>  <b>Name:</b> <u>Christine A. Hanover</u> <b>Telephone Number:</b> <u>(312) 634-4581</u>  <b>Please send copies of desk review and audit adjustments to address on this page</b></p>	<input type="checkbox"/> VOLUNTARY, NON-PROFIT	<input checked="" type="checkbox"/> PROPRIETARY	<input type="checkbox"/> GOVERNMENTAL	<input type="checkbox"/> Charitable Corp.	<input type="checkbox"/> Individual	<input type="checkbox"/> State	<input type="checkbox"/> Trust	<input type="checkbox"/> Partnership	<input type="checkbox"/> County	<b>IRS Exemption Code</b> _____	<input type="checkbox"/> Corporation	<input type="checkbox"/> Other _____		<input checked="" type="checkbox"/> "Sub-S" Corp.			<input type="checkbox"/> Limited Liability Co.			<input type="checkbox"/> Trust			<input type="checkbox"/> Other _____		<p><b>II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER</b></p> <p>I have examined the contents of the accompanying report to the State of Illinois, for the period from <u>01/01/2005</u> to <u>12/31/2005</u> and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.</p> <p>Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.</p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:20%; padding: 5px;">Officer or Administrator of Provider</td> <td style="padding: 5px;">(Signed) _____ (Type or Print Name) _____ (Date) _____</td> </tr> <tr> <td style="padding: 5px;">Paid Preparer</td> <td style="padding: 5px;">(Signed) <u>SEE ACCOUNTANTS' COMPILATION REPORT</u> (Date) _____ (Print Name and Title) _____ (Firm Name &amp; Address) <u>Altschuler, Melvoin and Glasser LLI</u> <u>One South Wacker Drive, Suite 800, Chicago, IL 60606</u> (Telephone) <u>(312) 384-6000</u> <b>Fax #</b> <u>(312) 634-5518</u></td> </tr> </table> <p align="center"> <b>MAIL TO: BUREAU OF HEALTH FINANCE</b>  <b>ILLINOIS DEPT OF HEALTHCARE AND FAMILY SERVICES</b>  <b>201 S. Grand Avenue East</b>  <b>Springfield, IL 62763-0001</b> <span style="float: right;"><b>Phone # (217) 782-1630</b></span> </p>	Officer or Administrator of Provider	(Signed) _____ (Type or Print Name) _____ (Date) _____	Paid Preparer	(Signed) <u>SEE ACCOUNTANTS' COMPILATION REPORT</u> (Date) _____ (Print Name and Title) _____ (Firm Name & Address) <u>Altschuler, Melvoin and Glasser LLI</u> <u>One South Wacker Drive, Suite 800, Chicago, IL 60606</u> (Telephone) <u>(312) 384-6000</u> <b>Fax #</b> <u>(312) 634-5518</u>
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SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Royal Oaks Care Center

# 0046243 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

**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 N/A

	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	200	Skilled (SNF)	200	73,000	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	200	TOTALS	200	73,000	7

B. Census-For the entire report period.

	1 Level of Care	2 3 4 Patient Days by Level of Care and Primary Source of Payment			5 Total	
		Medicaid Recipient	Private Pay	Other		
8	SNF	39,253	6,261	2,236	47,750	8
9	SNF/PED					9
10	ICF					10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	39,253	6,261	2,236	47,750	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 65.41%

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

E. List all services provided by your facility for non-patients. (E.g., day care, "meals on wheels", outpatient therapy)  
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 03/01/2003

J. Was the facility purchased or leased after January 1, 1978?  
YES  Date 03/01/2003 NO

K. Was the facility certified for Medicare during the reporting year?  
YES  NO  If YES, enter number of beds certified 200 and days of care provided 2,236

Medicare Intermediary AdminaStar Federal

**IV. ACCOUNTING BASIS**

ACCRUAL  MODIFIED CASH\*  CASH\*

Is your fiscal year identical to your tax year YES  NO

Tax Year: 12/31/05 Fiscal Year: 12/31/05

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

## STATE OF ILLINOIS

Page 3

Facility Name & ID Number Royal Oaks Care Center # 0046243 Report Period Beginning: 01/01/2005 Ending: 12/31/2005**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	151,943	24,764		176,707		176,707	5,743	182,450		1
2	Food Purchase		207,918		207,918		207,918	(5,977)	201,941		2
3	Housekeeping	100,972	27,932		128,904		128,904	135	129,039		3
4	Laundry	71,561	15,833		87,394		87,394	10	87,404		4
5	Heat and Other Utilities			160,745	160,745		160,745	948	161,693		5
6	Maintenance	30,743	58,262	12,532	101,537		101,537	9,138	110,675		6
7	Other (specify):* <b>mgmt alloc of benefits</b>							1,954	1,954		7
8	<b>TOTAL General Services</b>	355,219	334,709	173,277	863,205		863,205	11,951	875,156		8
	<b>B. Health Care and Programs</b>										
9	Medical Director			12,000	12,000		12,000		12,000		9
10	Nursing and Medical Records	1,422,011	138,805	600	1,561,416		1,561,416	34,911	1,596,327		10
10a	Therapy	5,767	47	825	6,639		6,639	6	6,645		10a
11	Activities	73,504	499	13,700	87,703		87,703	18	87,721		11
12	Social Services	47,689	1,962		49,651		49,651		49,651		12
13	CNA Training										13
14	Program Transportation	27,988			27,988		27,988		27,988		14
15	Other (specify):* <b>mgmt alloc of benefits</b>							7,368	7,368		15
16	<b>TOTAL Health Care and Programs</b>	1,576,959	141,313	27,125	1,745,397		1,745,397	42,303	1,787,700		16
	<b>C. General Administration</b>										
17	Administrative	102,730		186,000	288,730		288,730	(145,321)	143,409		17
18	Directors Fees										18
19	Professional Services			7,526	7,526		7,526	21,783	29,309		19
20	Dues, Fees, Subscriptions & Promotion			5,428	5,428		5,428	6,335	11,763		20
21	Clerical & General Office Expense	32,593	8,397	7,846	48,836		48,836	119,665	168,501		21
22	Employee Benefits & Payroll Tax			343,588	343,588		343,588	3,559	347,147		22
23	Inservice Training & Education			3,501	3,501		3,501	1,734	5,235		23
24	Travel and Semina			551	551		551	1,673	2,224		24
25	Other Admin. Staff Transportation			12,460	12,460		12,460	7,438	19,898		25
26	Insurance-Prop.Liab.Malpractice			87,719	87,719		87,719	3,833	91,552		26
27	Other (specify):* <b>mgmt alloc of benefits</b>							26,767	26,767		27
28	<b>TOTAL General Administration</b>	135,323	8,397	654,619	798,339		798,339	47,466	845,805		28
29	<b>TOTAL Operating Expense (sum of lines 8, 16 &amp; 28)</b>	2,067,501	484,419	855,021	3,406,941		3,406,941	101,720	3,508,661		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 & ID Number Royal Oaks Care Center

#0046243

Report Period Beginning: 01/01/2005 Ending: 12/31/2005

12/31/2005

## 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			127,016	127,016		127,016	(1,744)	125,272			30
31	Amortization of Pre-Op. & Org											31
32	Interest			167,341	167,341		167,341	27,540	194,881			32
33	Real Estate Taxes			59,835	59,835		59,835	(1,507)	58,328			33
34	Rent-Facility & Grounds							944	944			34
35	Rent-Equipment & Vehicle:			5,810	5,810		5,810	231	6,041			35
36	Other (specify): <sup>3</sup>											36
37	<b>TOTAL Ownership</b>			360,002	360,002		360,002	25,464	385,466			37
	<b>Ancillary Expense</b>											
	<b>E. Special Cost Centers</b>											
38	Medically Necessary Transportatior											38
39	Ancillary Service Center:			23,397	23,397		23,397		23,397			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shop:											41
42	Provider Participation Fee			109,500	109,500		109,500		109,500			42
43	Other (specify): <sup>3</sup> <b>Nonallowable Cost</b>			52,028	52,028		52,028	(52,028)				43
44	<b>TOTAL Special Cost Centers</b>		23,397	161,528	184,925		184,925	(52,028)	132,897			44
45	<b>GRAND TOTAL COST</b> (sum of lines 29, 37 & 44)	2,067,501	507,816	1,376,551	3,951,868		3,951,868	75,156	4,027,024			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

Facility Name & ID Number **Royal Oaks Care Center**

# **0046243**

Report Period Beginning: **01/01/2005**

Ending: **12/31/2005**

**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	(2,623)	2		4
5	Telephone, TV & Radio in Resident Room	(1,022)	43		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patient				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	(23,828)	30		9
10	Interest and Other Investment Income	(56)	32		10
11	Discounts, Allowances, Rebates & Refund				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(1,959)	43		13
14	Non-Care Related Interest				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	(11,155)	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	(7,760)	43		24
25	Fund Raising, Advertising and Promotions	(5,029)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employee				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule See page 5A	(26,657)			29
30	<b>SUBTOTAL (A): (Sum of lines 1-29)</b>	\$ (80,089)		\$	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)	155,245		34
35	Other- Attach Schedule			35
36	<b>SUBTOTAL (B): (sum of lines 31-35)</b>	\$ 155,245		36
	(sum of SUBTOTALS)			
37	<b>TOTAL ADJUSTMENTS (A) and (B)</b>	\$ 75,156		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

Royal Oaks Care Center

ID# 0046243

Report Period Beginning: 01/01/2005

Ending: 12/31/2005

NON-ALLOWABLE EXPENSES		Amount	Reference	Sch. V Line
1	Misc. - Part A	\$ (40)	43	1
2	Labs - Part A	(17,168)	43	2
3	X-Rays - Part A	(6,195)	43	3
4	Disallowed Non-Care Related Real Estate Tax	(1,554)	33	4
5	Disallowed special events	(1,700)	43	5
6				6
7				7
8				8
9				9
10				10
11				11
12				12
13				13
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42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	<b>Total</b>	(26,657)		49

