

# PRIMMER

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June 21, 2016

**VIA US MAIL and EMAIL**

Donna Jerry  
Senior Health Policy Analyst  
Green Mountain Care Board  
89 Main Street  
Montpelier, VT 05620

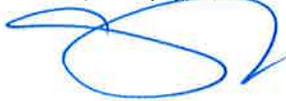
Re: **Docket No. GMCB-020-15con,  
Proposed Purchase of Rowan Court Health and Rehabilitation Center in Barre, VT**

Dear Ms. Jerry:

I enclose one original and two hard copies of Applicants' Responses to Green Mountain Care Board Requests Dated May 11, 2016, for submission and review by the Green Mountain Care Board. Please contact me with any questions or comments.

Thank you for your ongoing assistance.

Very truly yours,



Shireen T. Hart, Esq.  
Encls.

**STATE OF VERMONT  
GREEN MOUNTAIN CARE BOARD**

**IN RE: APPLICATION OF )  
BARRE GARDENS HOLDINGS LLC AND )  
BARRE GARDENS NURSING AND REHAB LLC )**

**GMCB 020-15con**

**VERIFICATION UNDER OATH**

David Gamzeh, being duly sworn, states on oath as follows:

1. My name is David Gamzeh. I am the managing member of Barre Gardens Holdings LLC and Barre Gardens Nursing and Rehab LLC (the “applicants”). I have reviewed the **APPLICANTS’ RESPONSES TO GREEN MOUNTAIN CARE BOARD REQUESTS DATED MAY 11, 2016** (the “Submission”).
2. Based on my personal knowledge and after diligent inquiry, I attest that the information contained in the Submission is true, accurate and complete, does not contain any untrue statement of a material fact, and does not omit to state a material fact.
3. My personal knowledge of the truth, accuracy and completeness of the information contained in the Submission is based upon either my actual knowledge of the subject information or upon information reasonably believed by me to be true and reliable and provided to me by the individuals identified below in paragraph 4. Each of these individuals has also certified that the information they have provided is true, accurate and complete, does not contain any untrue statement of a material fact and does not omit to state a material fact.
4. The following individuals have provided information or documents to me in connection with the Submission and each individual has certified, based either upon his or her actual knowledge of the subject information or, where specifically identified in such certification, based on information reasonably believed by the individual to be reliable, that the information or documents provided are true, accurate and complete, do not contain any untrue statement of a material fact, and do not omit to state a material fact:

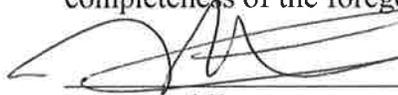
Ari Stawis  
Akiva Glatzer  
Joshua Farkovits  
Jordan Fensterman  
Heather Filinow  
Ephram Mordy Lahasky  
Shalom Lerner  
Andrew Bachand CPA

5. In the event that the information contained in the Submission becomes untrue, inaccurate or incomplete in any material respect, I acknowledge my obligation to notify the Green Mountain Care Board and to supplement the Submission as soon as I know, or reasonably should know, that the information or document has become untrue, inaccurate or incomplete in any material respect.

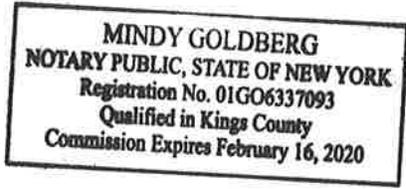
Dated this 20<sup>th</sup> day of June, 2016.

  
\_\_\_\_\_  
David Gamzeh

On June 20<sup>th</sup>, 2016, David Gamzeh appeared before me and swore to the truth, accuracy and completeness of the foregoing.

  
\_\_\_\_\_  
Notary public

My commission expires: February 16, 2020



**STATE OF VERMONT  
GREEN MOUNTAIN CARE BOARD**

**IN RE: APPLICATION OF )  
BARRE GARDENS HOLDINGS LLC AND ) GMCB 020-15con  
BARRE GARDENS NURSING AND REHAB LLC )**

**APPLICANTS' RESPONSES TO GREEN MOUNTAIN CARE BOARD  
REQUESTS DATED MAY 11, 2016**

**Financial**

**Request No. 1.** Provide detailed patient service revenue per day/per payer for 2016, 2017, and 2018.

**Answer:** Detailed patient service revenue per day/per payer for 2016 are set forth in the following revenue calculation schedule. Please also refer to **Attachment BB,** CONSOLIDATED FINANCIAL STATEMENTS, p. 6. n. 4, submitted with the CON application, for the underlying revenue assumptions.

