

		FOR BHF USE					

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

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

<p>I. IDPH License ID Number: <u>0050633</u></p> <p>Facility Name: <u>Willow Rose Rehab & HC Ctr</u></p> <p>Address: <u>410 Fletcher</u> <u>Jerseyville</u> <u>62052</u> <small>Number City Zip Code</small></p> <p>County: <u>Jersey</u></p> <p>Telephone Number: <u>(618) 498-6427</u> Fax # <u>(618) 639-3339</u></p> <p>HFS ID Number: _____</p> <p>Date of Initial License for Current Owners: <u>12/7/2006</u></p> <p>Type of Ownership:</p> <table style="width:100%; border: none;"> <tr> <td style="width:33%; border: none;"> <input type="checkbox"/> VOLUNTARY, NON-PROFIT <input type="checkbox"/> Charitable Corp. <input type="checkbox"/> Trust IRS Exemption Code _____ </td> <td style="width:33%; border: none;"> <input checked="" type="checkbox"/> PROPRIETARY <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> "Sub-S" Corp. <input checked="" type="checkbox"/> Limited Liability Co. <input type="checkbox"/> Trust <input type="checkbox"/> Other _____ </td> <td style="width:33%; border: none;"> <input type="checkbox"/> GOVERNMENTAL <input type="checkbox"/> State <input type="checkbox"/> County <input type="checkbox"/> Other _____ </td> </tr> </table> <p>In the event there are further questions about this report, please contact: Name: <u>Larry Templin</u> Telephone Number: <u>(309) 689-5869</u> Email Address: _____</p>	<input type="checkbox"/> VOLUNTARY, NON-PROFIT <input type="checkbox"/> Charitable Corp. <input type="checkbox"/> Trust IRS Exemption Code _____	<input checked="" type="checkbox"/> PROPRIETARY <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> "Sub-S" Corp. <input checked="" type="checkbox"/> Limited Liability Co. <input type="checkbox"/> Trust <input type="checkbox"/> Other _____	<input type="checkbox"/> GOVERNMENTAL <input type="checkbox"/> State <input type="checkbox"/> County <input type="checkbox"/> Other _____	<p>II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER</p> <p>I have examined the contents of the accompanying report to the State of Illinois, for the period from <u>1/1/2011</u> to <u>12/31/2011</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:15%; padding: 5px;">Officer or Administrator of Provider</td> <td style="padding: 5px;"> (Signed) _____ (Type or Print Name) <u>Mark B. Petersen</u> (Title) <u>Chief Executive Officer</u> </td> </tr> <tr> <td style="padding: 5px;">Paid Preparer</td> <td style="padding: 5px;"> (Signed) _____ (Print Name and Title) _____ (Firm Name & Address) _____ (Telephone) () _____ Fax # () _____ </td> </tr> </table> <p align="right"> MAIL TO: BUREAU OF HEALTH FINANCE ILLINOIS DEPT OF HEALTHCARE AND FAMILY SERVICES 201 S. Grand Avenue East Springfield, IL 62763-0001 Phone # (217) 782-1630 </p>	Officer or Administrator of Provider	(Signed) _____ (Type or Print Name) <u>Mark B. Petersen</u> (Title) <u>Chief Executive Officer</u>	Paid Preparer	(Signed) _____ (Print Name and Title) _____ (Firm Name & Address) _____ (Telephone) () _____ Fax # () _____
<input type="checkbox"/> VOLUNTARY, NON-PROFIT <input type="checkbox"/> Charitable Corp. <input type="checkbox"/> Trust IRS Exemption Code _____	<input checked="" type="checkbox"/> PROPRIETARY <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> "Sub-S" Corp. <input checked="" type="checkbox"/> Limited Liability Co. <input type="checkbox"/> Trust <input type="checkbox"/> Other _____	<input type="checkbox"/> GOVERNMENTAL <input type="checkbox"/> State <input type="checkbox"/> County <input type="checkbox"/> Other _____						
Officer or Administrator of Provider	(Signed) _____ (Type or Print Name) <u>Mark B. Petersen</u> (Title) <u>Chief Executive Officer</u>							
Paid Preparer	(Signed) _____ (Print Name and Title) _____ (Firm Name & Address) _____ (Telephone) () _____ Fax # () _____							

Facility Name & ID Number Willow Rose Rehab & HC Ctr

0050633 Report Period Beginning: 1/1/2011 Ending: 12/31/2011

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days, (must agree with license). Date of change in licensed beds 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	98	Skilled (SNF)	98	35,770	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	98	TOTALS	98	35,770	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment				5
		3 Medicaid Recipient	4 Private Pay	Other	Total	
8	SNF	16,202	4,945	1,236	22,383	8
9	SNF/PED					9
10	ICF					10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	16,202	4,945	1,236	22,383	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 62.57%

D. How many bed-hold days during this year were paid by the Department? None (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients. (E.g., day care, "meals on wheels", outpatient therapy)
None

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

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?
YES NO Non-allowable costs have been eliminated in Schedule V, Column 7