## STATE OF ILLINOIS

Summary A

Facility Name &amp; ID Number Royal Oaks Care Center

# 0046243

Report Period Beginning:

01/01/2005

Ending:

12/31/2005

## 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	5,743	0	0	0	0	0	0	0	0	0	5,743	1
2	Food Purchase	(2,623)	182	0	23	0	0	0	0	0	0	0	(2,418)	2
3	Housekeeping	0	130	0	5	0	0	0	0	0	0	0	135	3
4	Laundry	0	10	0	0	0	0	0	0	0	0	0	10	4
5	Heat and Other Utilities	0	875	0	73	0	0	0	0	0	0	0	948	5
6	Maintenance	0	7,533	0	1,605	0	0	0	0	0	0	0	9,138	6
7	Other (specify):*	0	1,640	0	314	0	0	0	0	0	0	0	1,954	7
8	<b>TOTAL General Services</b>	<b>(2,623)</b>	<b>16,113</b>	<b>0</b>	<b>2,020</b>	<b>0</b>	<b>15,510</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	9,499	0	25,412	0	0	0	0	0	0	0	34,911	10
10a	Therapy	0	6	0	0	0	0	0	0	0	0	0	6	10a
11	Activities	0	0	0	18	0	0	0	0	0	0	0	18	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	1,316	0	6,052	0	0	0	0	0	0	0	7,368	15
16	<b>TOTAL Health Care and Programs</b>	<b>0</b>	<b>10,821</b>	<b>0</b>	<b>31,482</b>	<b>0</b>	<b>42,303</b>	<b>16</b>						
	<b>C. General Administration</b>													
17	Administrative	0	(145,321)	0	0	0	0	0	0	0	0	0	(145,321)	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	0	11,811	0	9,972	0	0	0	0	0	0	0	21,783	19
20	Fees, Subscriptions & Promotions	0	5,376	0	959	0	0	0	0	0	0	0	6,335	20
21	Clerical & General Office Expenses	0	0	52,489	67,176	0	0	0	0	0	0	0	119,665	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	853	881	0	0	0	0	0	0	0	1,734	23
24	Travel and Seminar	0	0	1,169	504	0	0	0	0	0	0	0	1,673	24
25	Other Admin. Staff Transportation	0	0	4,255	3,183	0	0	0	0	0	0	0	7,438	25
26	Insurance-Prop.Liab.Malpractice	0	0	1,553	2,280	0	0	0	0	0	0	0	3,833	26
27	Other (specify):*	0	0	11,677	15,090	0	0	0	0	0	0	0	26,767	27
28	<b>TOTAL General Administration</b>	<b>0</b>	<b>(128,134)</b>	<b>71,996</b>	<b>100,045</b>	<b>0</b>	<b>43,907</b>	<b>28</b>						
29	<b>TOTAL Operating Expense (sum of lines 8,16 &amp; 28)</b>	<b>(2,623)</b>	<b>(101,200)</b>	<b>71,996</b>	<b>133,547</b>	<b>0</b>	<b>101,720</b>	<b>29</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
Mark Petersen	100	See Attached Schedule 6A		See Attached Schedule 6A		

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	1 Dietary	\$	Petersen Health Care, Inc.	100.00%	\$ 5,743	\$ 5,743	1
2	V	2 Food		Petersen Health Care, Inc.	100.00%	182	182	2
3	V	3 Housekeeping		Petersen Health Care, Inc.	100.00%	130	130	3
4	V	4 Laundry		Petersen Health Care, Inc.	100.00%	10	10	4
5	V	5 Utilities		Petersen Health Care, Inc.	100.00%	875	875	5
6	V	6 Maintenance		Petersen Health Care, Inc.	100.00%	7,533	7,533	6
7	V	7 Mgmt. Allocation of Benefits		Petersen Health Care, Inc.	100.00%	1,640	1,640	7
8	V	10 Nursing and Medical Records		Petersen Health Care, Inc.	100.00%	9,499	9,499	8
9	V	10A Therapy		Petersen Health Care, Inc.	100.00%	6	6	9
10	V	15 Mgmt. Allocation of Benefits		Petersen Health Care, Inc.	100.00%	1,316	1,316	10
11	V	17 Administrative	186,000	Petersen Health Care, Inc.	100.00%	40,679	(145,321)	11
12	V	19 Professional Services		Petersen Health Care, Inc.	100.00%	11,811	11,811	12
13	V	20 Due, Fees, Subs & Promos		Petersen Health Care, Inc.	100.00%	5,376	5,376	13
14	Total		\$ 186,000			\$ 84,800	\$ * (101,200)	14

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

Royal Oaks Care Center  
 provider # 0046243  
 12/31/2005

Schedule 6A

VII Related Parties - Page 6

Related Nursing Homes

City

In-State:

Aledo Rehabilitation & Health Care Center	Aledo, IL
Arcola Health Care Center	Arcola, IL
Arrow Wood Estates of Rock Falls	Rock Falls, IL
Aspen Rehab & Health Care	Silvis, IL
Batavia Rehabilitation & Health Care Center	Batavia, IL
Bement Health Care Center	Bement, IL
Benton Rehabilitation & Health Care Center	Benton, IL
Bloomington Rehabilitation & Health Care Center	Bloomington, IL
Casey Health Care Center	Casey, IL
Cisne Rehabilitation & Health Care Center	Cisne, IL
Countryview Care Center of Macomb	Macomb, IL
Countryview Terrace	Louisville, IL
Decatur Rehabilitation & Health Care Center	Decatur, IL
Eastside Health & Rehabilitation Center	Pittsfield, IL
Eastview Terrace	Sullivan, IL
Effingham Rehabilitation & Health Care Center	Effingham, IL
El Paso Health Care Center	El Paso, IL
Elgin Rehabilitation & Health Care Center	South Elgin, IL
Enfield Rehabilitation & Health Care Center	Enfield, IL
Flora Health Care Center	Flora, IL
Fondulac Rehabilitation & Health Care Center	East Peoria, IL
Havana Health Care Center	Havana, IL
Ironwood Estates of Sandwich	Sandwich, IL
Jonesboro Rehabilitation & Health Care Center	Jonesboro, IL
Kewanee Care Home	Kewanee, IL
McLeansboro Rehabilitation & Health Care Center	McLeansboro, IL
Newman Rehabilitation & Health Care Center	Newman, IL
North Aurora Care Center	Aurora, IL
Palm Terrace of Mattoon	Mattoon, IL
Prairie Rose Health Care Center	Pana, IL
Robings Manor Nursing Home	Brighton, IL
Rock Falls Rehabilitation & Health Care Center	Rock Falls, IL
Rosiclare Rehabilitation & Health Care Center	Rosiclare, IL
Royal Oaks Care Center	Kewanee, IL
Sandwich Rehabilitation & Health Care Center	Sandwich, IL
Shelbyville Rehabilitation & Health Care Center	Shelbyville, IL
Sheldon Health Care Center	Sheldon, IL
Sugar Creek Care Center	Watseka, IL
Sullivan Health Care Center	Sullivan, IL
Sunset Manor Nursing Home	Canton, IL
Timbercreek Rehabilitation & Health Care Center	Pekin, IL
Toulon Rehabilitation & Health Care Center	Toulon, IL
Tuscola Health Care Center	Tuscola, IL
Vandalia Rehabilitation & Health Care Center	Vandalia, IL
Watska Rehabilitation & Health Care Center	Watska, IL

Out-of-State:

Meadow Lawn Nursing Center	Davenport, IA
----------------------------	---------------

Related Assisted Living

Kewanee Courtyard Estates	Kewanee, IL
Kewanee Courtyard Village	Kewanee, IL
Monmouth Courtyard Estates	Monmouth, IL
Riverview Estates of Havana	Havana, IL
Simple Blessings	Casey, IL

Other Related Business Entities

Petersen Health Care, Inc.	Peoria, IL	Management/Bookkeeping
Petersen Health Care II, Inc.	Peoria, IL	Management/Bookkeeping
Petersen Enterprises	Peoria, IL	Management/Bookkeeping
Petersen Health Systems	Peoria, IL	Management/Bookkeeping
Petersen Health Operations, L.L.C.	Peoria, IL	Management/Bookkeeping
RLP Senior Villages, Inc.	Peoria, IL	Management/Bookkeeping

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Royal Oaks Care Center

# 0046243

Report Period Beginning: 01/01/2005

Ending: 12/31/2005

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 Clerical & General Office	\$	Petersen Health Care, Inc.	100.00%	\$ 52,489	\$ 52,489
16	V	23 Inservice Training & Education		Petersen Health Care, Inc.	100.00%	853	853
17	V	24 Travel and Seminar		Petersen Health Care, Inc.	100.00%	1,169	1,169
18	V	25 Other Admin. Staff Transport		Petersen Health Care, Inc.	100.00%	4,255	4,255
19	V	26 Insurance-Prop.Liab.Malpractice		Petersen Health Care, Inc.	100.00%	1,553	1,553
20	V	27 Mgmt. Allocation of Benefits		Petersen Health Care, Inc.	100.00%	11,677	11,677
21	V	30 Depreciation		Petersen Health Care, Inc.	100.00%	7,476	7,476
22	V	32 Interest		Petersen Health Care, Inc.	100.00%	10,060	10,060
23	V	34 Rent - Facility & Grounds		Petersen Health Care, Inc.	100.00%	944	944
24	V	35 Rent - Equipment & Vehicles		Petersen Health Care, Inc.	100.00%	231	231
25	V						
26	V						
27	V						
28	V						
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$			\$ 90,707	\$ * 90,707