<u>Revenue Calculation</u>	<u>2014</u>			<u>2016</u>			<u>2017</u>			<u>2018</u>		
	<u>Days</u>	<u>Days</u>	<u>Rate</u>	<u>Calc</u>	<u>Days</u>	<u>Rate</u>	<u>Calc</u>	<u>Days</u>	<u>Rate</u>	<u>Calc</u>		
<b>Private Pay (2014 semi private = 286)</b>	3,920	2,633	298	784,634	2,740	304	832,960	2,848	310	882,880		
<b>Private Pay (2014 private = 303 - 4 private beds)</b>		1,460	315	459,900	1,460	321	468,660	1,460	327	477,420		
<b>Medicaid - add step up (252.36 at 7/1/15 plus 3.18 for step up)</b>	17,328	18,092	260.59	4,714,544	18,568	265.00	4,935,800	19,044	271.11	5,163,113		
<b>Medicare (avg rate for 2014 499.47/day)</b>	4,258	4,446	509.46	2,265,056	4,563	519.65	2,371,157	4,680	530.04	2,480,594		
	25,506	26,631		8,224,134	27,331		8,608,131	28,032		9,004,007		
<b><u>Occupancy Percentage</u></b>	72.79	76.00			78.00			80.00				
	increase %	1.0441			1.0263			1.0256				
<b><u>Projected Census</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>									
<b>Private</b>	4,093	4,200	4,308									
<b>Medicaid</b>	18,092	18,568	19,044									
<b>Medicare</b>	4,446	4,563	4,680									
<b>Total</b>	<u>26,631</u>	<u>27,331</u>	<u>28,032</u>									
<b>Occupancy Percentage</b>	<u>76.00</u>	<u>78.00</u>	<u>80.00</u>									

**Request No. 2. Identify the assumptions and sources for the projected increase for patient admissions in 2016, 2017, and 2018.**

**Answer:** As shown in CON Table 7 submitted with the CON application (**Attachment G**, Table 7), admissions are based on the seller's historical numbers and are projected to increase by the same percentage increase as projected for total census (see the schedule provided in response to Request No. 1 above for census increase projections).

As detailed in the application at pages 21-22, the Applicants are confident of their approach to overall quality, which results in better resident care, better staff satisfaction satisfied referral sources and supportive families. These in turn lead to increased admissions.

**Request No. 3. Identify the daily nursing hours per patient day used in 2016, 2017, and 2018 by position and by shift.**

**Answer:** Please see schedule below. This is based upon the seller’s historical staffing hours, per their cost reports for filling out Table 9 submitted with the CON application (**Attachment G**, Table 9). You will note that the nursing and therapy staffing increases at the same rate that the census increases (see the schedule provided in response to Request No. 1 above for census increase projections). The other staffing remains the same, with no changes.