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

I. On what date did you start providing long term care at this location?
Date started 12/07/2006

J. Was the facility purchased or leased after January 1, 1978?
YES Date 12/07/2006 NO

K. Was the facility certified for Medicare during the reporting year?
YES NO If YES, enter number of beds certified 98 and days of care provided 1,084

Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH*

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

Tax Year: 12/31/11 Fiscal Year: 12/31/11

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

Facility Name & ID Number Willow Rose Rehab & HC Ctr # 0050633 Report Period Beginning: 1/1/2011 Ending: 12/31/2011

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

	Operating Expenses	Costs Per General Ledger				Reclass-ification 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	107,724	11,082		118,806		118,806	4,516	123,322		1
2	Food Purchase		125,602		125,602		125,602	(4,112)	121,490		2
3	Housekeeping	76,041	18,568		94,609		94,609	29	94,638		3
4	Laundry	59,308	12,139		71,447		71,447		71,447		4
5	Heat and Other Utilities			115,455	115,455		115,455	295	115,750		5
6	Maintenance	28,172	9,233	19,042	56,447		56,447	1,841	58,288		6
7	Other (specify):* Home Off. Ben. All.							1,030	1,030		7
8	TOTAL General Services	271,245	176,624	134,497	582,366		582,366	3,599	585,965		8
	B. Health Care and Programs										
9	Medical Director			11,400	11,400		11,400		11,400		9
10	Nursing and Medical Records	833,696	65,347	4,114	903,157		903,157	45	903,202		10
10a	Therapy			182,970	182,970		182,970		182,970		10a
11	Activities	26,250	1,115		27,365		27,365	(9,228)	18,137		11
12	Social Services	19,558	9		19,567		19,567		19,567		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):* Home Off. Ben. All.										15
16	TOTAL Health Care and Programs	879,504	66,471	198,484	1,144,459		1,144,459	(9,183)	1,135,276		16
	C. General Administration										
17	Administrative			303,400	303,400		303,400	(228,900)	74,500		17
18	Directors Fees										18
19	Professional Services			7,304	7,304		7,304	6,277	13,581		19
20	Dues, Fees, Subscriptions & Promotions			4,440	4,440		4,440	163	4,603		20
21	Clerical & General Office Expenses	24,412	3,437	9,327	37,176		37,176	41,494	78,670		21
22	Employee Benefits & Payroll Taxes			270,172	270,172		270,172		270,172		22
23	Inservice Training & Education			95	95		95	151	246		23
24	Travel and Seminar							44	44		24
25	Other Admin. Staff Transportation			3,274	3,274		3,274	4,170	7,444		25
26	Insurance-Prop.Liab.Malpractice			33,146	33,146		33,146	1,047	34,193		26
27	Other (specify):* Home Off. Ben. All.							17,110	17,110		27
28	TOTAL General Administration	24,412	3,437	631,158	659,007		659,007	(158,444)	500,563		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	1,175,161	246,532	964,139	2,385,832		2,385,832	(164,028)	2,221,804		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

Willow Rose Rehab & HC Ctr

#0050633

Report Period Beginning:

1/1/2011

Ending:

12/31/2011

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost 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	
	D. Ownership											
30	Depreciation			175,554	175,554		175,554	(30,891)	144,663			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			234,533	234,533		234,533	27,874	262,407			32
33	Real Estate Taxes			42,551	42,551		42,551	372	42,923			33
34	Rent-Facility & Grounds											34
35	Rent-Equipment & Vehicles			13,897	13,897		13,897	660	14,557			35
36	Other (specify):*											36
37	TOTAL Ownership			466,535	466,535		466,535	(1,985)	464,550			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		55,538		55,538		55,538		55,538			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			53,655	53,655		53,655		53,655			42
43	Other (specify):* Non-allowable Costs		800	34,084	34,884		34,884	(34,884)				43
44	TOTAL Special Cost Centers		56,338	87,739	144,077		144,077	(34,884)	109,193			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	1,175,161	302,870	1,518,413	2,996,444		2,996,444	(200,897)	2,795,547			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	(4,133)	2		4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	(36,939)	30		9
10	Interest and Other Investment Income	(3,054)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(276)	43		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	(1,743)	43		18
19	Entertainment				19
20	Contributions				20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(17,325)	43		24
25	Fund Raising, Advertising and Promotional	(4,803)	43		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 See Page 5A	(21,069)	Various		29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (89,342)		\$	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)	(111,555)	Various	34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (111,555)		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (200,897)		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		X		45
46	Other-Attach Schedule		X		46
47	TOTAL (C): (sum of lines 38-46)			\$	47

BHF USE ONLY							
48		49		50		51	52

Willow Rose Rehab & HC Ctr

ID# 0050633

Report Period Beginning: 1/1/2011

Ending: 12/31/2011

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Labs-Part A	\$ (8,299)	43	1
2	X-Rays-Part A	(801)	43	2
3	Offset Transportation Revenue	(9,228)	11	3
4	Resident Flowers	(103)	43	4
5	Offset Miscellaneous Office Supplies Revenue	(662)	21	5
6	Offset Jersey County Business Assoc dues	(200)	20	6
7	Disallowed Special Events	(275)	43	7
8	Pet Expense	(1,259)	43	8
9	Disallow Medicare Interest Withholding	(242)	32	9
10				10
11				11
12				12
13				13
14				14
15				15
16				16
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38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	Total	(21,069)		49

