

Facility Name & ID Number Manorcare of Elk Grove Village IL, LLC

0049387 Report Period Beginning: 06/01/10 Ending: 05/31/11

III. STATISTICAL DATA

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

	1	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	190	Skilled (SNF)	190	69,350	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	190	TOTALS	190	69,350	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment				
		3 Medicaid Recipient	4 Private Pay	5 Other	6 Total	
8	SNF	23,449	5,821	35,413	64,683	8
9	SNF/PED					9
10	ICF					10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	23,449	5,821	35,413	64,683	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 93.27%

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

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

I. On what date did you start providing long term care at this location?
Date started 07/30/90

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

K. Was the facility certified for Medicare during the reporting year?
YES NO If YES, enter number of beds certified 190 and days of care provided 27,423

Medicare Intermediary Highmark Medicare Services

IV. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH*

Is your fiscal year identical to your tax year? YES NO

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

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

Facility Name & ID Number Manorcare of Elk Grove Village IL, LLC # 0049387 Report Period Beginning: 06/01/10 Ending: 05/31/11

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 BHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
	A. General Services										
1	Dietary	559,158	47,123	10,924	617,205	15,831	633,036		633,036		1
2	Food Purchase		476,482		476,482		476,482	(3,826)	472,656		2
3	Housekeeping	257,742	39,090	3,510	300,342		300,342		300,342		3
4	Laundry	82,930	34,883	2,214	120,027		120,027	(4,655)	115,372		4
5	Heat and Other Utilities			312,376	312,376	4,268	316,644		316,644		5
6	Maintenance	90,400	26,405	232,852	349,657		349,657		349,657		6
7	Other (specify):* Medical Waste			2,509	2,509		2,509		2,509		7
8	TOTAL General Services	990,230	623,983	564,385	2,178,598	20,099	2,198,697	(8,481)	2,190,216		8
	B. Health Care and Programs										
9	Medical Director			30,330	30,330		30,330		30,330		9
10	Nursing and Medical Records	5,828,747	562,530	213,658	6,604,935	18,779	6,623,714		6,623,714		10
10a	Therapy	1,700,767	23,557	731,817	2,456,141		2,456,141		2,456,141		10a
11	Activities	169,353	6,049	6,342	181,744		181,744		181,744		11
12	Social Services	349,721		472	350,193		350,193		350,193		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):*										15
16	TOTAL Health Care and Programs	8,048,588	592,136	982,619	9,623,343	18,779	9,642,122		9,642,122		16
	C. General Administration										
17	Administrative	193,969		822,163	1,016,132	(146,877)	869,255		869,255		17
18	Directors Fees										18
19	Professional Services			44,365	44,365	(3,399)	40,966	(40,966)			19
20	Dues, Fees, Subscriptions & Promotions			98,922	98,922	3,217	102,139	(59,027)	43,112		20
21	Clerical & General Office Expenses	628,859	86,152	323,050	1,038,061	2,165	1,040,226	(133,272)	906,954		21
22	Employee Benefits & Payroll Taxes			1,563,463	1,563,463	72,122	1,635,585		1,635,585		22
23	Inservice Training & Education			15,235	15,235		15,235		15,235		23
24	Travel and Seminar			10,661	10,661		10,661		10,661		24
25	Other Admin. Staff Transportation										25
26	Insurance-Prop.Liab.Malpractice			558,524	558,524		558,524		558,524		26
27	Other (specify):*										27
28	TOTAL General Administration	822,828	86,152	3,436,383	4,345,363	(72,772)	4,272,591	(233,265)	4,039,326		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	9,861,646	1,302,271	4,983,387	16,147,304	(33,894)	16,113,410	(241,746)	15,871,664		29

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

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

Facility Name & ID Number

Manorcare of Elk Grove Village IL, LLC

#0049387

Report Period Beginning:

06/01/10

Ending:

05/31/11

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR BHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	D. Ownership											
30	Depreciation			688,426	688,426	25,005	713,431		713,431			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			395,349	395,349	8,889	404,238	(404,238)				32
33	Real Estate Taxes			786,528	786,528		786,528		786,528			33
34	Rent-Facility & Grounds											34
35	Rent-Equipment & Vehicles			66,907	66,907		66,907		66,907			35
36	Other (specify):*											36
37	TOTAL Ownership			1,937,210	1,937,210	33,894	1,971,104	(404,238)	1,566,866			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		977,207	1,200	978,407		978,407		978,407			39
40	Barber and Beauty Shops			26,036	26,036		26,036		26,036			40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			104,025	104,025		104,025		104,025			42
43	Other (specify):* X-Ray, Lab		322,559	231,722	554,281		554,281		554,281			43
44	TOTAL Special Cost Centers		1,299,766	362,983	1,662,749		1,662,749		1,662,749			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	9,861,646	2,602,037	7,283,580	19,747,263		19,747,263	(645,984)	19,101,279			45