Row Labels	Sum of Sum Hours	contract	total	2014 & 15 FTEs	2016	2017	2018	2014 & 15	2016	2017	2018
* Accounts Payable / Billing	1,248.00		1,248.00	0.60	0.60	0.60	0.60	25.47	25.51	25.60	25.71
* Activities Director	2,014.87		2,014.87	0.97	0.97	0.97	0.97				
* Activities Staff	3,583.87		3,583.87	1.72	1.72	1.72	1.72				
* Admissions	2,039.75		2,039.75	0.98	0.98	0.98	0.98	4.53	4.53	4.53	4.53
* Assistant Administrator	360.00		360.00	0.17	0.17	0.17	0.17				
* Assistant Director of Nursing	1,872.00		1,872.00	0.90	0.90	0.90	0.90				
* Business Office Manager	2,083.00		2,083.00	1.00	1.00	1.00	1.00				
* Certified CNA	44,537.98	4,557.00	49,094.98	23.60	24.64	25.29	25.94	50.91	53.11	54.48	55.85
* Certified LPN	17,904.90	5,880.00	23,784.90	11.44	11.94	12.25	12.57				
* Certified MDS Coordinator	2,570.35		2,570.35	1.24	1.29	1.32	1.36				
* Certified RN	9,471.15	1,533.00	11,004.15	5.29	5.52	5.67	5.81	6.67	6.96	7.14	7.33
* CNA Per Diem Employee	12,764.85		12,764.85	6.14	6.41	6.58	6.74				
* Director of Nursing	1,640.00		1,640.00	0.79	0.79	0.79	0.79				
* Executive Director	2,224.00		2,224.00	1.07	1.07	1.07	1.07				
* Gerl Assistant SNF	609.50		609.50	0.29	0.31	0.31	0.32				
* Infection Control	2,080.00		2,080.00	1.00	1.00	1.00	1.00				
* LPN Per Diem Employee	2,663.25		2,663.25	1.28	1.34	1.37	1.41				
* Maintenance Staff	2,009.00		2,009.00	0.97	0.97	0.97	0.97				
* Maintenance Supervisor	2,059.00		2,059.00	0.99	0.99	0.99	0.99				
* Medical Records	2,449.50		2,449.50	1.18	1.18	1.18	1.18				
* Nursing Supervisor	1,122.75		1,122.75	0.54	0.56	0.58	0.59				
* Other Administrative Staff	880.00		880.00	0.42	0.42	0.42	0.42				
* Receptionist	2,121.00		2,121.00	1.02	1.02	1.02	1.02				
* RN Per Diem Employee	204.75		204.75	0.10	0.10	0.11	0.11				
* Social Service Director	2,106.50		2,106.50	1.01	1.01	1.01	1.01				
* Ward Clerk	2,439.65		2,439.65	1.17	1.17	1.17	1.17				
‡ (blank)											
<b>Grand Total</b>	<b>125,059.62</b>	<b>11,970.00</b>	<b>137,029.62</b>	<b>65.88</b>	<b>68.08</b>	<b>69.45</b>	<b>70.82</b>				
Laundry	-	4,676.50	4,676.50	2.25	2.25	2.25	2.25				
Housekeeping	-	7,651.50	7,651.50	3.68	3.68	3.68	3.68				
Dietary	-	18,323.50	18,323.50	8.81	9.20	9.44	9.68				
PT	-	5,323.10	5,323.10	2.56	2.67	2.74	2.81				
OT	-	5,033.59	5,033.59	2.42	2.53	2.59	2.66				
ST	-	3,510.01	3,510.01	1.69	1.76	1.81	1.85				
	125,059.62	52,978.19	178,037.81	87.28	90.17	91.96	93.76	87.28	90.17	91.96	93.76
								19.88	20.76	21.30	21.85

For nursing hours, per day by position and shift, please see the chart that follows. The data below from Revera shows 30 FTEs for “ideal” and 28 FTEs for actual, resulting in a difference of 18-20 FTEs between the 2014 staffing report and current actuals. Actual time does not include holidays, vacations, sick time, education, and other time not spent on the floor, etc. The information below represents staffing “on the floor.”

For the following chart, we used Revera’s “ideal” for the seller estimate and their 2014

average daily census, as that is what we used for costs as well (and we estimated that 2015 would be the same for the seller), then increased it for the buyer by the increase in census days we anticipated, just as we did for the FTE schedule.

		<b>Seller est based on 2014</b>	<b>Buyer est Yr 1</b>	<b>Buyer est Yr 2</b>	<b>Buyer est Yr 3</b>
<b>7-3 shift</b>	<b>RN/LPN</b>	<b>32.00</b>	<b>33.41</b>	<b>34.29</b>	<b>35.17</b>
	<b>LNA</b>	<b>64.00</b>	<b>66.82</b>	<b>68.58</b>	<b>70.34</b>
<b>3-11 shift</b>	<b>RN/LPN</b>	<b>32.00</b>	<b>33.41</b>	<b>34.29</b>	<b>35.17</b>
	<b>LNA</b>	<b>64.00</b>	<b>66.82</b>	<b>68.58</b>	<b>70.34</b>
<b>11-7 shift</b>	<b>RN/LPN</b>	<b>16.00</b>	<b>16.71</b>	<b>17.14</b>	<b>17.58</b>
	<b>LNA</b>	<b>32.00</b>	<b>33.41</b>	<b>34.29</b>	<b>35.17</b>
<b>Total Hours</b>		<b>240.00</b>	<b>250.58</b>	<b>257.17</b>	<b>263.76</b>
<b>Ave Patient days per day</b>		<b>69.88</b>	<b>72.96</b>	<b>74.88</b>	<b>76.80</b>
<b>Nursing Hours per PD</b>		<b>3.43</b>	<b>3.43</b>	<b>3.43</b>	<b>3.43</b>
<b>Increase to match Census increase</b>			<b>1.0441</b>	<b>1.0263</b>	<b>1.0256</b>
<b>increases agree to FTEs presented and census increases presented</b>					

**Request No. 4.** Explain whether the Applicants intend to participate in any health care reform models (Accountable Care Organizations, Bundled Payments, Value Based Purchasing, etc.).