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
Mark B. Petersen	100	See PG6 - Supp		See PG6 - Supp		

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)	
1	V	1 Dietary	\$	Petersen Health Care, Inc.	100.00%	\$ 4,516	\$ 4,516	1
2	V	2 Food		Petersen Health Care, Inc.	100.00%	21	21	2
3	V	3 Housekeeping		Petersen Health Care, Inc.	100.00%	29	29	3
4	V	4 Laundry		Petersen Health Care, Inc.	100.00%	0		4
5	V	5 Utilities		Petersen Health Care, Inc.	100.00%	295	295	5
6	V	6 Maintenance		Petersen Health Care, Inc.	100.00%	1,841	1,841	6
7	V	7 Mgmt. Allocation of Benefits		Petersen Health Care, Inc.	100.00%	1,030	1,030	7
8	V	10 Nursing and Medical Records		Petersen Health Care, Inc.	100.00%	45	45	8
9	V	10A Therapy		Petersen Health Care, Inc.	100.00%	0		9
10	V	15 Mgmt. Allocation of Benefits		Petersen Health Care, Inc.	100.00%	0		10
11	V	17 Administrative	303,400	Petersen Health Care, Inc.	100.00%	74,500	(228,900)	11
12	V	19 Professional Services		Petersen Health Care, Inc.	100.00%	5,166	5,166	12
13	V							13
14	Total		\$ 303,400			\$ 87,443	\$ * (215,957)	14

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

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	20 Dues, Fees, Subs & Promotions	\$	Petersen Health Care, Inc.	100.00%	\$ 363	\$	363	15
16	V	21 Clerical and General Office		Petersen Health Care, Inc.	100.00%	42,095		42,095	16
17	V	23 Inservice Training & Education		Petersen Health Care, Inc.	100.00%	151		151	17
18	V	24 Travel and Seminar		Petersen Health Care, Inc.	100.00%	44		44	18
19	V	25 Other Admin. Staff Transport.		Petersen Health Care, Inc.	100.00%	3,868		3,868	19
20	V	26 Insurance-Prop./Liab./Malprac.		Petersen Health Care, Inc.	100.00%	1,047		1,047	20
21	V	27 Mgmt. Allocation of Benefits		Petersen Health Care, Inc.	100.00%	17,110		17,110	21
22	V	30 Depreciation		Petersen Health Care, Inc.	100.00%	6,048		6,048	22
23	V	32 Interest		Petersen Health Care, Inc.	100.00%	7,280		7,280	23
24	V	33 Real Estate Taxes		Petersen Health Care, Inc.	100.00%	372		372	24
25	V	34 Rent-Facility and Grounds		Petersen Health Care, Inc.	100.00%	0			25
26	V	35 Rent-Equipment & Vehicles		Petersen Health Care, Inc.	100.00%	660		660	26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total		\$			\$ 79,038	\$ *	79,038	39

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

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	1 Dietary	\$	Petersen Health Network, LLC	100.00%	\$ 0	\$	15	
16	V	2 Food		Petersen Health Network, LLC	100.00%	0		16	
17	V	3 Housekeeping		Petersen Health Network, LLC	100.00%	0		17	
18	V	4 Laundry		Petersen Health Network, LLC	100.00%	0		18	
19	V	5 Utilities		Petersen Health Network, LLC	100.00%	0		19	
20	V	6 Maintenance		Petersen Health Network, LLC	100.00%	0		20	
21	V	7 Mgmt. Allocation of Benefits		Petersen Health Network, LLC	100.00%	0		21	
22	V	10 Nursing and Medical Records		Petersen Health Network, LLC	100.00%	0		22	
23	V	10A Therapy		Petersen Health Network, LLC	100.00%	0		23	
24	V	15 Mgmt. Allocation of Benefits		Petersen Health Network, LLC	100.00%	0		24	
25	V	17 Administrative		Petersen Health Network, LLC	100.00%	0		25	
26	V	19 Professional Services		Petersen Health Network, LLC	100.00%	1,111	1,111	26	
27	V	20 Dues, Fees, Subs & Promotions		Petersen Health Network, LLC	100.00%	0		27	
28	V	21 Clerical and General Office		Petersen Health Network, LLC	100.00%	61	61	28	
29	V	22 Employee Benefits & Payroll		Petersen Health Network, LLC	100.00%	0		29	
30	V	24 Travel and Seminar		Petersen Health Network, LLC	100.00%	0		30	
31	V	25 Other Admin. Staff Transport.		Petersen Health Network, LLC	100.00%	302	302	31	
32	V	26 Insurance-Prop./Liab./Malprac.		Petersen Health Network, LLC	100.00%	0		32	
33	V	27 Mgmt. Allocation of Benefits		Petersen Health Network, LLC	100.00%	0		33	
34	V	30 Depreciation		Petersen Health Network, LLC	100.00%	0		34	
35	V	32 Interest		Petersen Health Network, LLC	100.00%	23,890	23,890	35	
36	V	33 Real Estate Taxes		Petersen Health Network, LLC	100.00%	0		36	
37	V	34 Rent-Facility and Grounds		Petersen Health Network, LLC	100.00%	0		37	
38	V	35 Rent-Equipment & Vehicles		Petersen Health Network, LLC	100.00%	0		38	
39	Total		\$			\$ 25,364	\$ *	25,364	39