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

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	BHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(3,826)	2		4
5	Telephone, TV & Radio in Resident Rooms	(5)	21		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients	(4,655)	4		8
9	Non-Straightline Depreciation				9
10	Interest and Other Investment Income				10
11	Discounts, Allowances, Rebates & Refunds	(100)	21		11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(212)	21		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment				19
20	Contributions	(7,740)	21		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(40,966)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(102,444)	21		24
25	Fund Raising, Advertising and Promotional	(59,027)	20		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule	(427,009)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (645,984)		\$	30

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)			34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (645,984)		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 Shops		X			40
41	Barber and Beauty Shops		X			41
42	Laboratory and Radiology		X			42
43	Prescription Drugs		X			43
44						44
45	Other-Attach Schedule					45
46	Other-Attach Schedule					46
47	TOTAL (C): (sum of lines 38-46)			\$		47

BHF USE ONLY

48		49		50		51		52	
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Manorcare of Elk Grove Village IL, LLC

ID# 0049387

Report Period Beginning: 06/01/10

Ending: 05/31/11

Sch. V Line

NON-ALLOWABLE EXPENSES

Amount

Reference

1	Wage - Marketing Expense	\$ (16,948)	21	1
2	Employee Benefits - Marketing Expense	(4,282)	21	2
3	HCP Lease Interest Expense	(404,238)	32	3
4	Vending Income	(727)	21	4
5	Misc Income	(814)	21	5
6				6
7				7
8				8
9				9
10				10
11				11
12				12
13				13
14				14
15				15
16				16
17				17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	Total	(427,009)		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Manorcare of Elk Grove Village IL, LLC# 0049387

Report Period Beginning:

06/01/10

Ending:

05/31/11

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

	Operating Expenses	PAGES	PAGE	SUMMARY										
	A. General Services	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS	
													(to Sch V, col.7)	
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	(3,826)	0	0	0	0	0	0	0	0	0	0	(3,826)	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	(4,655)	0	0	0	0	0	0	0	0	0	0	(4,655)	4
5	Heat and Other Utilities	0	0	0	0	0	0	0	0	0	0	0	0	5
6	Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	TOTAL General Services	(8,481)	0	(8,481)	8									
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	0	0	0	0	0	0	0	0	0	0	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	CNA Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	15
16	TOTAL Health Care and Programs	0	0	0	0	0	0	0	0	0	0	0	0	16
	C. General Administration													
17	Administrative	0	0	0	0	0	0	0	0	0	0	0	0	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(40,966)	0	0	0	0	0	0	0	0	0	0	(40,966)	19
20	Fees, Subscriptions & Promotions	(59,027)	0	0	0	0	0	0	0	0	0	0	(59,027)	20
21	Clerical & General Office Expenses	(133,272)	0	0	0	0	0	0	0	0	0	0	(133,272)	21
22	Employee Benefits & Payroll Taxes	0	0	0	0	0	0	0	0	0	0	0	0	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	0	0	0	0	0	0	0	0	0	0	0	0	24
25	Other Admin. Staff Transportation	0	0	0	0	0	0	0	0	0	0	0	0	25
26	Insurance-Prop.Liab.Malpractice	0	0	0	0	0	0	0	0	0	0	0	0	26
27	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	27
28	TOTAL General Administration	(233,265)	0	(233,265)	28									
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(241,746)	0	(241,746)	29									

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Manorcare of Elk Grove Village IL, LLC# 0049387

Report Period Beginning:

06/01/10

Ending:

05/31/11

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

	Capital Expense	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	D. Ownership													
30	Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(404,238)	0	0	0	0	0	0	0	0	0	0	(404,238)	32
33	Real Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0	33
34	Rent-Facility & Grounds	0	0	0	0	0	0	0	0	0	0	0	0	34
35	Rent-Equipment & Vehicles	0	0	0	0	0	0	0	0	0	0	0	0	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	TOTAL Ownership	(404,238)	0	0	0	0	0	0	0	0	0	0	(404,238)	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	0	0	0	0	0	0	0	0	0	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	43
44	TOTAL Special Cost Centers	0	0	0	0	0	0	0	0	0	0	0	0	44
	GRAND TOTAL COST													
45	(sum of lines 29, 37 & 44)	(645,984)	0	0	0	0	0	0	0	0	0	0	(645,984)	45

VII. RELATED PARTIES

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

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

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. 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	See Home Office Allocation	\$ 822,163	HCR Manor Care Services, LLC	100.00%	\$ 822,163	\$	1
2	V	Page 8						2
3	V							3
4	V	1-44 Personnel	9,861,646	Heartland Employment Services, LLC	100.00%	9,861,646		4
5	V	10a Therapy Management	16,255	Heartland Rehabilitation Services, LLC	100.00%	16,255		5
6	V							6
7	V							7
8	V							8
9	V							9
10	V							10
11	V							11
12	V							12
13	V							13
14	Total		\$ 10,700,064			\$ 10,700,064	\$ *	14

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

Facility Name & ID Number Manorcare of Elk Grove Village IL, LLC # 0049387 Report Period Beginning: 06/01/10 Ending: 05/31/11