**Answer:** Yes, the Applicants intend to participate in health care reform at Rowan Court. The specifics will be determined once they begin operating the facility and are best able to identify appropriate reform initiatives, such as value based purchasing. Messrs. Gamzeh and Glatzer believe that their success in improving the overall quality of nursing homes results in large part from the assessment they undertake when they begin overseeing day-to-day operations. While there are certainly immediate fixes that may be made at the outset, it is their experience that paradigm shifts are the result of months and years of work to change the culture.

**Request No. 5.** Explain the assumptions for anticipated increases in Medicaid payments for Year 1 (16.47%), Year 2 (4.68%), and Year 3 (4.61%).

**Answer:** As indicated in the Notes to the projections (**Attachment BB, CONSOLIDATED FINANCIAL STATEMENTS**, p. 6. n. 4, submitted with the CON application, for the underlying revenue assumptions) and on the detailed revenue schedule provided above in response to Request No. 1, revenues are increasing for several reasons. The assumptions underlying the anticipated increases in Medicaid payments include the following:

- A. The census is projected to reach 76%, 78% and 80%, respectively, for 2016, 2017 and 2018. The support for these projections is provided in the Response to Request No. 2.
- B. The provider's Medicaid rate was increased to \$252.36 effective July 1, 2015. This rate was used as the base point for calculating the Medicaid revenues, based on the seller's historical information, adjusted forward.
- C. A stepped up basis increase in year 1 (estimated for the projections at \$3.18 per day) for the capital component of the Medicaid rate, plus a 2% inflationary increase in the Medicaid rate, all starting with seller's historical rate.
- D. Years 2 and 3 are based on the 2% inflationary rate increase, plus the increase in the census indicated in A above.

**Request No. 6.** Explain whether the Medicare Net Patient Service Revenue includes a reduction for CMS' Sequestration Adjustment of 2%.

**Answer:** Yes, the Medicare Net Patient Service Revenue includes a reduction for CMS' Sequestration Adjustment of 2%. The projections start with a base using seller's historical information. The seller pays the 2% sequestration reduction in their net reimbursement rate, so it is included in the projections that rely upon the seller's information as the base point.

**Request No. 7.** Explain and provide assumptions for the projected increases of over 4.0% in Medicare rates in Years 1, 2 and 3.

**Answer:** There is not a projected increase of over 4% in the Medicare rate in Years 1, 2 and 3. There is a 2% increase per year as a result of the inflationary rate increase. The seller's historical average Medicare rate was \$499.47 per day. The projections increase the average Medicare rate by 2% each year, 2016: \$509.46, 2017: \$519.65 and 2018: \$530.04. Please refer to **Attachment BB**, CONSOLIDATED FINANCIAL STATEMENTS, p. 6. n. 4, submitted with the CON application, for the underlying revenue assumptions and the Schedule in Response to Request No. 1 above.

#### **Tab BB, Consolidated Financial Statements**

**Request No. 8.** Provide the accounts receivable allowance percentage and explain how it was developed.

**Answer:** The projections start with the seller's historical information as the base and reflect the accounts receivable, net of allowance for doubtful accounts. The 2014 seller's net accounts receivable, as shown in the projections (**Attachment BB**, CONSOLIDATED FINANCIAL STATEMENTS, at 1 (Accounts Receivable Net for 2014)) and the seller's Rowan Court's 2014 Financial Statements (**Attachment M**, at 1 (Accounts receivable Net (net for allowance for doubtful accounts) for 2014)) was \$1,029,938 (\$1,273,536, less an allowance of \$243,598). The projections then assume that accounts receivable (net of the allowance) will track with the historical information and increase by the same 2% inflationary increase that is throughout the projections to represent the natural inflationary increases. As a result, accounts receivable are projected to increase 2% each year, along with the allowance which is projected to increase 2% each year.