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

Facility Name & ID Number

Willow Rose Rehab & HC Ctr

0050633

Report Period Beginning:

1/1/2011

Ending:

12/31/2011

VII. RELATED PARTIES

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

	1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES			
	Name	Ownership %	Name	City	Name	City	Type of Business	
1			Aledo Health Care Center	Aledo				1
2			Arcola Health Care Center	Arcola				2
3			Aspen Rehab & Health Care	Silvis				3
4			Batavia Rehab & Health Care Center	Batavia				4
5			Bement Health Care Center	Bement				5
6			Benton Rehab & Health Care Center	Benton				6
7			Bloomington Rehab & Health Care Center	Bloomington				7
8			Casey Health Care Center	Casey				8
9			Charleston Rehab & Health Care Center	Charleston				9
10			Cisne Rehab & Health Care Center	Cisne				10
11			Countryview Care Center of Macomb	Macomb				11
12			Countryview Terrace	Louisville				12
13			Cumberland Rehab & Health Care Center	Greenup				13
14			Decatur Rehab & Health Care Center	Decatur				14
15			Eastside Health & Rehabilitation Center	Pittsfield				15
16			Eastview Terrace	Sullivan				16
17			El Paso Health Care Center	El Paso				17
18			Enfield Rehab & Health Care Center	Enfield				18
19			Farmer City Rehab & Health Care Center	Farmer City				19
20			Flanagan Rehab & Health Care Center	Flanagan				20
21			Flora Gardens Care Center	Flora				21
22			Flora Health Care Center	Flora				22
23			Fondulac Rehab & Health Care Center	East Peoria				23
24			Havana Health Care Center	Havana				24
25			Illini Heritage Rehab & Health Care	Champaign				25
26			Jonesboro Rehab & Health Care Center	Jonesboro				26
27			Kewanee Care Home	Kewanee				27
28			LaHarpe Davier Health Care Center	LaHarpe				28
29			Lebanon Care Center	Lebanon				29
30			Marigold Rehab & Health Care Center	Galesburg				30

VII. RELATED PARTIES

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

	1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES			
	Name	Ownership %	Name	City	Name	City	Type of Business	
1			Mason Point	Sullivan				1
2			McLeansboro Rehab & Health Care Center	McLeansboro				2
3			Mt. Vernon Health Care Center	Mt. Vernon				3
4			Newman Rehab & Health Care Center	Newman				4
5			Nokomis Rehab & Health Care Center	Nokomis				5
6			North Aurora Care Center	North Aurora				6
7			Orchard View Rehab & Health Care Center	Princeton				7
8			Palm Terrace of Mattoon	Mattoon				8
9			Piper City Rehab & Living Center	Piper City				9
10			Pleasant View Rehab & Health Care Center	Morrison				10
11			Polo Rehabilitation & Health Care Center	Polo				11
12			Prairie City Rehab & Health Care Center	Prairie City				12
13			Robings Manor Nursing Home	Brighton				13
14			Rochelle Gardens	Rochelle				14
15			Rochelle Rehab & Health Care Center	Rochelle				15
16			Rock Falls Rehab & Health Care Center	Rock Falls				16
17			Arrow Wood Independent Living	Rock Falls				17
18			Roseville Rehab and Health Care Center	Roseville				18
19			Rosiclare Rehab & Health Care Center	Rosiclare				19
20			Royal Oaks Care Center	Kewanee				20
21			Sandwich Rehab & Health Care Center	Sandwich				21
22			Iron Wood Independent Living	Sandwich				22
23			Shawnee Rose Care Center	Harrisburg				23
24			Shelbyville Rehab & Health Care Center	Shelbyville				24
25			South Elgin Rehab & Health Care Center	South Elgin				25
26			Sugar Creek Care Center	Watseka				26
27			Sullivan Health Care Center	Sullivan				27
28			Sunset Manor Nursing Home	Canton				28
29			Swansea Rehab & Health Care	Swansea				29
30			Timbercreek Rehab & Health Center	Pekin				30

Facility Name & ID Number Willow Rose Rehab & HC Ctr # 0050633 Report Period Beginning: 1/1/2011 Ending: 12/31/2011

VII. RELATED PARTIES (continued)

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

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

	1 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										1
2										2
3	N/A									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 Willow Rose Rehab & HC Ctr# 0050633

Report Period Beginning:

1/1/2011Ending: 2/31/2011

VIII. ALLOCATION OF INDIRECT COSTS

Name of Related Organization

Petersen Health Care, Inc.