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Royal Oaks Care Center

# 0046243

Report Period Beginning: 01/01/2005

Ending: 12/31/2005

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	2 Food	\$	Petersen Health Care II, Inc.	0.00%	\$ 23	\$ 23
16	V	3 Housekeeping		Petersen Health Care II, Inc.	0.00%	5	5
17	V	5 Utilities		Petersen Health Care II, Inc.	0.00%	73	73
18	V	6 Maintenance		Petersen Health Care II, Inc.	0.00%	1,605	1,605
19	V	7 Mgmt. Allocation of Benefits		Petersen Health Care II, Inc.	0.00%	314	314
20	V	10 Nursing & Medical Records		Petersen Health Care II, Inc.	0.00%	25,412	25,412
21	V	11 Activities		Petersen Health Care II, Inc.	0.00%	18	18
22	V	15 Mgmt. Allocation of Benefits		Petersen Health Care II, Inc.	0.00%	6,052	6,052
23	V	19 Professional Services		Petersen Health Care II, Inc.	0.00%	9,972	9,972
24	V	20 Dues, Fees, Subs & Promotions		Petersen Health Care II, Inc.	0.00%	959	959
25	V	21 Clerical & General Office		Petersen Health Care II, Inc.	0.00%	67,176	67,176
26	V	23 Inservice Training & Education		Petersen Health Care II, Inc.	0.00%	881	881
27	V	24 Travel and Seminar		Petersen Health Care II, Inc.	0.00%	504	504
28	V	25 Other Admin. Staff Transport		Petersen Health Care II, Inc.	0.00%	3,183	3,183
29	V	26 Insurance-Prop.Liab.Malpractice		Petersen Health Care II, Inc.	0.00%	2,280	2,280
30	V	27 Mgmt. Allocation of Benefits		Petersen Health Care II, Inc.	0.00%	15,090	15,090
31	V	30 Depreciation		Petersen Health Care II, Inc.	0.00%	14,608	14,608
32	V	32 Interest		Petersen Health Care II, Inc.	0.00%	17,536	17,536
33	V	33 Real Estate Taxes		Petersen Health Care II, Inc.	0.00%	47	47
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$			\$ 165,738	\$ * 165,738

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number      Royal Oaks Care Center      #      0046243      Report Period Beginning:      01/01/2005      Ending:      12/31/2005

## 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	Mark Petersen	President	Administrative	100.00	See Schedule 7A	4.2	7.00	Salary	\$ 40,679	17,7	1
2											2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 40,679		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 Royal Oaks Care Center # 0046243 Report Period Beginning: 01/01/2005 Ending: 2/31/2005

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 Petersen Health Care, Inc.  
 Street Address 830 West Trailcreek Drive  
 City / State / Zip Code Peoria, IL 61614  
 Phone Number ( 309) 691-8113  
 Fax Number ( 309) 691-8622

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

1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	1	Dietary	683,169	46	\$ 82,166	\$ 81,693	47,750	\$ 5,743	1
2	2	Food	683,169	46	2,606		47,750	182	2
3	3	Housekeeping	683,169	46	1,857		47,750	130	3
4	4	Laundry	683,169	46	144		47,750	10	4
5	5	Utilities	683,169	46	12,513		47,750	875	5
6	6	Maintenance	683,169	46	107,775	81,080	47,750	7,533	6
7	7	Mgmt. Allocation of Benefits	683,169	46	23,459		47,750	1,640	7
8	10	Nursing and Medical Records	683,169	46	135,903	130,651	47,750	9,499	8
9	10A	Therapy	683,169	46	88		47,750	6	9
10	15	Mgmt. Allocation of Benefits	683,169	46	18,830		47,750	1,316	10
11	17	Administrative	683,169	46	582,000	582,000	47,750	40,679	11
12	19	Professional Services	683,169	46	168,984		47,750	11,811	12
13	20	Dues, Fees, Subs & Promos	683,169	46	76,921		47,750	5,376	13
14	21	Clerical & General Office	683,169	46	750,958	577,218	47,750	52,489	14
15	23	Inservice Training & Education	683,169	46	12,208		47,750	853	15
16	24	Travel & Seminar	683,169	46	16,731		47,750	1,169	16
17	25	Other Admin. Staff Transport	683,169	46	60,875		47,750	4,255	17
18	26	Insurance-Prop.Liab.Malp.	683,169	46	22,218		47,750	1,553	18
19	27	Mgmt. Allocation of Benefits	683,169	46	167,067		47,750	11,677	19
20	30	Depreciation	683,169	46	106,965		47,750	7,476	20
21	32	Interest	683,169	46	143,934		47,750	10,060	21
22	34	Rent - Facility & Grounds	683,169	46	13,500		47,750	944	22
23	35	Rent - Equipment & Vehicles	683,169	46	3,305		47,750	231	23
24									24
25	TOTALS				\$ 2,511,007	\$ 1,452,642		\$ 175,507	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Royal Oaks Care Center # 0046243 Report Period Beginning: 01/01/2005 Ending: 2/31/2005

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 Petersen Health Care II, Inc.  
 Street Address 830 West Trailcreek Drive  
 City / State / Zip Code Peoria, IL 61614  
 Phone Number ( 309) 691-8113  
 Fax Number ( 309) 691-8622

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

1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6		
1	2	Food	Patient Days	241,523	7	\$ 114	\$ 47,750	\$ 23	1	
2	3	Housekeeping	Patient Days	241,523	7	24	47,750	5	2	
3	5	Utilities	Patient Days	241,523	7	370	47,750	73	3	
4	6	Maintenanc	Patient Days	241,523	7	8,117	6,500	47,750	1,605	4
5	7	Mgmt. Allocation of Benefits	Patient Days	241,523	7	1,587	47,750	314	5	
6	10	Nursing & Medical Records	Patient Days	241,523	7	128,534	125,373	47,750	25,412	6
7	11	Activities	Patient Days	241,523	7	93	47,750	18	7	
8	15	Mgmt. Allocation of Benefits	Patient Days	241,523	7	30,610	47,750	6,052	8	
9	19	Professional Services	Patient Days	241,523	7	50,439	47,750	9,972	9	
10	20	Dues, Fees, Subs & Promotions	Patient Days	241,523	7	4,852	47,750	959	10	
11	21	Clerical & General Office	Patient Days	241,523	7	339,781	312,613	47,750	67,176	11
12	23	Inservice Training & Education	Patient Days	241,523	7	4,454	47,750	881	12	
13	24	Travel & Seminar	Patient Days	241,523	7	2,551	47,750	504	13	
14	25	Other Admin. Staff Transport	Patient Days	241,523	7	16,098	47,750	3,183	14	
15	26	Insurance-Prop.Liab.Malp.	Patient Days	241,523	7	11,534	47,750	2,280	15	
16	27	Mgmt. Allocation of Benefits	Patient Days	241,523	7	76,326	47,750	15,090	16	
17	30	Depreciation	Patient Days	241,523	7	73,886	47,750	14,608	17	
18	32	Interest	Patient Days	241,523	7	88,696	47,750	17,536	18	
19	33	Real Estate Taxes	Patient Days	241,523	7	236	47,750	47	19	
20									20	
21									21	
22									22	
23									23	
24									24	
25	TOTALS				\$ 838,302	\$ 444,486		\$ 165,738	25	

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Royal Oaks Care Center# 0046243

Report Period Beginning:

01/01/2005

Ending:

12/31/2005

## 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**					Purpose of Loan	Monthly Payment Required				
		YES	NO				Original	Balance				
	<b>A. Directly Facility Related</b>											
	<b>Long-Term</b>											
1							\$	\$			\$	1
2	Ford Credit		X	Vehicle	\$541.00	04/17/03	30,965	14,301	04/17/08	0.0550	379	2
3	US Bank		X	Mortgage	\$28,810+int	12/31/04	2,420,000	2,367,382	12/31/11	0.0699	166,962	3
4												4
5												5
	<b>Working Capital</b>											
6												6
7												7
8												8
9	TOTAL Facility Related				\$541.00		\$ 2,450,965	\$ 2,381,683			\$ 167,341	9
	<b>B. Non-Facility Related*</b>											
10								Offset Interest Income			(56)	10
11												11
12												12
13								Allocated from Home Office			27,596	13
14	TOTAL Non-Facility Related						\$	\$			\$ 27,540	14
15	TOTALS (line 9+line14)						\$ 2,450,965	\$ 2,381,683			\$ 194,881	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ None 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.)

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

**B. Real Estate Taxes**

<p><b>Important</b>, please see the next worksheet, "RE_Tax". The real estate tax statement and t must accompany the cost report</p>			
1. Real Estate Tax accrual used on 2004 report.		\$ 58,875	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)	2004	\$ 62,532	2
3. Under or (over) accrual (line 2 minus line 1).		\$ 3,657	3
4. Real Estate Tax accrual used for 2005 report. (Detail and explain your calculation of this accrual on the lines below.)		\$ 56,178	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>		\$	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.			
		Non care RE taxes (1,554)	
		Home office allocation 47	
<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>
		\$	6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru		\$ 58,328	7
Real Estate Tax History:			
Real Estate Tax Bill for Calendar Year:	2000		8
	2001		9
	2002	56,100	10
	2003	58,874	11
	2004	62,532	12
<b>FOR OHF USE ONLY</b>			
	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
<b>Note: Real estate tax expense includes \$1,554 of non-care related expenses.</b>			

- 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 filec**

SEE ACCOUNTANTS' COMPILATION REPORT



Facility Name & ID Number Royal Oaks Care Center

# 0046243 Report Period Beginning:

01/01/2005 Ending: 12/31/2005

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 35,875 B. General Construction Type: Exterior Brick Frame Steel Number of Stories One

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	Facility	362,419	2003	\$ 200,000	1
2					2
3	TOTALS	362,419		\$ 200,000	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Royal Oaks Care Center

# 0046243

Report Period Beginning:

01/01/2005 Ending: 12/31/2005

**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	200	2003	1998	\$ 1,490,095	\$ 38,229	39	\$ 38,208	\$ (21)	\$ 105,851	4
5										5
6		Allocated from home office								6
7			2005	47,583			892	892	892	7
8										8
<b>Improvement Type**</b>										
9	Architectural Fees		2003	2,010	134	15	101	(33)	209	9
10	Water Softener		2003	14,625	2,089	7	1,463	(626)	3,413	10
11	Disposer		2003	1,231	176	7	123	(53)	277	11
12	Hot Water Heater		2003	5,892	842	7	589	(253)	1,179	12
13	Parking lot		2004	25,762	1,718	15	1,718		4,294	13
14	Service Road		2004	6,940	463	15	463		578	14
15	Sidewalk		2004	2,600	173	15	173		202	15
16	Air Conditioning		2004	5,101	206	25	146	(60)	231	16
17	Fire Alarm		2004	5,810	234	25	166	(68)	263	17
18	Security System		2004	1,206	172	7	121	(51)	181	18
19	Water Heater		2005	6,518	63	30	72	9	72	19
20	New Flooring		2005	5,440	45	10	45		45	20
21	New Roof		2005	22,002	31	30		(31)		21
22	Allocated from home office Land and Leasehold improvements		2005	2,750			85	85	85	22
23	Allocated from home office leasehold improvements		2005	78			3	3	3	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

\*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

**XI. OWNERSHIP COSTS (continued)**

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

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
37			\$	\$		\$	\$	\$	37
38									38
39									39
40									40
41									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)		\$ 1,645,643	\$ 44,575		\$ 44,368	\$ (207)	\$ 117,775	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number: Royal Oaks Care Center

# 0046243

Report Period Beginning:

01/01/2005

Ending:

12/31/2005

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	\$ 517,504	\$ 74,798	\$ 52,419	\$ (22,379)	7	\$ 146,386	71
72	Current Year Purchases	30,583	1,436	1,174	(262)	7	1,174	72
73	Fully Depreciated Assets							73
74	Allocation from Home Office			21,104	21,104		21,104	74
75	TOTALS	\$ 548,087	\$ 76,234	\$ 74,697	\$ (1,537)		\$ 168,664	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	Facility Use	2003 Ford Van	2003	\$ 31,033	\$ 6,207	\$ 6,207	\$	5	\$ 14,482	76
77										77
78										78
79										79
80	TOTALS			\$ 31,033	\$ 6,207	\$ 6,207	\$		\$ 14,482	80

E. Summary of Care-Related Asset

	1	Reference	2	Amount	
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)		\$ 2,424,763	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)		\$ 127,016	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)		\$ 125,272	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)		\$ (1,744)	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)		\$ 300,921	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	N/A				87
88					88
89					89
90					90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progres

	Description	Cost	
92		\$	92
93	N/A		93
94			94
95		\$	95

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

\*\* This must agree with Schedule V line 30, column 1

SEE ACCOUNTANTS' COMPILATION REPORT

**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	<u>Allocated from Home office</u>			<u>944</u>			6
7	<b>TOTAL</b>			\$ <u>944</u>			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. N/A  
 This amount was calculated by dividing the total amount to be amortized N/A  
 by the length of the lease N/A.

9. Option to Buy:  YES  NO      Terms: N/A \*

**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: \$ 6,041      Description: Nursing 1630, Dietary 2279, Moveable equip. 1901, Home office allocation 231  
 (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			<u>N/A</u>		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.

Royal Oaks Care Center  
Provider #0046243  
12/31/2004

Schedule 14A

XII. Rental Equipment  
Line 16

<u>Type of Equipment</u>	<u>Cost</u>
Home Office Allocation	
Special Mattresses	
Oxygen Tanks	
Dish Machine	
Slip Scoop	
Copy Machines	
	<u>\$ -</u>

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**SEE ACCOUNTANTS' COMPILATION REPORT**

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			
		1	2	3	4
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer 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		hrs	\$		\$			\$	1
2	Licensed Speech and Language Development Therapist	10A(1,3)	175 hrs	5,767		750		175	6,517	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	10A(2,3)	hrs		41	75	47	41	122	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy		# of prescripts							9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Other (specify): <b>Oxygen</b>	39(2)					23,397		23,397	13
14	<b>TOTAL</b>			\$ 5,767	41	\$ 825	\$ 23,444	216	\$ 30,036	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

Facility Name & ID Number Royal Oaks Care Center

# 0046243

Report Period Beginning: 01/01/2005

Ending:

12/31/2005

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2005

(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	\$ 400,330	\$ 400,330	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance <u>None</u> )	1,148,282	1,148,282	3
4	Supply Inventory (priced at _____)			4
5	Short-Term Investments			5
6	Prepaid Insurance	15,166	15,166	6
7	Other Prepaid Expenses	7,975	7,975	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): _____			9
10	<b>TOTAL Current Assets (sum of lines 1 thru 9)</b>	<b>\$ 1,571,753</b>	<b>\$ 1,571,753</b>	<b>10</b>
<b>B. Long-Term Assets</b>				
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	200,000	200,000	13
14	Buildings, at Historical Cost	1,572,279	1,645,643	14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	602,073	579,120	16
17	Accumulated Depreciation (book methods)	(322,465)	(300,921)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
	Accumulated Amortization -			
20	Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify): _____			22
23	Other(specify): _____			23
24	<b>TOTAL Long-Term Assets (sum of lines 11 thru 23)</b>	<b>\$ 2,051,887</b>	<b>\$ 2,123,842</b>	<b>24</b>
25	<b>TOTAL ASSETS (sum of lines 10 and 24)</b>	<b>\$ 3,623,640</b>	<b>\$ 3,695,595</b>	<b>25</b>

		1	2	
		Operating	After Consolidation*	
<b>C. Current Liabilities</b>				
26	Accounts Payable	\$ 338,782	\$ 338,782	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	152,950	152,950	30
	Accrued Taxes Payable			
31	(excluding real estate taxes)	28,503	28,503	31
32	Accrued Real Estate Taxes(Sch.IX-B)	56,178	56,178	32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
<b>Other Current Liabilities(specify):</b>				
36	<u>See Schedule 17A</u>	1,380	1,380	36
37	<u>See Schedule 17A</u>	56,178	56,178	37
38	<b>TOTAL Current Liabilities (sum of lines 26 thru 37)</b>	<b>\$ 633,971</b>	<b>\$ 633,971</b>	<b>38</b>
<b>D. Long-Term Liabilities</b>				
39	Long-Term Notes Payable	14,301	14,301	39
40	Mortgage Payable	2,367,382	2,367,382	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>	<b>\$ 2,381,683</b>	<b>\$ 2,381,683</b>	<b>45</b>
46	<b>TOTAL LIABILITIES (sum of lines 38 and 45)</b>	<b>\$ 3,015,654</b>	<b>\$ 3,015,654</b>	<b>46</b>
47	<b>TOTAL EQUITY(page 18, line 24)</b>	<b>\$ 607,986</b>	<b>\$ 679,941</b>	<b>47</b>
48	<b>TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)</b>	<b>\$ 3,623,640</b>	<b>\$ 3,695,595</b>	<b>48</b>

SEE ACCOUNTANTS' COMPILATION REPORT

\*(See instructions.)

Royal Oaks Care Center  
Provider #0046243  
12/31/2005

Schedule 17 A

XV Balance Sheet

C. Current Liabilities Line 36

Other current liabilities (Specify)	Operating	After Consolidation
Day Training workshops payable	(51)	(51)
Wage Garnishment	4,912	4,912
Tuition Grant	461	461
Other Payroll Withholding	(3,527)	(3,527)
401 K Withholding	471	471
Other Withholding	(1,650)	(1,650)
All State Insurance	764	764
Acc Ins -W/C		
	1,380	1,380

Current Liabilities

Line 37, Other Current Liabilities (specify):	Operating	After Consolidation
A/R- Prior Owner	6,017	6,017
Accrued Sales Tax	242	242
Accrued Interest	13,829	13,829
Accrued Expenses-Other	35,140	35,140
Interco - Kewanee	950	950
	56,178	56,178

SEE ACCOUNTANTS' COMPILATION REPORT

**XVI. STATEMENT OF CHANGES IN EQUITY**

		<b>1 Total</b>	
<b>1</b>	<b>Balance at Beginning of Year, as Previously Reported</b>	\$ <b>(221,354)</b>	<b>1</b>
<b>2</b>	Restatements (describe):		<b>2</b>
<b>3</b>	<b>Rounding</b>	<b>(2)</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>(221,356)</b>	<b>6</b>
<b>A. Additions (deductions):</b>			
<b>7</b>	NET Income (Loss) (from page 19, line 43)	<b>829,342</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>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>829,342</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>607,986</b>	<b>24</b> *

Operating Entity Only

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name &amp; ID Number Royal Oaks Care Center

# 0046243

Report Period Beginning: 01/01/2005

Ending: 12/31/2005

**VII. 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	\$ 4,356,987	1
2	Discounts and Allowances for all Levels	51,383	2
3	<b>SUBTOTAL Inpatient Care (line 1 minus line 2)</b>	\$ 4,408,370	3
<b>B. Ancillary Revenue</b>			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	200,592	6
7	Oxygen	7,643	7
8	<b>SUBTOTAL Ancillary Revenue (lines 4 thru 7)</b>	\$ 208,235	8
<b>C. Other Operating Revenue</b>			
9	Payments for Educator		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care		13
14	Non-Patient Meals	2,623	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	91,007	17
18	Sale of Supplies to Non-Patient		18
19	Laboratory	67,810	19
20	Radiology and X-Ray		20
21	Other Medical Services	3,109	21
22	Laundry		22
23	<b>SUBTOTAL Other Operating Revenue (lines 9 thru 22)</b>	\$ 164,549	23
<b>D. Non-Operating Revenue</b>			
24	Contributions		24
25	Interest and Other Investment Income**	56	25
26	<b>SUBTOTAL Non-Operating Revenue (lines 24 and 25)</b>	\$ 56	26
<b>E. Other Revenue (specify):****</b>			
27	<b>Settlement Income (Insurance, Legal, Etc.)</b>		27
28			28
28a			28a
29	<b>SUBTOTAL Other Revenue (lines 27, 28 and 28a)</b>	\$	29
30	<b>TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)</b>	\$ 4,781,210	30