**Request No. 9. Provide a breakdown of rehabilitative services expenses by type of service (physical therapy, occupational therapy and speech therapy).**

**Answer:** The projections start with the seller’s historical information as the base. The rehabilitative services included in the projections include physical therapy, occupational therapy, speech therapy, rehabilitative therapy and infection control. See the schedule below:

	Therapies detail					
	Historical 2013	Historical 2014	Forecasted 2015	Projected 2016	Projected 2017	Projected 2018
PT	193,014	229,892	234,490	249,522	261,072	272,989
OT	163,554	161,689	164,923	175,496	183,618	192,000
ST	115,443	195,688	199,602	212,398	222,229	232,373
RT	17,963	17,629	17,982	19,134	20,020	20,934
Infection Control	35,648	42,614	43,466	46,253	48,394	50,603
	525,622	647,512	660,462	702,803	735,332	768,899
	actual	actual	2% incr	2% plus incr in census %	2% plus incr in census %	2% plus incr in census %

**Request No. 10. Provide additional detail concerning each FTE associated with the dietary department.**

**Answer:** See the staffing hours schedule below that was also provided in response to Request No. 3. Dietary is a purchased service, but it was included in the FTEs, as requested by the Board. Each FTE is projected to fulfill the same role s/he is currently holds. The prospective buyers do not have job descriptions for the individual dietary FTEs.

Row Labels	Sum of Sum Hours	contract	total	2014 & 15	2016	2017	2018	2014 & 15	2016	2017	2018
*Accounts Payable / Billing	1,243.00		1,248.00	0.60	0.60	0.60	0.60	25.17	25.56	25.80	26.04
*Activities Director	2,014.87		2,014.87	0.97	0.97	0.97	0.97				
*Activities Staff	3,583.87		3,583.87	1.72	1.72	1.72	1.72				
*Admissions	2,039.75		2,039.75	0.98	0.98	0.98	0.98	4.53	4.53	4.53	4.53
*Assistant Administrator	360.00		360.00	0.17	0.17	0.17	0.17				
*Assistant Director of Nursing	1,872.00		1,872.00	0.90	0.90	0.90	0.90				
*Business Office Manager	2,083.00		2,083.00	1.00	1.00	1.00	1.00				
*Certified CNA	44,537.98	4,557.00	49,094.98	23.60	24.64	25.29	25.94	50.91	53.11	54.48	55.85
*Certified LPN	17,904.90	5,880.00	23,784.90	11.44	11.94	12.25	12.57				
*Certified MDS Coordinator	2,570.35		2,570.35	1.24	1.29	1.32	1.36				
*Certified RN	9,471.15	1,533.00	11,004.15	5.29	5.52	5.67	5.81	6.67	6.96	7.14	7.33
*CNA Per Diem Employee	12,764.85		12,764.85	6.14	6.41	6.58	6.74				
*Director of Nursing	1,640.00		1,640.00	0.79	0.79	0.79	0.79				
*Executive Director	2,224.00		2,224.00	1.07	1.07	1.07	1.07				
*Geriatric Assistant SNF	609.50		609.50	0.29	0.31	0.31	0.32				
*Infection Control	2,080.00		2,080.00	1.00	1.00	1.00	1.00				
*LPN Per Diem Employee	2,663.25		2,663.25	1.28	1.34	1.37	1.41				
*Maintenance Staff	2,009.00		2,009.00	0.97	0.97	0.97	0.97				
*Maintenance Supervisor	2,059.00		2,059.00	0.99	0.99	0.99	0.99				
*Medical Records	2,449.50		2,449.50	1.18	1.18	1.18	1.18				
*Nursing Supervisor	1,122.75		1,122.75	0.54	0.56	0.58	0.59				
*Other Administrative Staff	880.00		880.00	0.42	0.42	0.42	0.42				
*Receptionist	2,121.00		2,121.00	1.02	1.02	1.02	1.02				
*RN Per Diem Employee	204.75		204.75	0.10	0.10	0.11	0.11				
*Social Service Director	2,106.50		2,106.50	1.01	1.01	1.01	1.01				
*Ward Clerk	2,439.65		2,439.65	1.17	1.17	1.17	1.17				
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<b>Grand Total</b>	<b>125,059.62</b>	<b>11,970.00</b>	<b>137,029.62</b>	<b>65.88</b>	<b>68.08</b>	<b>69.45</b>	<b>70.82</b>				
Laundry	-	4,675.50	4,675.50	2.25	2.25	2.25	2.25				
Housekeeping	-	7,651.50	7,651.50	3.68	3.68	3.68	3.68				
Dietary	-	18,323.50	18,323.50	8.81	9.20	9.44	9.68				
PT	-	5,323.10	5,323.10	2.56	2.67	2.74	2.81				
OT	-	5,033.59	5,033.59	2.42	2.53	2.59	2.66				
ST	-	3,510.01	3,510.01	1.69	1.76	1.81	1.85				
	125,059.62	52,978.19	178,037.81	87.28	90.17	91.96	93.76	87.28	90.17	91.96	93.76
								19.88	20.76	21.30	21.85