Street Address

830 W. Trailcreek Drive

City / State / Zip Code

Peoria, IL 61614

Phone Number

(309) 691-8113

Fax Number

(309) 691-8622

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

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	Resident Days	1,542,131	77	\$ 311,109	\$ 308,619	22,383	\$ 4,516	1
2	2	Food	Resident Days	1,542,131	77	1,436	0	22,383	21	2
3	3	Housekeeping	Resident Days	1,542,131	77	2,014	0	22,383	29	3
4	4	Laundry	Resident Days	1,542,131	77	0	0	22,383	0	4
5	5	Utilities	Resident Days	1,542,131	77	20,347	0	22,383	295	5
6	6	Maintenance	Resident Days	1,542,131	77	126,852	100,385	22,383	1,841	6
7	7	Mgmt. Allocation of Benefits	Resident Days	1,542,131	77	70,933	0	22,383	1,030	7
8	10	Nursing and Medical Records	Resident Days	1,542,131	77	3,130	0	22,383	45	8
9	10A	Therapy	Resident Days	1,542,131	77	0	0	22,383	0	9
10	15	Mgmt. Allocation of Benefits	Resident Days	1,542,131	77	0	0	22,383	0	10
11	17	Administrative	Resident Days	1,542,131	77	4,905,497	4,905,497	22,383	74,500	11
12	19	Professional Services	Resident Days	1,542,131	77	355,921	0	22,383	5,166	12
13	20	Dues, Fees, Subs & Promotions	Resident Days	1,542,131	77	25,013	0	22,383	363	13
14	21	Clerical and General Office	Resident Days	1,542,131	77	2,900,214	2,467,442	22,383	42,095	14
15	23	Inservice Training & Education	Resident Days	1,542,131	77	10,374	0	22,383	151	15
16	24	Travel and Seminar	Resident Days	1,542,131	77	3,057	0	22,383	44	16
17	25	Other Admin. Staff Transport.	Resident Days	1,542,131	77	266,518	0	22,383	3,868	17
18	26	Insurance-Prop./Liab./Malprac.	Resident Days	1,542,131	77	72,152	0	22,383	1,047	18
19	27	Mgmt. Allocation of Benefits	Resident Days	1,542,131	77	1,178,815	0	22,383	17,110	19
20	30	Depreciation	Resident Days	1,542,131	77	416,712	0	22,383	6,048	20
21	32	Interest	Resident Days	1,542,131	77	501,565	0	22,383	7,280	21
22	33	Real Estate Taxes	Resident Days	1,542,131	77	25,635	0	22,383	372	22
23	34	Rent-Facility and Grounds	Resident Days	1,542,131	77	0	0	22,383	0	23
24	35	Rent-Equipment & Vehicles	Resident Days	1,542,131	77	45,440	0	22,383	660	24
25	TOTALS					\$ 11,242,734	\$ 7,781,943		\$ 166,481	25

Facility Name & ID Number Willow Rose Rehab & HC Ctr

0050633

Report Period Beginning:

1/1/2011

Ending: 2/31/2011

VIII. ALLOCATION OF INDIRECT COSTS

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

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

Name of Related Organization Petersen Health Network, LLC
 Street Address 830 W. Trailcreek Drive
 City / State / Zip Code Peoria, IL 61614
 Phone Number (309) 691-8113
 Fax Number (309) 691-8622

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	Resident Days	209,680	12	\$	\$ 22,383	\$	1
2	2	Food	Resident Days	209,680	12		22,383		2
3	3	Housekeeping	Resident Days	209,680	12		22,383		3
4	4	Laundry	Resident Days	209,680	12		22,383		4
5	5	Utilities	Resident Days	209,680	12		22,383		5
6	6	Maintenance	Resident Days	209,680	12		22,383		6
7	7	Mgmt. Allocation of Benefits	Resident Days	209,680	12		22,383		7
8	10	Nursing and Medical Records	Resident Days	209,680	12		22,383		8
9	10A	Therapy	Resident Days	209,680	12		22,383		9
10	15	Mgmt. Allocation of Benefits	Resident Days	209,680	12		22,383		10
11	17	Administrative	Resident Days	209,680	12		22,383		11
12	19	Professional Services	Resident Days	209,680	12	10,410	22,383	1,111	12
13	20	Dues, Fees, Subs & Promotions	Resident Days	209,680	12		22,383		13
14	21	Clerical and General Office	Resident Days	209,680	12	575	22,383	61	14
15	22	Employee Benefits & Payroll	Resident Days	209,680	12	(1)	22,383		15
16	24	Travel and Seminar	Resident Days	209,680	12		22,383		16
17	25	Other Admin. Staff Transport.	Resident Days	209,680	12	2,833	22,383	302	17
18	26	Insurance-Prop./Liab./Malprac.	Resident Days	209,680	12		22,383		18
19	27	Mgmt. Allocation of Benefits	Resident Days	209,680	12		22,383		19
20	30	Depreciation	Resident Days	209,680	12		22,383		20
21	32	Interest	Resident Days	209,680	12	223,794	22,383	23,890	21
22	33	Real Estate Taxes	Resident Days	209,680	12		22,383		22
23	34	Rent-Facility and Grounds	Resident Days	209,680	12		22,383		23
24	35	Rent-Equipment & Vehicles	Resident Days	209,680	12		22,383		24
25	TOTALS					\$ 237,611	\$	\$ 25,364	25