		2	
Expenses		Amount	
<b>A. Operating Expenses</b>			
31	General Services	863,205	31
32	Health Care	1,745,397	32
33	General Administration	798,339	33
<b>B. Capital Expense</b>			
34	Ownership	360,002	34
<b>C. Ancillary Expense</b>			
35	Special Cost Centers	75,425	35
36	Provider Participation Fee	109,500	36
<b>D. Other Expenses (specify):</b>			
37			37
38			38
39			39
40	<b>TOTAL EXPENSES (sum of lines 31 thru 39)*</b>	\$ 3,951,868	40
41	<b>Income before Income Taxes (line 30 minus line 40)**</b>	829,342	41
42	<b>Income Taxes</b>		42
43	<b>NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)</b>	\$ 829,342	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 **Royal Oaks Care Center**

# **0046243**

Report Period Beginning: **01/01/2005**

Ending:

**12/31/2005**

**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	2,080	2,080	\$ 56,310	\$ 27.07	1
2	Assistant Director of Nursing	2,080	2,080	41,703	20.05	2
3	Registered Nurses	5,261	5,424	103,124	19.01	3
4	Licensed Practical Nurses	23,923	24,545	387,418	15.78	4
5	CNAs & Orderlies	73,770	75,294	698,777	9.28	5
6	CNA Trainees					6
7	Licensed Therapist	179	179	5,767	32.22	7
8	Rehab/Therapy Aides	5,043	5,215	50,788	9.74	8
9	Activity Director	4,070	4,118	37,107	9.01	9
10	Activity Assistants	5,612	5,644	36,397	6.45	10
11	Social Service Worker	4,645	4,813	47,689	9.91	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	18,590	18,915	151,943	8.03	15
16	Dishwashers					16
17	Maintenance Worker	2,642	2,642	30,743	11.64	17
18	Housekeepers	15,052	15,577	100,972	6.48	18
19	Laundry	8,954	9,344	71,561	7.66	19
20	Administrator	2,080	2,080	60,226	28.95	20
21	Assistant Administrator	2,024	2,024	42,504	21.00	21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	2,080	2,080	32,593	15.67	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	2,080	2,080	32,969	15.85	31
32	Other Health C: See attached	5,220	5,280	78,910	14.95	32
33	Other(specify) <a href="#">schedule 20A</a>					33
34	<b>TOTAL (lines 1 - 33)</b>	<b>185,385</b>	<b>189,414</b>	<b>\$ 2,067,501 *</b>	<b>\$ 10.92</b>	<b>34</b>

\* 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	\$		35	
36	Medical Director	Monthly	12,000	9(3)	36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant	Monthly	600	10(3)	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant				44
45	Social Service Consultant				45
46	Other(specify)				46
47					47
48					48
49	<b>TOTAL (lines 35 - 48)</b>	\$	<b>12,600</b>		<b>49</b>

**C. CONTRACT NURSES**

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

SEE ACCOUNTANTS' COMPILATION REPORT

Royal Oaks Care Center  
Provider #0046243  
12/31/2004

Schedule 20 A

XVIII. A Other Staffing and Salary Costs  
Line 32

	<b># of Hrs. Actually</b>	<b># of Hrs. Paid and Accrued</b>	<b>Reporting Period Total Salaries, Wages</b>
Transportation	2,294	2,354	27,988
Care Plan Coordinator	2,926	2,926	50,922
Total	<u>5,220</u>	<u>5,280</u>	<u>78,910</u>

**SEE ACCOUNTANTS' COMPILATION REPORT**



**Royal Oaks Care Center**  
**Provider #: 46243**  
**01/01/05 to 12/31/05**

**Schedule 21A**

XIX. SUPPORT SCHEDULE

C. Professional Services

Total (agree to Schedule V, line 19, column 3)	7,526
Allocated from Home Office - Legal	223
Allocated from Home Office - Other	21,560
Total (agree to Schedule V, line 19, column 8)	<u>29,309</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	8 Amount of Expense Amortized Per Year								
					5 FY2002	6 FY2003	7 FY2004	9 FY2005	10 FY2006	11 FY2007	12 FY2008	13 FY2009	13 FY2010
1			\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2								N/A					
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 Royal Oaks Care Center# 0046243Report Period Beginning: 01/01/2005 Ending: 12/31/2005**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? 7 yrs.
- (6) Indicate the total amount of both disposable and non-disposable diaper expenses and the location of this expense on Sch. V. 6,583 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. \$ 109,500  
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. \$ 3,559 Has any meal income been offset against related costs? Yes Indicate the amount \$ 2,623
- (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? Yes  
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? Yes  
**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? Yes  
Firm Name: Ginoli & Company The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? No If no, please explain. Audit is in progress.
- (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? N/A  
Attach invoices and a summary of services for all architect and appraisal fees

**SEE ACCOUNTANTS' COMPILATION REPORT**

RECONCILIATION REPORT

12:06 PM 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	75,156	equal to	75,156	0	O.K.	Pg5 Z22	B.	37	1	Pg4 K29	N/A	45	7
Interest Expense	194,881	equal to	194,881	0	O.K.	Pg9 P34	A.	15	10	Pg4 L13	N/A	32	8
Real Estate Tax Expenses	58,328	equal to	58,328	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	125,272	equal to	125,272	0	O.K.	Pg13 Y28	E.	49	2	Pg4 L11	N/A	30	8
Rental Costs A	944	equal to	944	0	O.K.	Pg14 L20+N22	A.	7 + 8	4+N/A	Pg4 L15	N/A	34	8
Rental Costs B	6,041	equal to	6,041	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	5,767	equal to	0	0	O.K.	Pg16 N32	N/A	14	3	Pg4 E22	N/A	39	1
Therapy Services	6,639	equal to	6,639	0	O.K.	Pg16 Z12+Z14.	N/A/B	1-4;40-43	8:2	Pg3 H20	N/A	10a	4
Special Serv.- Supplies	23,444	equal to	23,444	0	O.K.	Pg16 V32	N/A	14	6	Pg4 F22 + Pg 3	N/A	39.10a	2
Income Stat. General Serv.	863,205	equal to	863,205	0	O.K.	Pg19 P11	N/A	31	2	Pg3 H16	N/A	8	4
Income Stat. Health Care	1,745,397	equal to	1,745,397	0	O.K.	Pg19 P12	N/A	32	2	Pg3 H26	N/A	16	4
Income Stat. Administration	798,339	equal to	798,339	0	O.K.	Pg19 P13	N/A	33	2	Pg3 H39	N/A	28	4
Income Stat. Ownership	360,002	equal to	360,002	0	O.K.	Pg19 P15	N/A	34	2	Pg4 H18	N/A	37	4
Income Stat. Special Cost Ctr	75,425	equal to	75,425	0	O.K.	Pg19 P17	N/A	35	2	Pg4 H21..H24+i	N/A	38to41+43	4
Income Stat. Prov. Partic.	109,500	equal to	109,500	0	O.K.	Pg19 P18	N/A	36	2	Pg4 H25	N/A	42	4
Staff- Nursing	1,320,301	equal to	1,422,011	-101,710	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	5,767	equal to	0	0	O.K.	Pg20 K17	A.	7	3	Pg4 E22	N/A	39	1
Staff- Activities	73,504	equal to	73,504	0	O.K.	Pg20 K19+K20	A.	9-10	3	Pg3 E21	N/A	11	1
Staff- Social Serv. Workers	47,689	equal to	47,689	0	O.K.	Pg20 K21	A.	11	3	Pg3 E22	N/A	12	1
Staff- Dietary	151,943	equal to	151,943	0	O.K.	Pg20 K22..K26	A.	16-Dec	3	Pg3 E9	N/A	1	1
Staff- Maintenance	30,743	equal to	30,743	0	O.K.	Pg20 K27	A.	17	3	Pg3 E14	N/A	6	1
Staff- Housekeeping	100,972	equal to	100,972	0	O.K.	Pg20 K28	A.	18	3	Pg3 E11	N/A	3	1
Staff- Laundry	71,561	equal to	71,561	0	O.K.	Pg20 K29	A.	19	3	Pg3 E12	N/A	4	1
Staff- Administrative	102,730	equal to	102,730	0	O.K.	Pg20 K30..K32	A.	20-22	3	Pg3 E28	N/A	17	1
Staff- Clerical	32,593	equal to	32,593	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	2,067,501	equal to	2,067,501	0	O.K.	Pg20 K44	A.	34	3	Pg4 E29	N/A	45	1
Dietary Consultant	0	< or = to	0	0	O.K.	Pg20 X12	B.	35	2	Pg3 G9	N/A	1	3
Medical Director	12,000	< or = to	12,000	0	O.K.	Pg20 X13	B.	36	2	Pg3 G18	N/A	9	3
Consultants & contractors	600	< or = to	600	0	O.K.	Pg20 X14..X16+	B. & C.	17to39 and 50to6	2	Pg3 G19	N/A	10	3
Activity Consultant	0	< or = to	13,700	-13,700	O.K.	Pg20 X21	B.	44	2	Pg3 G21	N/A	11	3
Social Service Consultant	0	< or = to	0	0	O.K.	Pg20 X22	B.	45	2	Pg3 G22	N/A	12	3
Supp. Sched.- Admin. Salar.	102,730	equal to	102,730	0	O.K.	Pg21 I16	A.	N/A	N/A	Pg3 E28	N/A	17	1
Supp. Sched.- Admin. Other	186,000	equal to	186,000	0	O.K.	Pg21 I24	B.	N/A	N/A	Pg3 G28	N/A	17	3
Supp. Sched.- Prof. Serv.	7,526	equal to	7,526	0	O.K.	Pg21 I41	C.	N/A	N/A	Pg3 G30	N/A	19	3
Supp. Sched.- Benefit/Taxes	347,147	equal to	347,147	0	O.K.	Pg21 P22	D.	N/A	N/A	Pg3 L33	N/A	22	8
Supp. Sched.- Sched of dues..	11,763	equal to	11,763	0	O.K.	Pg21 V22	F.	N/A	N/A	Pg3 L31	N/A	20	8
Supp. Sched.- Sched. of trav	2,224	equal to	2,224	0	O.K.	Pg21 V41	G.	N/A	N/A	Pg3 L35	N/A	24	8
Gen. Info - Particip. Fees	109,500	equal to	109,500	0	O.K.	Pg23 I38	N/A	11	N/A	Pg4 G25	N/A	42	3
Gen. Info - Employee Meals	3,559	< or = to	3,559	0	O.K.	Pg23 S16	N/A	16	N/A	Pg3 K33	N/A	2 & 22	7
Gen. Info - Employee Meals	3,559	equal to	3,559	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	2,236	equal to	2,236	0	O.K.	Pg2 AB29	K.	N/A	N/A	Pg2 J30	B.	8	4
Adjustment for related org. costs	155,245	equal to	155,245	0	O.K.	Pg5 Z18	B.	34	1	Pg6 to Pg 6l Y4	B.	14	8
Total loan balance	2,381,683	equal to	2,381,683	0	O.K.	Pg9 L34	A.	15	7	Pg17 V13+V27.	N/A	29+39-41	2
Real estate tax accrual	56,178	equal to	56,178	0	O.K.	Pg10 W15	B.	4	N/A	Pg17 V17	N/A	32	2
Land	200,000	equal to	200,000	0	O.K.	Pg11 T43	A.	3	4	Pg17 K25	N/A	13	2
Building cost	1,645,643	equal to	1,645,643	0	O.K.	Pg12 to 12l L43	B.	36	4	Pg17 K26+K27	N/A	14 & 15	2
Equipment and vehicle cost	579,120	equal to	579,120	0	O.K.	Pg13 O22+L13	C.& D.	41 + 46	1 + 4	Pg17 K28	N/A	16	2
Accumulated depr.	300,921	equal to	300,921	0	O.K.	Pg13 Y30	E.	51	2	Pg17 K29	N/A	17	2
End of year equity	607,986	equal to	607,986	0	O.K.	Pg18 I33	N/A	24	1	Pg17 S39	N/A	47	1
Net income (loss)	829,342	equal to	829,342	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..1	H.	20	3	Pg17 K30	N/A	18	2
Balance Sheet	3,623,640	equal to	3,623,640	0	O.K.	Pg17:H41		25	1	Pg17 S41	N/A	48	1