**Request No. 11. Provide a breakdown of expenses for dietary purchased services (labor, non-labor and food costs).**

**Answer:** The projections start with the seller's historical information as the base. For dietary, this is based on a purchased service contract. The food, labor, and non-labor are all components of the contract. For 2014, the seller's costs (which are the starting basis for the buyer's costs) were \$198,869 for food and \$289,641 for other purchased services, for a total of \$488,510. The prospective buyers' projections assume

the same breakout and increase those costs by 2% each year. The projections otherwise do not assume any changes.

**Request No. 12. Identify all employee benefits included in 2016, 2017 and 2018.**

**Answer:** The projections start with the seller’s historical information as the base. The projections do not assume any changes in benefits (see the assumptions in the footnotes to the projections - all payroll taxes and benefits are anticipated to increase at the same ratio of the census increase above the 2% annual inflation increase (**Attachment BB**, CONSOLIDATED FINANCIAL STATEMENTS, p. 6. n. 4, submitted with the CON application). In addition to payroll taxes (FICA, Medicare, SUTA, FUTA), the seller has the following employee benefits which are the basis for the prospective buyers’ employee benefits: Worker’s Compensation, Health Insurance, Dental Insurance, Life & AD& D, and 401(k). The projections are based on these same benefits.

**Quality**

**Request No. 13. Eighteen of the 27 facilities currently owned by the Applicants have CMS overall star ratings of either 1 or 2. Explain the Applicants’ plan to simultaneous improve the quality of Rowan Court (currently a Special Focus Facility) and the 27 other facilities.**

**Answer:**

Facility	Overall Star Rating	Applicants	Ownership Interest	Date involvement started
<b>Brighton Rehab</b>	*	Joshua Farkovits	10.5%	2014
		Ephram Mordy Lahasky	9.7%	
<b>Burlington Rehabilitation and Care Center</b>	*	Jordan Fensterman	7.0%	June/July 2014
<b>Claiborne &amp; Hughes</b>	*	Joshua Farkovits	9.0%	2015
		Ephram Mordy Lahasky	9.0%	
<b>Colonial Manor Medical and Rehabilitation Center</b>	*	Jordan Fensterman	7.0%	June/July 2014
<b>Delmar Nursing &amp; Rehab</b>	**	Joshua Farkovits	19.0%	2015
		Jordan Fensterman	19.0%	
		Ephram Mordy Lahasky	19.0%	
<b>Health Center at Galloway</b>	**	Ephram Mordy Lahasky	5.0%	2013
<b>Highland Manor Rehab</b>	**	Ephram Mordy Lahasky	5.0%	2014

Facility	Overall Star Rating	Applicants	Ownership Interest	Date involvement started
<b>Logan Health Care Center</b>	*	Jordan Fensterman	7.0%	June/July 2014
<b>Neptune Rehab and Care Center</b>	**	Joshua Farkovits	20.0%	November 2015
		Jordan Fensterman	9.0%	
		David Gamzeh	20.0%	
		Akiva Glatzer	20.0%	
		Ephram Mordy Lahasky	20.0%	
<b>North Ridge Medical and Rehabilitation Center</b>	**	Jordan Fensterman	7.0%	June/July 2014
<b>Pearl Valley Rehabilitation &amp; Healthcare Center</b>	**	Joshua Farkovits	18.5%	2015
		Ephram Mordy Lahasky	18.5%	
<b>Pickerington Nursing and Rehabilitation Center</b>	**	Jordan Fensterman	7.0%	June/July 2014
<b>Renaissance Manor at Westfield</b>	**	Joshua Farkovits	20.0%	December 16, 2015
		Jordan Fensterman	10.0%	
		David Gamzeh	20.0%	
		Akiva Glatzer	20.0%	
		Ephram Mordy Lahasky	20.0%	
<b>St. Francis Home of Williamsville</b>	**	Joshua Farkovits	37.5%	2015
		Ephram Mordy Lahasky	37.5%	
<b>Sheridan Medical Complex</b>	**	Jordan Fensterman	7.0%	June/July 2014
<b>Villages of Orleans</b>	*	Joshua Farkovits	25.0%	2015
		Ephram Mordy Lahasky	25.0%	
<b>Waters Edge Rehabilitation and Care Center</b>	*	Jordan Fensterman	7.0%	June/July 2014
<b>Winchester Place Nursing &amp; Rehabilitation Center</b>	*	Jordan Fensterman	7.0%	June/July 2014