Facility Name & ID Number

Willow Rose Rehab & HC Ctr

0050633

Report Period Beginning:

1/1/2011

Ending:

12/31/2011

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

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

1	2	3	4	5	6	7	8	9	10										
										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	Associated Bank		X	Vehicle	\$546.18	11/14/07	27,198	\$ Paid		\$ 140	1								
2	The Private Bank		X	Mortgage	Varies	11/1/09	3,245,114	3,130,291	10/31/14	Varies	234,151	2							
3								Interest Income Offset		(3,054)	3								
4								Home Office Allocation-PHC		7,280	4								
5								Home Office Allocation-PHN		23,890	5								
Working Capital																			
6											6								
7											7								
8											8								
9	TOTAL Facility Related				\$546.18		\$ 3,272,312	\$ 3,130,291		\$ 262,407	9								
B. Non-Facility Related*																			
10								Medicare Interest Withholding		242	10								
11								Disallowed Medicare Int. Withholding		(242)	11								
12											12								
13											13								
14	TOTAL Non-Facility Related						\$	\$		\$	14								
15	TOTALS (line 9+line14)						\$ 3,272,312	\$ 3,130,291		\$ 262,407	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.)

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

Facility Name & ID Number Willow Rose Rehab & HC Ctr# 0050633

Report Period Beginning:

1/1/2011

Ending:

12/31/2011

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.				\$	41,880	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.)	2010			\$	41,591	2	
3. Under or (over) accrual (line 2 minus line 1).				\$	(289)	3	
4. Real Estate Tax accrual used for 2011 report. (Detail and explain your calculation of this accrual on the lines below.)				\$	42,840	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.)				\$		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.				
				\$	Home Office Allocation 372	6	
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.				\$	42,923	7	
Real Estate Tax History:							
Real Estate Tax Bill for Calendar Year:	2006	<u>37,011</u>	8				
	2007	<u>37,305</u>	9				
	2008	<u>39,102</u>	10				
	2009	<u>40,659</u>	11				
	2010	<u>41,591</u>	12				
Accrual based on prior year tax bill.							
				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 Willow Rose Rehab & HC Ctr

0050633

Report Period Beginning:

1/1/2011

Ending:

12/31/2011

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 22,627 B. General Construction Type: Exterior Brick Frame Wood 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).

N/A

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:

A. Land.

	1 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	<u>Facility</u>	<u>153,475</u>	<u>2006</u>	<u>\$ 110,000</u>	<u>1</u>
2					<u>2</u>
3	TOTALS	153,475		\$ 110,000	3

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	98		2006	1974	\$ 2,470,000	\$	30	\$ 82,333	\$ 82,333	\$ 452,832	4
5											5
6											6
7											7
8											8
	Improvement Type**										
9		Original Land Improvements	2006		20,000		15	1,333	1,333	7,331	9
10		Signage	2007		3,953		15	264	264	1,188	10
11		Build Garage	2007		10,880		15	725	725	3,263	11
12		Carpeting-Offices	2007		15,549		10	1,555	1,555	6,997	12
13		Blinds	2007		730		10	73	73	329	13
14		Fire Alarm System	2007		7,750		15	517	517	2,596	14
15		Egress Lighting	2007		4,435		15	296	296	1,332	15
16		Evaporator	2007		1,298		15	87	87	391	16
17		Tile-Therapy Room	2007		7,539		15	503	503	2,263	17
18		Water Heater	2009		6,300		5	1,260	1,260	3,150	18
19		Concrete in Parking Lot	2010		7,500		15	500	500	750	19
20		A/C Unit	2011		7,417		15	247	247	247	20
21											21
22											22
23											23
24											24
25											25
26											26
27											27
28		Land Improvements Booked				1,833			(1,833)		28
29		Building Booked				99,235			(99,235)		29
30		Building Improvement Booked				7,109			(7,109)		30
31											31
32		2011-Home Office Allocation-Building Improvements			10,653			255	255		32
33		2011-Home Office Allocation-Land Improvements			994			64	64		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

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		\$	\$		\$	\$	\$	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)	\$ 2,574,998	\$ 108,177		\$ 90,012	\$ (18,165)	\$ 482,669	70

**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	\$ 431,631	\$ 61,937	\$ 43,163	\$ (18,774)	10 yrs.	\$ 234,203	71
72	Current Year Purchases							72
73	Fully Depreciated Assets							73
74	Home Office Allocation			6,048	6,048			74
75	TOTALS	\$ 431,631	\$ 61,937	\$ 49,211	\$ (12,726)		\$ 234,203	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	Facility	2007 Ford Econoline Van	2007	\$ 27,198	\$ 5,440	\$ 5,440	\$	5	\$ 24,480	76
77										77
78										78
79										79
80	TOTALS			\$ 27,198	\$ 5,440	\$ 5,440	\$		\$ 24,480	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)	\$ 3,143,827	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 175,554	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 144,663	83
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ (30,891)	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 741,352	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	N/A				88
89					89
90					90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progress

	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 8.

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								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: \$ 14,557 Description: See Attached Schedule 14A

(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			N/A		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.