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	N/A								\$	1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13								TOTAL	\$	13

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

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

Facility Name & ID Number Manorcare of Elk Grove Village IL, LLC

0049387

Report Period Beginning:

06/01/10

Ending: 05/31/11

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

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

1	2	3	4	5	6	7	8	9		
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6		
1	1	Dietary - Direct to All SNFs	Accumulated Cost	2,917,243,659	353 NFs	\$ 2,652,139	\$ 1,448,591	17,413,839	\$ 15,831	1
2	1	Dietary - Direct to Central Divisio	Accumulated Cost	692,663,974	92 NFs	0	0	17,413,839	0	2
3	1	Dietary - Pooled	Accumulated Cost	3,335,641,627	727 NFs, HHs, & Re	0	0	17,413,839	0	3
4	5	Utilities - Direct to All SNFs	Accumulated Cost	2,917,243,659	353 NFs	0	0	17,413,839	0	4
5	5	Utilities - Direct to Central Divisio	Accumulated Cost	692,663,974	92 NFs	0	0	17,413,839	0	5
6	5	Utilities - Pooled	Accumulated Cost	3,335,641,627	727 NFs, HHs, & Re	817,551	0	17,413,839	4,268	6
7	10	Nursing - Direct to All SNFs	Accumulated Cost	2,917,243,659	353 NFs	2,699,818	1,331,445	17,413,839	16,116	7
8	10	Nursing - Direct to Central Divisio	Accumulated Cost	692,663,974	92 NFs	0	0	17,413,839	0	8
9	10	Nursing - Pooled	Accumulated Cost	3,335,641,627	727 NFs, HHs, & Re	510,057	376,446	17,413,839	2,663	9
10	17	General & Admin - Direct to All S	Accumulated Cost	2,917,243,659	353 NFs	24,740,566	19,625,790	17,413,839	147,683	10
11	17	General & Admin - Direct to Cent	Accumulated Cost	692,663,974	92 NFs	1,871,124	5,027,701	17,413,839	47,041	11
12	17	General & Admin - Pooled	Accumulated Cost	3,335,641,627	727 NFs, HHs, & Re	92,052,254	34,999,867	17,413,839	480,562	12
13	22	Employee Benefits - Direct to All S	Accumulated Cost	2,917,243,659	353 NFs	7,290,309	0	17,413,839	43,518	13
14	22	Employee Benefits - Direct to Cent	Accumulated Cost	692,663,974	92 NFs	0	0	17,413,839	0	14
15	22	Employee Benefits - Pooled	Accumulated Cost	3,335,641,627	727 NFs, HHs, & Re	5,479,146	0	17,413,839	28,604	15
16	30	Depreciation - Direct to All SNFs	Accumulated Cost	2,917,243,659	353 NFs	285,954	0	17,413,839	1,707	16
17	30	Depreciation - Direct to Central D	Accumulated Cost	692,663,974	92 NFs	0	0	17,413,839	0	17
18	30	Depreciation - Pooled	Accumulated Cost	3,335,641,627	727 NFs, HHs, & Re	4,462,801	0	17,413,839	23,298	18
19										19
20	32	Directly Assigned Interest				12,736,052			10,872	20
21		Non Central Division Nursing Home Allocation				29,513,406				21
22										22
23										23
24										24
25	TOTALS					\$ 185,111,177	\$ 62,809,840		\$ 822,163	25

Facility Name & ID Number

Manorcare of Elk Grove Village IL, LLC

0049387

Report Period Beginning:

06/01/10

Ending:

05/31/11

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

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

1	2	3	4	5	6	7	8	9	10											
										Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense
											YES	NO				Original	Balance			
A. Directly Facility Related																				
Long-Term																				
1	Conv. Sub Debentures		X	Facility				\$ 241,832	\$ 241,832		0.0452	\$ 10,872	1							
2													2							
3													3							
4													4							
5													5							
Working Capital																				
6													6							
7													7							
8	Interest Income Other											(10,872)	8							
9	TOTAL Facility Related							\$ 241,832	\$ 241,832			\$	9							
B. Non-Facility Related*																				
10													10							
11													11							
12													12							
13													13							
14	TOTAL Non-Facility Related							\$	\$			\$	14							
15	TOTALS (line 9+line14)							\$ 241,832	\$ 241,832			\$	15							

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

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

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

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

B. Real Estate Taxes

Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.