David Gamzeh and Akiva Glatzer will be addressing day to day operations, along with Shalom Lerner LNHA who will serve as the regional director of operations. Mr. Lerner's resume is attached hereto as **Attachment MM**. Mr. Lerner, an experienced Administrator, will be on site weekly to work with Rowan Court's Administrator and management team.

Messrs. Gamzeh and Glatzer point to their history of successfully improving other homes which they have operated, as discussed at length in the application. This process does, however, take time. As support, please refer to the Answer to Request No. 2 in the

Applicants' Responses to Green Mountain Care Board Requests Dated March 11, 2016, reflecting Mr. Gamzeh taking a home from 1 to 2 over the course of almost two years, and then Mr. Glatzer taking the same home from a 2 to a 4-5 over the next 2 years. The above chart shows the eighteen (18) homes with star ratings of 1-2. The homes in which Messrs. Gamzeh and Glatzer hold interests are reflected in gray. One of the eighteen homes was purchased in 2013, and the remainder of the homes was purchased in the last 2 years. It is expected and intended that these ratings will improve as culture changes are implemented.

**Request No. 14. Given their involvement in Priority Healthcare Group and ownership interests in other facilities, fully explain David Gamzeh and Akiva Glatzer's plans, including any staffing changes or additions, to improve quality at the Rowan Court facility.**

**Answer:** It is admittedly difficult to fully explain plans to improve quality at the Rowan Court facility so far in advance of a change in ownership. However, the applicants anticipate that, through partnering with physicians, specialists, modern medicine and a better care model, they will be able to bring additional services that are not provided with the current operator. This includes on-site psychological services that will greatly impact the residents with reduced cognitive functions. An example of a change that is anticipated to lead to improvements in quality is to add clinical programs for behavioral health, renal failure and total parenteral nutrition.

Importantly, the prospective purchasers will have boots on the ground in that Mr. Shalom Lerner will be on site weekly as part of the Priority Health management service that will replace Revera. The Applicants do not otherwise have plans at this time to make any material changes to staffing. Mr. Lerner will bring his expertise and oversight of day-to-day operations on behalf of Messrs. Gamzeh and Glatzer to work with the facility's clinical team to achieve their goals of increased overall quality.

As for operations, the Applicants first want to see how the home operates and the skill level required as well as the abilities of the staff to determine the appropriate staffing levels. They have projected staffing increases to match census increase. If, however, they determine that staffing levels, even increased as projected, are inadequate, then they will not hesitate to increase staffing to meet the residents' immediate and long-term needs.

### **Additional Questions**

**Request No. 15. Complete and resubmit the mental health services and psychiatry services table on page 7 of your April 18, 2016 responses.**

**The provider entity for mental health services, indicating whether on-site or tele-health;  
The provider entity for psychiatry services, indicating whether on-site or tele-health;**