Willow Rose Rehab & HC Ctr

0050633

Period Beginning

1/1/2011

Period End

12/31/2011

Schedule 14A

XII. Rental Costs

B. Equipment

16. Description of rental amount for movable equipment

Medical Equipment	\$	10,685
Dishwasher		708
Laundry Equipment		-
Copier		2,504
Home Office Allocation		660
		<u>14,557</u>

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. <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.)

	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	10A(3)	hrs	\$	4,967	\$ 74,501	\$	4,967	\$ 74,501	1
2	Licensed Speech and Language Development Therapist	10A(3)	hrs		2,090	31,349		2,090	31,349	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	10A(3)	hrs		5,141	77,120		5,141	77,120	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				55,538		55,538	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify):									12
13	Other (specify):									13
14	TOTAL			\$	12,198	\$ 182,970	\$ 55,538	12,198	\$ 238,508	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 Willow Rose Rehab & HC Ctr

0050633

Report Period Beginning: 1/1/2011

Ending: 12/31/2011

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2011

(last day of reporting year)

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

		1 Operating	2 After Consolidation*	
A. Current Assets				
1	Cash on Hand and in Banks	\$ 1,333,800	\$ 1,333,800	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance <u>145,000</u>)	634,116	634,116	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	27,312	27,312	6
7	Other Prepaid Expenses	11,567	11,567	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): <u>PPD Management Fees</u>	59,664	59,664	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 2,066,459	\$ 2,066,459	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		110,000	13
14	Buildings, at Historical Cost	2,618,380	2,480,653	14
15	Leasehold Improvements, at Historical Cost	54,971	94,345	15
16	Equipment, at Historical Cost	458,829	458,829	16
17	Accumulated Depreciation (book methods)	(887,544)	(741,352)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 2,244,636	\$ 2,402,475	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 4,311,095	\$ 4,468,934	25

		1 Operating	2 After Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 435,451	\$ 435,451	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	65,962	65,962	30
31	Accrued Taxes Payable (excluding real estate taxes)	6,506	6,506	31
32	Accrued Real Estate Taxes(Sch.IX-B)	42,840	42,840	32
33	Accrued Interest Payable	19,461	19,461	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
Other Current Liabilities(specify):				
36	<u>Payroll Withholdings</u>	37,947	37,947	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 608,167	\$ 608,167	38
D. Long-Term Liabilities				
39	Long-Term Notes Payable			39
40	Mortgage Payable	3,130,291	3,130,291	40
41	Bonds Payable			41
42	Deferred Compensation			42
Other Long-Term Liabilities(specify):				
43				43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 3,130,291	\$ 3,130,291	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 3,738,458	\$ 3,738,458	46
47	TOTAL EQUITY(page 18, line 24)	\$ 572,637	\$ 730,476	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 4,311,095	\$ 4,468,934	48

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 646,535	1
2	Restatements (describe):		2
3	Rounding	(1)	3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 646,534	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(73,897)	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)	\$ (73,897)	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ 572,637	24 *

* This must agree with page 17, line 47.

Facility Name & ID Number Willow Rose Rehab & HC Ctr

0050633

Report Period Beginning: 1/1/2011

Ending: 12/31/2011

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

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

		1	
Revenue		Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 2,659,921	1
2	Discounts and Allowances for all Levels	(142,633)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 2,517,288	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	259,159	6
7	Oxygen	1,025	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 260,184	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		12
13	Barber and Beauty Care		13
14	Non-Patient Meals	4,133	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	99,823	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray	15,972	20
21	Other Medical Services	12,203	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 132,131	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	3,054	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 3,054	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	Miscellaneous Revenue	662	28
28a	Transportation Revenue	9,228	28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 9,890	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 2,922,547	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	582,366	31
32	Health Care	1,144,459	32
33	General Administration	659,007	33
B. Capital Expense			
34	Ownership	466,535	34
C. Ancillary Expense			
35	Special Cost Centers	90,422	35
36	Provider Participation Fee	53,655	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 2,996,444	40
41	Income before Income Taxes (line 30 minus line 40)**	(73,897)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (73,897)	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. Facility is part of larger entity.

*** 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 Willow Rose Rehab & HC Ctr

0050633

Report Period Beginning:

1/1/2011

Ending:

12/31/2011

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

(This schedule must cover the entire reporting period.)

		1	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	\$ 57,490	\$ 27.64	1
2	Assistant Director of Nursing					2
3	Registered Nurses	5,572	5,837	124,331	21.30	3
4	Licensed Practical Nurses	10,446	10,953	189,342	17.29	4
5	CNAs & Orderlies	40,347	41,873	401,861	9.60	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	1,908	2,034	20,899	10.27	9
10	Activity Assistants					10
11	Social Service Workers	1,875	2,003	19,558	9.76	11
12	Dietician					12
13	Food Service Supervisor	2,080	2,080	24,699	11.87	13
14	Head Cook					14
15	Cook Helpers/Assistants	9,385	9,790	83,025	8.48	15
16	Dishwashers					16
17	Maintenance Workers	2,061	2,237	28,172	12.59	17
18	Housekeepers	8,158	8,544	76,041	8.90	18
19	Laundry	6,751	7,077	59,308	8.38	19
20	Administrator	2,080	2,080	74,500	35.82	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager	2,080	2,080	24,412	11.74	23
24	Clerical					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					31
32	Other Health Care(specify)					32
33	Other(specify) See Sch 20A	4,471	4,599	66,023	14.36	33
34	TOTAL (lines 1 - 33)	99,294	103,267	\$ 1,249,661 *	\$ 12.10	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	11,400	L9, C3	36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant	Monthly	4,114	L10, C3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant				44
45	Social Service Consultant				45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)		\$ 15,514		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	N/A			51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)		\$		53