Royal Oaks Care Center  
 IDHFS Comparative Data - Per Resident Day Cost  
 Year Ending 12/31/2005

Enter your HSA # in next column ===== 10  
 Census (Pulls from Page 2) 47,750

Cost Report Line	Description	Year Facility	Average Median Cost Per Day (2003)	
			State	HSA
1	Dietary	3.82	6.01	7.02
2	Food Purchase	4.23	4.31	4.47
3	Housekeeping	2.70	3.70	3.59
4	Laundry	1.83	1.85	2.23
5	Heat & Other Utilities	3.39	2.95	3.17
6	Maintenance	2.32	3.01	3.26
8	Total General Services	18.33	22.58	24.49
10	Nursing & Medical Records	33.43	41.83	42.52
10A	Therapy	0.14	2.10	1.86
11	Activities	1.84	1.91	2.18
12	Social Services	1.04	1.42	1.45
16	Total Health Care & Programs	37.44	49.48	50.39
17	Administration	3.00	3.36	3.33
19	Professional Services	0.61	0.99	1.09
21	Clerical & Gen. Office Expense	3.53	4.79	4.32
22	Employee Benefits & PR Taxes	7.27	10.09	10.42
24	Travel & Seminar	0.05	0.08	0.10
26	Insurance-Property, Liability & Malpractice	1.92	2.58	2.47
28	Total General Administrative	17.71	24.94	25.31
29	Total Operating Expenses	73.48	98.06	100.77
30	Depreciation	2.62	3.70	3.82
32	Interest	4.08	2.54	2.81
33	Real Estate Taxes	1.22	1.38	0.92
37	Total Ownership	8.07	11.11	9.73
	Total Operating and Ownership Cost	81.55	109.17	110.50

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

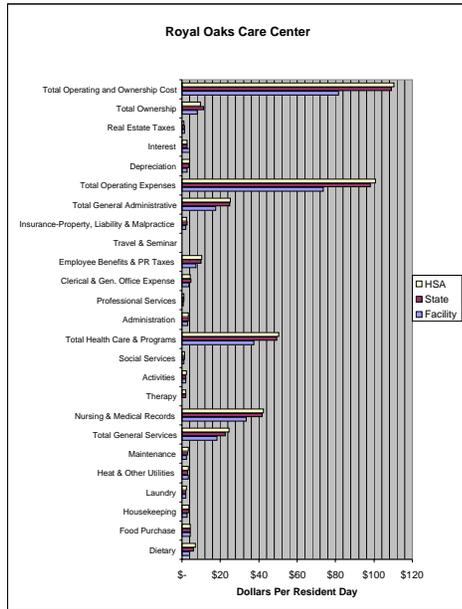
The Average Median Cost Per Day for the State and your HSA is taken from 2003 data available from the Illinois Department of Healthcare and Family Services and corresponds with the respective cost report data after final adjustments.

IDHFS LTC Profiles

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

UN-INFLATED

Cost Report Line	Description	State-Wide	HSA											10th %	90th %
			1	2	3	4	5	6	7	8	9	10	11		
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	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	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	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	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	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	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	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	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	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



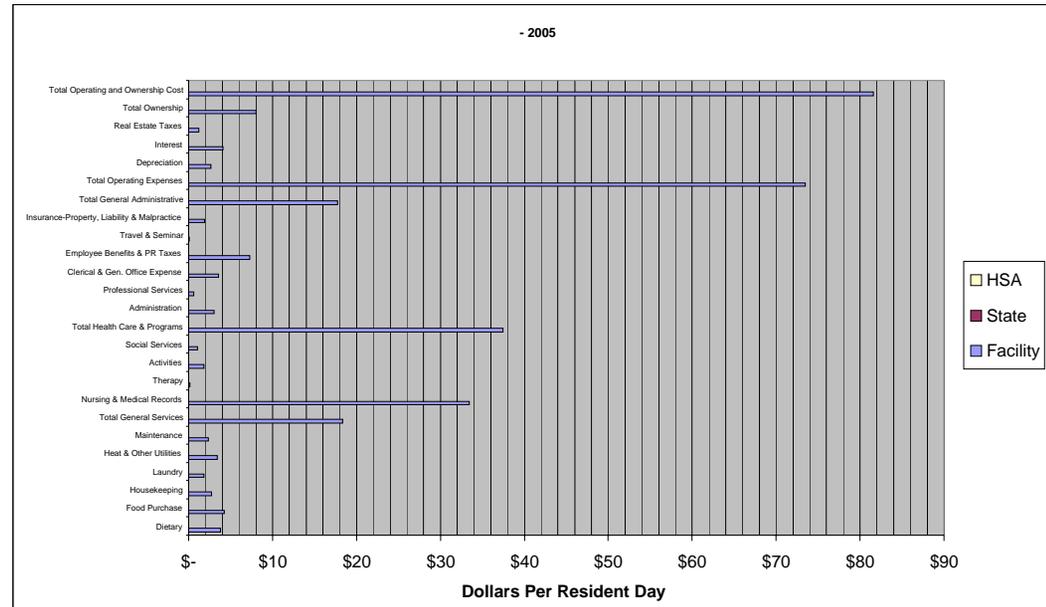
Royal Oaks Care Center  
 IDPA Comparative Data - Per Resident Day Cost  
 Year Ending 12/31/2005