1. Real Estate Tax accrual used on 2010 report.	\$	265,027	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.)	\$	248,143	2
3. Under or (over) accrual (line 2 minus line 1).	\$	(16,884)	3
4. Real Estate Tax accrual used for 2011 report. (Detail and explain your calculation of this accrual on the lines below.)	\$	766,116	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)	\$	37,296	5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND \$ _____ For _____ Tax Year. (Attach a copy of the real estate tax appeal board's decision.)	\$		6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.	\$	786,528	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:	2006	403,287	8
	2007	388,185	9
	2008	398,728	10
	2009	301,576	11
	2010	657,870	12

Line 2: \$248,143 = \$82,276 for 2nd half of 2009 paid in Nov 10 + \$165,867 for 1st half of 2010 paid in Feb 11

Line 4: \$766,116 = \$492,003 for 2nd half of 2010 to be paid in 2011 + \$274,113 Estimate for Jan-May 2010

Line 5: \$37,196 = \$2,800 appraisal 2010 appeal + \$34,496 appeal filed by Rock, Fusco & Assoc for FYE 2009 RE Tax

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

NOTES:

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

Facility Name & ID Number Manorcare of Elk Grove Village IL, LLC

0049387

Report Period Beginning:

06/01/10

Ending:

05/31/11

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 48,128 B. General Construction Type: Exterior Masonry Frame Steel, Fire Resistant Number of Stories 1

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 grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA training facilities, etc.)
 List entity name, type of business, square footage, and number of beds/units available (where applicable).

None

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

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

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

XI. OWNERSHIP COSTS:

	1	2	3	4	
A. Land.	Use	Square Feet	Year Acquired	Cost	
1	<u>Facility</u>		<u>1990</u>	<u>\$ 853,628</u>	<u>1</u>
2					<u>2</u>
3	TOTALS			\$ 853,628	3

Facility Name & ID Number Manorcare of Elk Grove Village IL, LLC# 0049387

Report Period Beginning:

06/01/10

Ending:

05/31/11**XI. OWNERSHIP COSTS (continued)****B. Building and Improvement Costs-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.**

	1	2	3	4	5	6	7	8	9		
	Beds*	FOR BHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4	120			1990	\$ 5,025,494	\$ 204,208		\$ 204,208	\$	\$ 3,459,839	4
5	60			1996	1,726,800						5
6	10			2000	1,063,936						6
7	5/31/03 Audit Adjustment			2000	(277,211)						7
8				2009	631,865						8
	Improvement Type**										
9	Current Year Depreciation					236,584		236,584		1,935,310	9
10				1990	12,954						10
11				1991	41,034						11
12				1992	89,111						12
13				1993	29,775						13
14				1994	18,939						14
15				1995	182,383						15
16				1996	485,188						16
17				1997	111,890						17
18				1998	127,587						18
19				1999	60,314						19
20				2000	68,449						20
21				2001	5,850						21
22				2002	53,586						22
23		HOLLOW METAL DOOR		2003	975						23
24		ARCH & ENGINEERING COSTS		2003	975						24
25		BORDER		2003	162						25
26		VWC		2003	1,710						26
27		VWC		2003	219						27
28		ARCHITECTURAL ENGINEERING		2003	258						28
29		VWC		2003	427						29
30		NEW BATHROOM FLOORING & TILE		2003	22,640						30
31		ARCHITECT & ENGINEERING		2003	258						31
32		FLOORING		2003	4,599						32
33		VWC, BORDER, AND PAINTING		2003	3,317						33
34		ADDITIONAL COST FOR FLOORING		2003	2,820						34
35		ARCHITECT AND ENGINEERING COSTS		2003	2,064						35
36		WINDOW TREATMENT		2003	3,629						36

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

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

See Page 12A, Line 70 for total

Facility Name & ID Number Manorcare of Elk Grove Village IL, LLC

0049387

Report Period Beginning:

06/01/10

Ending:

05/31/11

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

1	3	4	5	6	7	8	9	
Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37	BORDER	2003	\$ 54	\$		\$	\$	37
38	ARCHITECT AND ENGINEERING COSTS	2003	455					38
39	ELECTRICAL WORK	2003	5,182					39
40	VCT FLOORING	2003	7,005					40
41	BASE AND FLOOR TILE	2003	4,118					41
42	CARPET	2004	609					42
43	INSTALL CARPET	2004	550					43
44	PAVING	2003	67,500					44
45	CONCRETE WALK	2003	3,822					45
46	PAVING	2004	7,500					46
47	Renov. - General Construction Overhead & Interest	2004	19,622					47
48	Renov. - Carpeting	2004	595					48
49	Renov. - Painting	2004	14,000					49
50	Renov. - Wallcovering & Corner Guards	2004	37,811					50
51	Renov. - Carpentry	2004	8,201					51
52	Renov. - Plumbing	2004	2,880					52
53	Renov. - Electrical	2004	2,931					53
54	Carpet	2004	1,324					54
55	Ceramic Cove Base	2004	3,360					55
56	Renov. - Wood Doors & Hardware for Lobby	2004	8,597					56
57	Renov. - Electrical	2004	2,484					57
58	Electric Door Strike at Service Door	2004	1,509					58
59	CARPETING & DELIVERY OF CARPETTING	2005	2,435					59
60	REBUILD SHOWER STALLS (5)	2006	14,000					60
61	VWC, BASE, & CEILING TILES IN BREAK ROOM	2006	2,470					61
62								62
63	Ceramic Tile - Wall/Floor	2006	3,300					63
64	Wallcovering	2006	3,605					64
65	Plumbing Work on Sprinkler System	2006	4,727					65
66	Architecture/Engineering for Parking Lot	2007	9,285					66
67	Drywall Work	2007	8,378					67
68								68
69								69
70	TOTAL (lines 4 thru 69)		\$ 9,750,306	\$ 440,792		\$ 440,792	\$ 5,395,149	70