Willow Rose Rehab & HC Ctr

Period Beginning **1/1/2011**
Period End **12/31/2011**

Schedule 20A

XVIII. Staffing and Salary Costs

	# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage
Care Plan Coordinator	2,112	2,112	38,641	18.30
Restorative Aide	1,825	1,953	22,031	11.28
Transportation	534	534	5,351	10.02
TOTAL	<u>4,471</u>	<u>4,599</u>	<u>66,023</u>	

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	
Suzanne Boston	Administrator	0	\$ 74,500	Workers' Compensation Insurance	\$ 36,628	IDPH License Fee	\$ 1,990	
				Unemployment Compensation Insurance	36,868	Advertising: Employee Recruitment	660	
				FICA Taxes	86,470	Health Care Worker Background Check		
				Employee Health Insurance	110,068	(Indicate # of checks performed)		
				Employee Meals		Patient Background Checks	93 932	
				Illinois Municipal Retirement Fund (IMRF)*		Miscellaneous Licenses & Permits	658	
				Life Insurance	113	Miscellaneous Dues & Subscriptions	200	
				Employee Retirement	25	Home Office Allocation	363	
TOTAL (agree to Schedule V, line 17, col. 1)								
(List each licensed administrator separately.)			\$ 74,500					
B. Administrative - Other				TOTAL (agree to Schedule V, line 22, col.8)			TOTAL (agree to Sch. V, line 20, col. 8)	
Description			Amount		\$ 270,172	Less: Public Relations Expense	(200)	
Management Fees-See Page 6, Eliminated on P 3, C 7			\$ 303,400			Non-allowable advertising	()	
						Yellow page advertising	()	
TOTAL (agree to Schedule V, line 17, col. 3)			\$ 303,400	E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**	
(Attach a copy of any management service agreement)				Description	Line #	Amount	Description	Amount
C. Professional Services							Out-of-State Travel	\$
Vendor/Payee	Type		Amount					
E-Health Data Solutions	Computer Services		\$ 3,485	N/A			In-State Travel	
Grafton Technologies	Computer Services		588					
Mark Brueggerman	Legal Services		1,500				Seminar Expense	
Brown & James	Legal Services		1,280				Home Office Allocation	44
Honkamp Kreuger & Co.	Accounting Fees		451				Entertainment Expense	()
TOTAL (agree to Schedule V, line 19, column 3)				TOTAL			TOTAL (agree to Sch. V, line 24, col. 8)	
(If total legal fees exceed \$5,000, attach copy of invoices.)			\$ 7,304				\$ 44	

* Attach copy of IMRF notifications

**See instructions.

Willow Rose Rehab & HC Ctr
0050633
Period Beginning 1/1/2011
Period End 12/31/2011

Schedule 21A

XIX. SUPPORT SCHEDULE

C. Professional Services

Vendor/Payee	Type	Amount
Total (agree to Schedule V, line 19, column 3)		7,304
Home Office Allocation		
Heyl, Royster, Voelker & Allen	Legal	5
Henry County Recorder	Legal	1
Ginoli & Company	Accountants	717
Miscellaneous Vendors	Computer Services	59
Advanced Answers on Demand	Computer Services	2,996
Access 2 Go	Computer Services	295
Kemper Technology	Computer Services	137
MediFax	Computer Services	46
VisionShare/Ability Network	Computer Services	211
Advanced System Design	Computer Services	276
Simple LTC	Computer Services	346
Optimizer Systems	Other Prof Fees	35
Clifton Gunderson	Other Prof Fees	12
Mike Miller	Other Prof Fees	17
OIC Group	Other Prof Fees	4
AllScripts	Other Prof Fees	9
Ginoli & Company	Accountants	<u>1,111</u>
Total (agree to Schedule V, line 19, column 8)		<u><u>13,581</u></u>

Facility Name & ID Number Willow Rose Rehab & HC Ctr

0050633

Report Period Beginning:

1/1/2011

Ending:

12/31/2011

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union? No
- (2) Are there any dues to nursing home associations included on the cost report? No
If YES, give association name and amount. _____
- (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? N/A
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 11,651 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. \$ 53,655
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? N/A 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. \$ 0 Has any meal income been offset against related costs? Yes Indicate the amount. \$ 4,133
- (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? Yes If YES, please indicate the amount of income earned from such a program during this reporting period. \$ 232
- c. What percent of all travel expense relates to transportation of nurses and patients? N/A
- 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? N/A
- g. Does the facility transport residents to and from day training? N/A**
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
- (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? N/A
Attach invoices and a summary of services for all architect and appraisal fees.