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	3.82	-	-	#DIV/0!	-	-	#DIV/0!	6.10	5.70	#DIV/0!	6.01	5.60
2	Food Purchase	4.23	-	-	#DIV/0!	-	-	#DIV/0!	4.31	4.11	#DIV/0!	4.27	4.09
3	Housekeeping	2.70	-	-	#DIV/0!	-	-	#DIV/0!	3.70	3.61	#DIV/0!	3.65	3.48
4	Laundry	1.83	-	-	#DIV/0!	-	-	#DIV/0!	1.85	2.13	#DIV/0!	1.90	2.23
5	Heat & Other Utilities	3.59	-	-	#DIV/0!	-	-	#DIV/0!	2.95	2.95	#DIV/0!	2.71	2.73
6	Maintenance	2.32	-	-	#DIV/0!	-	-	#DIV/0!	3.01	2.82	#DIV/0!	2.99	2.92
8	Total General Services	18.33	-	-	#DIV/0!	-	-	#DIV/0!	22.58	21.73	#DIV/0!	22.09	22.04
10	Nursing & Medical Records	33.43	-	-	#DIV/0!	-	-	#DIV/0!	41.83	42.15	#DIV/0!	40.68	41.16
10A	Therapy	0.14	-	-	#DIV/0!	-	-	#DIV/0!	2.10	2.24	#DIV/0!	1.85	2.27
11	Activities	1.84	-	-	#DIV/0!	-	-	#DIV/0!	1.91	1.54	#DIV/0!	1.88	1.60
12	Social Services	1.04	-	-	#DIV/0!	-	-	#DIV/0!	1.42	1.27	#DIV/0!	1.44	1.32
16	Total Health Care & Programs	37.44	-	-	#DIV/0!	-	-	#DIV/0!	49.48	49.49	#DIV/0!	47.55	47.76
17	Administration	3.00	-	-	#DIV/0!	-	-	#DIV/0!	3.36	3.17	#DIV/0!	3.39	3.54
19	Professional Services	0.61	-	-	#DIV/0!	-	-	#DIV/0!	0.99	0.77	#DIV/0!	0.98	0.72
21	Clerical & Gen. Office Expense	3.53	-	-	#DIV/0!	-	-	#DIV/0!	4.79	4.25	#DIV/0!	4.58	4.31
22	Employee Benefits & PR Taxes	7.27	-	-	#DIV/0!	-	-	#DIV/0!	10.09	9.08	#DIV/0!	9.63	8.44
24	Travel & Seminar	0.05	-	-	#DIV/0!	-	-	#DIV/0!	0.08	0.07	#DIV/0!	0.09	0.09
26	Insurance-Property, Liability & Malpractice	1.92	-	-	#DIV/0!	-	-	#DIV/0!	2.58	2.61	#DIV/0!	2.19	2.03
28	Total General Administrative	17.71	-	-	#DIV/0!	-	-	#DIV/0!	24.94	22.93	#DIV/0!	23.47	21.93
29	Total Operating Expenses	73.48	-	-	#DIV/0!	-	-	#DIV/0!	98.06	94.71	#DIV/0!	94.39	91.33
30	Depreciation	2.62	-	-	#DIV/0!	-	-	#DIV/0!	3.70	3.38	#DIV/0!	3.53	3.04
32	Interest	4.08	-	-	#DIV/0!	-	-	#DIV/0!	2.54	1.50	#DIV/0!	2.73	1.54
33	Real Estate Taxes	1.22	-	-	#DIV/0!	-	-	#DIV/0!	1.38	1.11	#DIV/0!	1.30	1.03
37	Total Ownership	8.07	-	-	#DIV/0!	-	-	#DIV/0!	11.11	8.39	#DIV/0!	11.44	10.00
	Total Operating and Ownership Cost	81.55	-	-	#DIV/0!	-	-	#DIV/0!	103.10	103.10	#DIV/0!	105.83	101.30

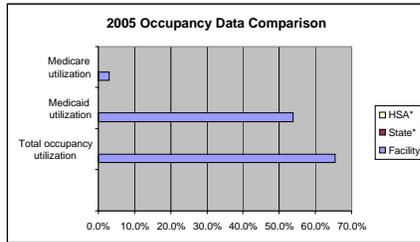
Notes:  
 Your Facility data is from page 3, column 8 of each of your respective Medicaid cost reports, divided by the respective annual census.

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.



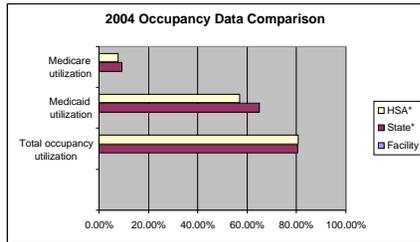
**2005**

Your Facility	State*	HSA*
Total occupancy utilization	65.41%	0.00%
Medicaid utilization	53.77%	0.00%
Medicare utilization	3.06%	0.00%
Private pay percent utilization	8.56%	N/A
Capacity in Patient Days	73,000	N/A
Census days of service provided	47,750	N/A



**2004**

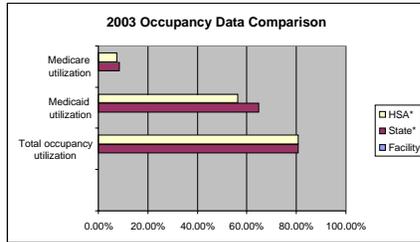
Your Facility	State*	HSA*
Total occupancy utilization	#DIV/0!	80.50%
Medicaid utilization	#DIV/0!	65.00%
Medicare utilization	#DIV/0!	9.40%
Private pay percent utilization	#DIV/0!	N/A
Capacity in Patient Days	N/A	N/A
Census days of service provided	N/A	N/A



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

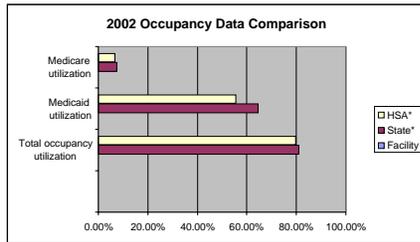
**2003**

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



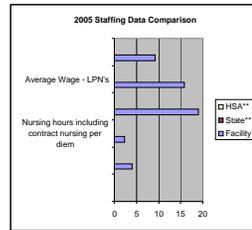
**2002**

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



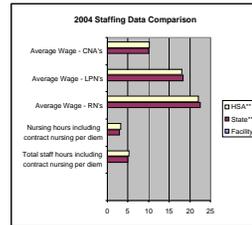
**2005**

Year	State**	HSA**
<b>Facility</b>		
Total staff hours including contract nursing per diem	3.97	0.00
Nursing hours including contract nursing per diem	2.29	0.00
Average Wage - RN's	19.01	0.00
Average Wage - LPN's	15.78	0.00
Average Wage - CNA's	9.28	0.00



**2004**

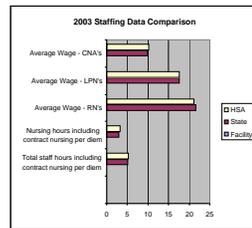
Year	State**	HSA**
<b>Facility</b>		
Total staff hours including contract nursing per diem	5.00	5.30
Nursing hours including contract nursing per diem	3.00	3.20
Average Wage - RN's	22.54	22.05
Average Wage - LPN's	18.40	18.02
Average Wage - CNA's	10.02	10.13



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

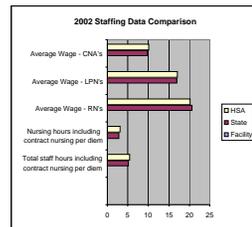
**2003**

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

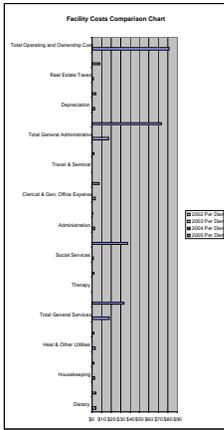


**2002**

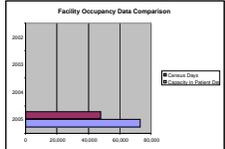
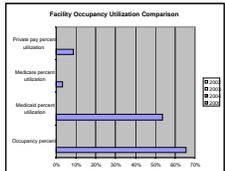
Year	State	HSA
<b>Facility</b>		
Total staff hours including contract nursing per diem	5.20	5.50
Nursing hours including contract nursing per diem	2.80	3.10
Average Wage - RN's	20.69	20.12
Average Wage - LPN's	16.89	17.04
Average Wage - CNA's	9.73	10.05



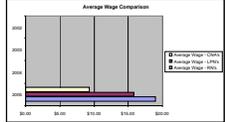
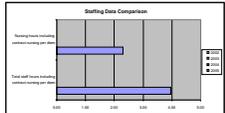
Report Line	Description	Year 2003	Year 2004	Year 2005	Year 2006
		Facility	Facility	Facility	Facility
		2003	2004	2005	2006
		Per Bed	Per Bed	Per Bed	Per Bed
1	Energy	3.82	450V/01	450V/01	450V/01
2	Food Purchase	4.23	450V/01	450V/01	450V/01
3	Housekeeping	2.76	450V/01	450V/01	450V/01
4	Laundry	1.83	450V/01	450V/01	450V/01
5	Heat & Other Utilities	3.24	450V/01	450V/01	450V/01
6	Maintenance	2.02	450V/01	450V/01	450V/01
8	Total General Services	68.52	450V/01	450V/01	450V/01
9	Nursing & Medical Records	33.43	450V/01	450V/01	450V/01
10A	Therapy	0.16	450V/01	450V/01	450V/01
11	Administration	1.84	450V/01	450V/01	450V/01
12	Social Services	1.04	450V/01	450V/01	450V/01
16	Total Health Care & Programs	77.46	450V/01	450V/01	450V/01
17	Administration	1.86	450V/01	450V/01	450V/01
19	Professional Services	0.41	450V/01	450V/01	450V/01
21	Child & Gas Office Expense	3.53	450V/01	450V/01	450V/01
22	Medical Records & PR Taxes	2.22	450V/01	450V/01	450V/01
24	Taxid & Transfer	0.05	450V/01	450V/01	450V/01
26	Insurance Property, Liability & Malpractice	1.92	450V/01	450V/01	450V/01
28	Total General Administration	17.75	450V/01	450V/01	450V/01
29	Total Operating Expenses	51.48	450V/01	450V/01	450V/01
30	Depreciation	2.62	450V/01	450V/01	450V/01
32	Interest	1.88	450V/01	450V/01	450V/01
33	Total Facility Taxes	1.22	450V/01	450V/01	450V/01
37	Total Ownership	8.07	450V/01	450V/01	450V/01
Total Operating and Ownership Cost		61.15	450V/01	450V/01	450V/01



	Facility 2003	Facility 2004	Facility 2005	Facility 2006
Occupancy percent	82.41%	450V/01	450V/01	450V/01
Medicaid percent utilization	52.77%	450V/01	450V/01	450V/01
Medicare percent utilization	2.86%	450V/01	450V/01	450V/01
Private pay percent utilization	61.56%	450V/01	450V/01	450V/01
Capacity in Patient Days	73,000	0	0	0
Census Days	47,760	0	0	0



	Facility 2003	Facility 2004	Facility 2005	Facility 2006
Total staff hours including weekend working per day	2.87	0.00	0.00	0.00
Working hours including weekend working per day	2.20	0.00	0.00	0.00
Average Wage - BNY	18.01	0.00	0.00	0.00
Average Wage - LPHS	15.79	0.00	0.00	0.00
Average Wage - CHS	8.28	0.00	0.00	0.00