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

Facility Name & ID Number Manorcare of Elk Grove Village IL, LLC# 0049387

Report Period Beginning:

06/01/10

Ending:

05/31/11**XI. OWNERSHIP COSTS (continued)****B. Building and Improvement Costs-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.**

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		\$ 9,750,306	\$ 440,792		\$ 440,792	\$	\$ 5,395,149	1
2	<u>DOOR HOLDER & CLOSER</u>	2007	1,556						2
3	<u>DOOR HOLDER & CLOSER</u>	2007	1,869						3
4	<u>Renov. - Carpeting & Pad</u>	2007	1,742						4
5	<u>Renov. - Wallcovering</u>	2007	84,542						5
6	<u>Renov. - Carpentry - Subtractor</u>	2007	38,200						6
7	<u>Renov. - Basic Electrical</u>	2007	7,626						7
8	<u>Renov. - HM Doors & Frames</u>	2007	10,505						8
9	<u>Renov. - Generator, Permit</u>	2007	3,096						9
10	<u>Renov. - Basic Electrical</u>	2007	9,357						10
11	<u>Renov. - Generator, Engineering</u>	2007	13,539						11
12	<u>Renov. - Parking Lot Expansion & Landscaping</u>	2007	83,045						12
13	<u>BLACKTOP PATCHING</u>	2007	12,078						13
14									14
15	<u>Roofing</u>	2008	7,221						15
16	<u>Roofing - additional</u>	2008	802						16
17	<u>Generator - Installation & Materials</u>	2008	36,317						17
18	<u>Generator - Equipment</u>	2008	10,814						18
19	<u>Generator - Installation & Materials</u>	2008	62,613						19
20	<u>Renov. - CORRIDOR DOORS (35)</u>	2008	50,575						20
21	<u>CO2 Detectors & Control Panel</u>	2008	11,781						21
22	<u>Generator - Equipment</u>	2008	63,883						22
23	<u>Storm Drain Enhancements</u>	2008	4,100						23
24	<u>Sealcoating & Restriping</u>	2008	13,362						24
25	<u>Renov. - Internet Café Construction (Contracted Total)</u>	2009	88,371						25
26	<u>Double Egress Kitchen Doors</u>	2009	6,076						26
27	<u>Renov. - Carpentry</u>	2009	76,000						27
28	<u>Renov. - Millwork (Hand Rails)</u>	2009	14,910						28
29	<u>Renov. - Electrical (Light Fixtures)</u>	2009	5,990						29
30	<u>Renov. - Carpet</u>	2009	6,195						30
31	<u>Renov. - Wallcovering, Corner Guards</u>	2009	8,076						31
32	<u>Generator - Installation & Materials</u>	2009	11,108						32
33	<u>Renov. - Carpentry</u>	2009	45,000						33
34	TOTAL (lines 1 thru 33)		\$ 10,540,655	\$ 440,792		\$ 440,792	\$	\$ 5,395,149	34

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

Facility Name & ID Number Manorcare of Elk Grove Village IL, LLC

0049387

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12B, Carried Forward		\$ 10,540,655	\$ 440,792		\$ 440,792	\$	\$ 5,395,149	1
2	Renov. - Millwork (Hand Rails)	2009	16,827						2
3	Renov. - Carpet	2009	9,331						3
4	Renov. - Wallcovering	2009	9,237						4
5									5
6	THERAPY ADD - SOIL TESTING	2009	600						6
7	THERAPY ADD - CONCRETE TESTING	2009	2,155						7
8	THERAPY ADD - SITE PREPARATION	2009	240,173						8
9	THERAPY ADD - LANDSCAPING	2009	14,240						9
10	LIGHTPOLE W/ CONCRETE BASE	2009	5,483						10
11	THERAPY ADD - ARCH & ENGINEER COST	2009	56,780						11
12	THERAPY ADD - ARCHITECT REIMB EXTER	2009	7,886						12
13	THERAPY ADD - ENGINEERING - CIVIL	2009	4,740						13
14	THERAPY ADD - INTERIOR DESIGN CONSULTANT	2009	102,773						14
15	THERAPY ADD - LANDSCAPE DESIGN CONSULTANT	2009	8,487						15
16	THERAPY ADD - PLAN REVIEWS	2009	8,853						16
17	THERAPY ADD - SALES USE TAX	2009	22						17
18	THERAPY ADD - WALL COVERING	2009	14,602						18
19	THERAPY ADD - CORNER GUARDS	2009	1,548						19
20	THERAPY ADD - TV IN PT WAITING ROOM	2010	1,745						20
21	THERAPY ADD - CRASH RAIL	2010	3,941						21
22	PAINTING FOR NOURISHMENT	2009	3,800						22
23	10 DOORS	2009	27,900						23
24	CARPETING	2009	1,040						24
25	HM DOOR	2009	4,867						25
26	HM DOOR	2010	4,830						26
27	C-WING SPRINKLERS	2010	25,181						27
28	3808 C WING REHAB RENO - CARPENTRY	2009	43,296						28
29	3808 C WING REHAB RENO - HM DOORS & FRAMES	2009	3,324						29
30	3808 C WING REHAB RENO - ELECTRICAL	2009	6,930						30
31	3808 C WING REHAB RENO - CORNER GUARDS	2009	268						31
32	2107 GENERATOR REPLACE - LABOR & MATERIALS	2009	25,804						32
33	1409 SPRINKLER HEADS - SPRINKLERS	2009	32,500						33
34	TOTAL (lines 1 thru 33)		\$ 11,229,818	\$ 440,792		\$ 440,792	\$	\$ 5,395,149	34

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

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Ending:

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XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12C, Carried Forward		\$ 11,229,818	\$ 440,792		\$ 440,792	\$	\$ 5,395,149	1
2	1809 INTERIOR RENO - FLOORING	2010	1,906						2
3	1809 INTERIOR RENO - CARPETING	2010	9,289						3
4	1809 INTERIOR RENO - WALL COVERING	2010	45,056						4
5	1809 INTERIOR RENO - ELECTRICAL	2010	1,984						5
6									6
7	1809 INTERIOR RENOVATION - Wall Covering	2010	44,154						7
8	HM Doors	2010	10,350						8
9	0910 HERITAGE RENOVATION - Lobby Finishes	2010	76,149						9
10	0910 HERITAGE RENOVATION - Carpeting & Pads	2010	8,725						10
11	0910 HERITAGE RENOVATION - Wall Covering	2010	8,753						11
12	0910 HERITAGE RENOVATION - Corner Guards	2010	2,827						12
13	0910 HERITAGE RENOVATION - Millwork	2010	15,549						13
14	0910 HERITAGE RENOVATION - Basic Electrical	2010	8,612						14
15	SMOKE DETECTOR SYSTEM	2011	10,890						15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 11,474,062	\$ 440,792		\$ 440,792	\$	\$ 5,395,149	34

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

XI. OWNERSHIP COSTS (continued)

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

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 3,255,908	\$ 247,634	\$ 247,634	\$		\$ 2,573,356	71
72	Current Year Purchases	224,037						72
73	Fully Depreciated Assets							73
74	Home Office			25,005	25,005			74
75	TOTALS	\$ 3,479,945	\$ 247,634	\$ 272,639	\$ 25,005		\$ 2,573,356	75

D. Vehicle Costs. (See instructions.)*

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

E. Summary of Care-Related Assets

	1 Reference	2 Amount	
81	Total Historical Cost (line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 15,807,635	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 688,426	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 713,431	83
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 25,005	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 7,968,505	85

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

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

G. Construction-in-Progress

	Description	Cost	
92	Various	\$ 285,979	92
93			93
94			94
95		\$ 285,979	95

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

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

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: _____

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4? _____

If NO, see instructions. YES NO

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

8. List separately any amortization of lease expense included on page 4, line 34. _____

This amount was calculated by dividing the total amount to be amortized _____
by the length of the lease _____.

9. Option to Buy: YES NO Terms: _____ *

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: \$ 66,907 Description: O2 Concentrators, Wheelchairs, Gerichairs, Elct. Beds, Etc.

(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			\$ _____	\$ _____	17
18					18
19					19
20					20
21	TOTAL		\$ _____	\$ _____	21

10. Effective dates of current rental agreement:

Beginning _____

Ending _____

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

Fiscal Year Ending Annual Rent

12. _____ /2012 \$ _____

13. _____ /2013 \$ _____

14. _____ /2014 \$ _____

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

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

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

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

<p>1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p>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. <u>CLASSROOM PORTION:</u></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. <u>CLINICAL PORTION:</u></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		3	4
		1	2		
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	CNA Competency Tests				
9	TOTALS	\$	\$	\$	\$
10	SUM OF line 9, col. 1 and 2 (e)	\$			

C. CONTRACTUAL INCOME

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

\$

D. NUMBER OF CNAs TRAINED

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

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
- (b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
- (c) For in-house training programs only. Do not include fringe benefits.
- (d) Allocate based on if the CNA is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own CNAs.

- (e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.
- (f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.