	Salaries	Supplies	Other	Total	Reclass- ifications	Reclassified Total	Adjusted Adjustments	Adjusted Total
1. Dietary	151,943	24,764	0	176,707	0	176,707	5,743	182,450
2. Food Purchase	0	207,918	0	207,918	0	207,918	-5,977	201,941
3. Housekeeping	100,972	27,932	0	128,904	0	128,904	135	129,039
4. Laundry	71,561	15,833	0	87,394	0	87,394	10	87,404
5. Heat and Other Utilities	0	0	160,745	160,745	0	160,745	948	161,693
6. Maintenance	30,743	58,262	12,532	101,537	0	101,537	9,138	110,675
7. Other (specify)*	0	0	0	0	0	0	1,954	1,954
8. Total General Services	355,219	334,709	173,277	863,205	0	863,205	11,951	875,156
9. Medical Director	0	0	12,000	12,000	0	12,000	0	12,000
10. Nursing & Medical Records	1,422,011	138,805	600	1,561,416	0	1,561,416	34,911	1,596,327
10a. Therapy	5,767	47	825	6,639	0	6,639	6	6,645
11. Activities	73,504	499	13,700	87,703	0	87,703	18	87,721
12. Social Services	47,689	1,962	0	49,651	0	49,651	0	49,651
13. Nurse Aide Training	0	0	0	0	0	0	0	0
14. Program Transportation	27,988	0	0	27,988	0	27,988	0	27,988
15. Other (specify)*	0	0	0	0	0	0	7,368	7,368
16. Total Health Care & Programs	1,576,959	141,313	27,125	1,745,397	0	1,745,397	42,303	1,787,700
17. Administrative	102,730	0	186,000	288,730	0	288,730	-145,321	143,409
18. Directors Fees	0	0	0	0	0	0	0	0
19. Professional Services	0	0	7,526	7,526	0	7,526	21,783	29,309
20. Fees, Subscriptions & Promotion	0	0	5,428	5,428	0	5,428	6,335	11,763
21. Clerical & General Office	32,593	8,397	7,846	48,836	0	48,836	119,665	168,501
22. Employee Benefits & Payroll	0	0	343,588	343,588	0	343,588	3,559	347,147
23. Inservice Training & Education	0	0	3,501	3,501	0	3,501	1,734	5,235
24. Travel and Seminar	0	0	551	551	0	551	1,673	2,224
25. Other Admin. Staff Trans	0	0	12,460	12,460	0	12,460	7,438	19,898
26. Insurance-Prop.Liab.Malpractice	0	0	87,719	87,719	0	87,719	3,833	91,552
27. Other (specify)*	0	0	0	0	0	0	26,767	26,767
28. Total General Adminis	135,323	8,397	654,619	798,339	0	798,339	47,466	845,805
29. Total General Administrative	2,067,501	484,419	855,021	3,406,941	0	3,406,941	101,720	3,508,661
30. Depreciation	0	0	127,016	127,016	0	127,016	-1,744	125,272
31. Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0
32. Interest	0	0	167,341	167,341	0	167,341	27,540	194,881
33. Real Estate	0	0	59,835	59,835	0	59,835	-1,507	58,328
34. Rent - Facility & Grounds	0	0	0	0	0	0	944	944
35. Rent - Equipment & Vehicles	0	0	5,810	5,810	0	5,810	231	6,041
36. Other (specify):*	0	0	0	0	0	0	0	0
37. Total Ownership	0	0	360,002	360,002	0	360,002	25,464	385,466
38. Medically Necessary T	0	0	0	0	0	0	0	0
39. Ancillary Service Cent	0	23,397	0	23,397	0	23,397	0	23,397
40. Barber and Beauty Shop	0	0	0	0	0	0	0	0
41. Coffee and Gift Shops	0	0	0	0	0	0	0	0
42	0	0	109,500	109,500	0	109,500	0	109,500
43. Other (specify):*	0	0	52,028	52,028	0	52,028	-52,028	0
44. Total Special Cost Ce	0	23,397	161,528	184,925	0	184,925	-52,028	132,897
45. Grand Total	2,067,501	507,816	1,376,551	3,951,868	0	3,951,868	75,156	4,027,024

	After	
	Operating	Consolidation
General Service Cost Center		
1. Cash on hand and in banks	400,330	400,330
2. Cash - Patient Deposits	0	0
3. Accounts & Notes Recievable	1,148,282	1,148,282
4. Supply Inventory	0	0
5. Short-Term Investments	0	0
6. Prepaid Insurance	15,166	15,166
7. Other Prepaid Expenses	7,975	7,975
8. Accounts Receivable-Owner/Related Party	0	0
9. Other (specify):	0	0
10. Total current assets	1,571,753	1,571,753
LONG TERM ASSETS		
11. Long-Term Notes Receivable	0	0
12. Long-Term Investments	0	0
13. Land	200,000	200,000
14. Buildings, at Historical Cost	1,572,279	1,645,643
15. Leasehold Improvements, Historical Cost	0	0
16. Equipment, at Historical Cost	602,073	579,120
17. Accumulated Depreciation (book methods)	-322,465	-300,921
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):	0	0
23. other (specify):	0	0
24. Total Long-Term Assets	2,051,887	2,123,842
25. Total Assets	3,623,640	3,695,595
CURRENT LIABILITIES		
26. Accounts Payable	338,782	338,782
27. Officer's Accounts Payable	0	0
28. Accounts Payable-Patients Deposits	0	0
29. Short-Term Notes Payable	0	0
30. Accrued Salaries Payable	152,950	152,950
31. Accrued Taxes Payable	28,503	28,503
32. Accrued Real Estate Taxes	56,178	56,178
33. Accrued Interest Payable	0	0
34. Deferred Compensation	0	0
35. Federal and State Income Taxes	0	0
36. Other Current Liabilities (specify):	1,380	1,380
37. Other Current Liabilities (specify):	56,178	56,178
38. Total Current Liabilities	633,971	633,971
LONG TERM LIABILITES		
39. Long-Term Notes Payable	14,301	14,301
40. Mortgage Payable	2,367,382	2,367,382
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	2,381,683	2,381,683
46. Total Liabilities	3,015,654	3,015,654
47. Total Equity	607,986	679,941
48. Total Liabilities and Equity	3,623,640	3,695,595

	Balance per Medicaid Trial Balance
1. Gross Revenue - All levels of Care	4,356,987
2. Discounts and Allowances for all Levels	51,383
Subtotal - Inpatient Care	4,408,370
4. Day Care	0
5. Other Care for Outpatients	0
6. Therapy	200,592
7. Oxygen	7,643
Subtotal - Ancillary Revenue	208,235
9. Payments for Education	0
10. Other Governmental Grants	0
11. Nurses Aide Training Reimbursements	0
12. Gift and Coffee Shop	0
13. Barber and Beauty Care	0
14. Non-Patient Meals	2,623
15. Telephone, Television, and Radio	0
16. Rental of Facility Space	0
17. Sale of Drugs	91,007
18. Sale of Supplies to Non-Patients	0
19. Laboratory	67,810
20. Radiology and X-Ray	0
21. Other Medical Services	3,109
22. Laundry	0
Subtotal - Other Operating Revenue	164,549
24. Contributions	0
25. Interest and Other Investments Income	56
Subtotal - Non-Operating Revenue	56
27. Other Revenue (specify):	0
28. Other Revenue (specify):	0
Subtotal - Other Revenue	-
30. Total Revenue	4,781,210
31. General Services	712,484
32. Health Care	1,327,799
33. General Administration	810,531
34. Ownership	426,012
35. Special Cost Centers	56,786
35. Provider Participation Fee	109,800
37. Other	0
40. Total Expenses	3,443,412
41. Income Before Income Taxes	1,337,798
42. Income Taxes	0
43. Net Income or Loss for the Year	1,337,798

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IDPA LTC Profiles  
 LTC Median Per Diem Cost by HSA - 2005 Cost Reports  
 2005 (Run June 1, 2004)

UN-INFLATED

Royal  
Oaks Care  
Center

Royal  
Oaks Care  
Center

2005  
Census

Cost Report Line	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>

State-Wide	HSA											
	1	2	3	4	5	6	7	8	9	10	11	

10th %    90th %

Cost Report Line	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
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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>

47,750

Average Wage Data Table

Total staff hours including contract nurses per diem  
 Nursing hours including contract nurses per diem  
 RN  
 LPN  
 CNA  
 DON  
 ADON

State-Wide	HSA										
	1	2	3	4	5	6	7	8	9	10	11

2003 - Staffing and Occupancy Data

Average Occupancy  
 Medicaid Utilization  
 Medicare Utilization

State-Wide	HSA										
	1	2	3	4	5	6	7	8	9	10	11

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

UN-INFLATED

Royal  
 Oaks  
 Care  
 Center  
 2004  
 Costs

Royal  
 Oaks  
 Care  
 Center  
 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	23.77

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

Royal Oaks  
 Care  
 Center  
 2003 Costs

Royal  
 Oaks  
 Care  
 Center  
 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
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
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	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
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
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
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
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>
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
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
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
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
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>
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
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
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
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
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
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
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>
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>
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
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
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
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>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>

10th %	90th %
4.13	9.81
3.36	6.04
2.48	5.80
0.91	3.14
2.05	4.25
1.92	5.12
17.57	31.51
27.25	64.47
-	10.55
1.06	3.45
0.58	3.00
1.71	7.21
0.07	3.44
2.49	10.78
6.33	19.34
-	0.43
0.88	4.32
16.95	39.14
69.40	142.56
1.01	8.43
-	11.53
-	4.85
3.76	23.58
73.16	166.14

Cost Report Line	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	5.10	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	1.19	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%