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

1	Service	Schedule V Line & Column Reference	2		3	4		5	6	7	8	
			Staff		Cost	Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)		
			Units of Service			Units	Cost					
1	Licensed Occupational Therapist	10a	8472	hrs	\$ 335,229	9,632	\$ 525,904	\$ 3,344	18,104	\$ 864,477	1	
2	Licensed Speech and Language Development Therapist	10a	4011	hrs	141,253			55	4,011	141,308	2	
3	Licensed Recreational Therapist			hrs							3	
4	Licensed Physical Therapist	10a	14954	hrs	644,968	1,699	92,782	20,158	16,653	757,908	4	
5	Physician Care			visits							5	
6	Dental Care			visits							6	
7	Work Related Program			hrs							7	
8	Habilitation			hrs							8	
9	Pharmacy	39,2		# of prescripts				977,207		977,207	9	
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)			hrs							10	
11	Academic Education			hrs							11	
12	Other (specify): <u>IV Therapy</u>	43,2						322,559		322,559	12	
13	Other (specify): <u>X-Ray & Lab</u>	43,3					231,722			231,722	13	
14	TOTAL				\$ 1,121,450	11,331	\$ 850,408	\$ 1,323,323	38,768	\$ 3,295,181	14	

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

Facility Name & ID Number **Manorcare of Elk Grove Village IL, LLC**

0049387

Report Period Beginning: **06/01/10**

Ending:

05/31/11

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of **05/31/11**

(last day of reporting year)

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

		1 Operating	2 After Consolidation*	
A. Current Assets				
1	Cash on Hand and in Banks	\$ (3,779)	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 652,918)	2,134,237		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance			6
7	Other Prepaid Expenses	5,812		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 2,136,270	\$	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	853,628		13
14	Buildings, at Historical Cost	11,474,062		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	3,479,945		16
17	Accumulated Depreciation (book methods)	(7,968,505)		17
18	Deferred Charges	24,362,051		18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): CIP	285,979		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 32,487,160	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 34,623,430	\$	25

		1 Operating	2 After Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 408,286	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	837,077		30
31	Accrued Taxes Payable (excluding real estate taxes)	187,847		31
32	Accrued Real Estate Taxes(Sch.IX-B)	766,115		32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
Other Current Liabilities(specify):				
36	Accrued Payable	193,093		36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 2,392,418	\$	38
D. Long-Term Liabilities				
39	Long-Term Notes Payable	45,913,571		39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation	213,408		42
Other Long-Term Liabilities(specify):				
43				43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 46,126,979	\$	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 48,519,397	\$	46
47	TOTAL EQUITY(page 18, line 24)	\$ (13,895,967)	\$	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 34,623,430	\$	48

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 8,432,875	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 8,432,875	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	3,731,785	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	()	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ 3,731,785	17
	B. Transfers (Itemize):		
18	Change in Interdivision	(26,060,627)	18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$ (26,060,627)	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ (13,895,967)	24 *

* This must agree with page 17, line 47.

Facility Name & ID Number Manorcare of Elk Grove Village IL, LLC

0049387

Report Period Beginning: 06/01/10

Ending: 05/31/11

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

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

		1	
Revenue		Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 23,673,768	1
2	Discounts and Allowances for all Levels	(7,342,523)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 16,331,245	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	5,791,206	6
7	Oxygen	17	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 5,791,223	8
C. Other Operating Revenue			
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop	727	12
13	Barber and Beauty Care	33,174	13
14	Non-Patient Meals	3,826	14
15	Telephone, Television and Radio	(5)	15
16	Rental of Facility Space		16
17	Sale of Drugs	1,021,178	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	139,702	19
20	Radiology and X-Ray	21,113	20
21	Other Medical Services	131,296	21
22	Laundry	4,655	22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 1,355,666	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***		25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	Misc Income	914	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 914	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 23,479,048	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	2,178,598	31
32	Health Care	9,623,343	32
33	General Administration	4,345,363	33
B. Capital Expense			
34	Ownership	1,937,210	34
C. Ancillary Expense			
35	Special Cost Centers	1,558,724	35
36	Provider Participation Fee	104,025	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 19,747,263	40
41	Income before Income Taxes (line 30 minus line 40)**	3,731,785	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 3,731,785	43

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

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

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

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

Facility Name & ID Number **Manorcare of Elk Grove Village IL, LLC**

0049387

Report Period Beginning:

06/01/10

Ending:

05/31/11

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	2,055	2,214	\$ 100,123	\$ 45.22	1
2	Assistant Director of Nursing	7,063	7,609	280,423	36.85	2
3	Registered Nurses	72,653	78,273	2,755,277	35.20	3
4	Licensed Practical Nurses	21,295	22,942	594,596	25.92	4
5	CNAs & Orderlies	148,170	159,955	2,035,111	12.72	5
6	CNA Trainees	38	41	434	10.59	6
7	Licensed Therapist	27,957	30,199	1,238,252	41.00	7
8	Rehab/Therapy Aides	19,437	20,996	462,515	22.03	8
9	Activity Director	10,914	11,769	169,353	14.39	9
10	Activity Assistants					10
11	Social Service Workers	13,809	14,888	349,721	23.49	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	37,543	40,482	559,158	13.81	15
16	Dishwashers					16
17	Maintenance Workers	3,592	3,873	90,400	23.34	17
18	Housekeepers	19,694	21,238	257,742	12.14	18
19	Laundry	7,424	8,004	82,930	10.36	19
20	Administrator	2,080	2,080	135,242	65.02	20
21	Assistant Administrator	1,359	1,359	58,727	43.21	21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	28,757	31,232	607,629	19.46	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	3,827	4,127	62,783	15.21	31
32	Other Health Care(specify)					32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	427,667	461,281	\$ 9,840,416 *	\$ 21.33	34

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

** See instructions.

B. CONSULTANT SERVICES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant		\$		35
36	Medical Director	Monthly	30,330	9, 3	36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant				39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant				44
45	Social Service Consultant				45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)		\$ 30,330		49

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	TOTAL (lines 50 - 52)		\$		53

XIX. SUPPORT SCHEDULES

A. Administrative Salaries				D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions	
Name	Function	Ownership %	Amount	Description	Amount	Description	Amount	
Brian Gross	Administrator	0	\$ 135,242	Workers' Compensation Insurance	\$ 122,749	IDPH License Fee	\$ 2,028	
Jennifer Miller	Asst. Administrator	0	58,727	Unemployment Compensation Insurance	105,139	Advertising: Employee Recruitment	15,830	
				FICA Taxes	699,125	Health Care Worker Background Check	6,274	
				Employee Health Insurance	508,434	(Indicate # of checks performed <u>282</u>)		
				Employee Meals		<u>Patient Background Checks</u>	<u>450</u> 4,500	
				Illinois Municipal Retirement Fund (IMRF)*		<u>Dues & Subscriptions</u>	4,657	
				<u>401K</u>	100,694	<u>Association Dues</u>	19,239	
				<u>Long Term Incentive</u>	10,000	<u>Advertising</u>	46,394	
				<u>Tuition Program</u>	6,077	<u>Reclass Joint Commission on Accreditation</u>	3,142	
				<u>SMSP Company Match</u>	9,224	<u>Reclass Biometric consultant</u>	75	
				<u>Employee Uniforms</u>	4,964	Less: <u>Public Relations Expense</u>	(12,633)	
				<u>Home Office Allocation</u>	72,122	<u>Non-allowable advertising</u>	(46,394)	
				<u>Appreciation, Other Benefits & Marketing Adjust</u>	(2,943)	<u>Yellow page advertising</u>	()	
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)				TOTAL (agree to Schedule V, line 22, col.8)			TOTAL (agree to Sch. V, line 20, col. 8)	
\$ 193,969				\$ 1,635,585			\$ 43,112	
B. Administrative - Other				E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**	
Description			Amount	Description	Line #	Amount	Description	Amount
<u>Various Home Office Services</u>			\$ 822,163			\$	Out-of-State Travel	\$
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)				TOTAL			TOTAL	
\$ 822,163				\$			(agree to Sch. V, line 24, col. 8) \$ 10,661	
C. Professional Services								
Vendor/Payee	Type		Amount					
<u>Foote, Meyers, & Flowers, LLC</u>	<u>Legal Fees</u>		\$ 31,127					
<u>Littler Mendelson P.C.</u>	<u>Legal Fees</u>		4,491					
<u>United Collection Bureau Inc.</u>	<u>Collection Services</u>		5,348					
(all above are adjusted off via Page 5 Line 22, therefore no invoices attached)								
<u>Joint Commission on Accreditation</u>	<u>Consultant Fees</u>		3,142					
<u>The Weissman Group</u>	<u>Consultant Fees</u>		182					
<u>Biometric Impressions</u>	<u>Consultant Fees</u>		75					
(all above were reclassified to Lines 20 and 21, therefore no invoices attached)								
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$5,000, attach copy of invoices.)				TOTAL			TOTAL	
\$ 44,365				\$			\$ 10,661	

* Attach copy of IMRF notifications

**See instructions.

Facility Name & ID Number Manorcare of Elk Grove Village IL, LLC# 0049387Report Period Beginning: 06/01/10Ending: 05/31/11**XX. GENERAL INFORMATION:**

- (1) Are nursing employees (RN,LPN,NA) represented by a union? No
- (2) Are there any dues to nursing home associations included on the cost report? Yes
If YES, give association name and amount. IHCA \$6,606
- (3) Did the nursing home make political contributions or payments to a political action organization? Yes If YES, have these costs been properly adjusted out of the cost report? Yes \$12,633
- (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? _____
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 5-10 Years
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 133,246 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? Yes
If YES, give effective date of lease. 04/07/11
- (9) Are you presently operating under a sublease agreement? _____ YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES _____ NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.

- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 104,025
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? No If YES, attach an explanation of the allocation.
- (13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ N/A Has any meal income been offset against related costs? Yes Indicate the amount. \$ 727
- (16) Travel and Transportation
a. Are there costs included for out-of-state travel? No
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such a program during this reporting period. \$ _____
c. What percent of all travel expense relates to transportation of nurses and patients? N/A
d. Have vehicle usage logs been maintained? N/A
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? N/A
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? N/A
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. \$ _____
- (17) Has an audit been performed by an independent certified public accounting firm? No
Firm Name: _____
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$5,000, have legal invoices and a summary of services performed been attached to this cost report? No
Attach invoices and a summary of services for all architect and appraisal fees.