**Answer:**

<b>Facility</b>	<b>Provider entity for mental health services</b>	<b>On-site or tele-health</b>	<b>Provider entity for psychiatry services</b>	<b>On-site or tele-health</b>
<b>Brighton f/k/a Friendship</b>	Employed/contracted mental health service providers	On site	Dr. Vassilenko Dr. Kwiat – as needed	On site
<b>Burlington Cambridge</b>	Dr. F. Elmudesi Team of psychologists and NPs	On site	Dr. Bugarino Dr. Rangwani and NP	On site On site
<b>Claiborne &amp; Hughes Colonial Manor</b>	Vericare North Central Health Services	Teleservice Off site	IPC Dr. Green	Teleservice Off site
<b>Delmar Nursing &amp; Rehab</b>	Vista Medical.	On site	Vista works with off site psychiatrist. When needed, residents are referred to psychiatric facility for care.	Off site
<b>Eastview</b>	Dr. Dennison with Aspiras, General Clinic	On site	Dr. Dennison with Aspiras, General Clinic	On site
<b>Franklin Woods</b>	Counseling Source Dr. Feidenburg, a neurobehavioralist, also provides services.	On site	Dr. Rangwani	On site
<b>Hamilton</b>	VA – B. Chirumamilla Senior Wellness – Pat Barzinsky	On site	VA – B. Chirumamilla Senior Wellness – Pat Barzinsky	On site
<b>Health Center at Galloway</b>	CHE Behavioral Health Services	On site	Dr. Mazor	On site
<b>Highland Manor Rehab</b>	CHE Behavioral Health Services	On site	Independent provider	On site
<b>Holliswood Center</b>	CHE Behavioral Health Services	On site	Dr. Trachtenberg	On site
<b>Lebanon</b>	Counseling Source	On site	Dr. Kaneria	On site
<b>Logan Health Care Center</b>	Counseling Source Kathryn Redding	On site	Referred out	Off site
<b>Manor Care n/k/a Barclay's</b>	Senior Care Therapy	On site	Dr. Debbie Klantzky	On site
<b>Maple Ridge</b>	They use a variety of mental health	Off site	Selected by the individual residents.	Off site

Facility	Provider entity for mental health services	On-site or tele-health	Provider entity for psychiatry services	On-site or tele-health
	providers selected by the individual residents. For example, Bellin Health Care Systems (BHS) or Aurora Health Services			
<b>Neptune</b>	CHE Behavioral Health Services	On site	Dr. Prada	On site
<b>North Ridge Medical and Rehabilitation Center</b>	Tamarack Behavioral Center	Off site	Dr. Mantelbaum with	Off site
<b>Pearl Valley Rehabilitation &amp; Healthcare Center</b>	Behavioral health visits to the University of Iowa	Off site	Hillcrest Family Services or Psychiatric NP comes on site	Off site On site
<b>Pickerington Nursing and Rehabilitation Center</b>	Counseling Source	On Site	Dr. Rangwani	On Site
<b>Renaissance Manor at Westfield (n/k/a Westfield Gardens)</b>	New England Geriatrics	On site	New England Geriatrics	On site
<b>St. Francis Home of Williamsville d/b/a Comprehensive Rehabilitation</b>	CHE Behavioral Health Services	On site	Amherst Psychiatry	On Site
<b>Sheridan Medical Complex</b>	CHE Behavioral Health Solutions	On site	CHE Behavioral Health Solutions	On site
<b>Valley View</b>	CHE Behavioral Health Services	On site	No in-house psychiatry. The residents who see a psychiatrist go to specialty clinics. Most of those residents were admitted with an established psych provider.	Off site.

Facility	Provider entity for mental health services	On-site or tele-health	Provider entity for psychiatry services	On-site or tele-health
<b>Villages of Orleans</b>	Employed/contracted mental health service providers	On site	Dr. Vicki Weinstein	On Site
<b>Waters Edge Rehabilitation and Care Center</b>	Behavior Solutions Psychologist – Jill Peterson	On site	Behavior Solutions Psychiatrist – Heather Hutchison	On site
<b>Winchester Place Nursing &amp; Rehabilitation Center</b>	Psycho Therapies	On site	None When needed, residents are referred to psychiatric facility for care.	Off site.

**Request No. 16.** Provide and explain the contingency plan if occupancy rates or Medicare or Medicaid reimbursements are lower than projected for 2016, 2017 and 2018.

**Answer:** The Applicants are confident about the census and reimbursement assumptions underlying their projections. In fact, they approached their projections conservatively. However, assuming that there are shortfalls in their projected census or reimbursement rates, the individual prospective buyers are willing to fund shortfalls. In other words, if census or reimbursement rates turn out to be lower than projected for 2016, 2017 or 2018, the Applicants have the capability (as seen in their Personal Financial Statements) and commitment to provide funding to get through difficult times while improving quality.

**Request No. 17.** If any of the five prospective buyers have acquired additional business interests, assets or liabilities since their Personal Financial Statements (PFS) were submitted, identify each new interest or acquisition, provide the business name, description, location, percent of ownership interest and change in assets and liabilities for each individual.

**Answer:** The five prospective buyers have acquired the following assets since their Personal Financial Statements were submitted in January 2016. There are no other new interests or acquisitions since the submission of the Personal Financial Statements.

Business name, description, location,	Prospective buyer	Ownership % in realty	Ownership % in operations
<b>Birch Manor Rehabilitation &amp; Skilled Nursing Center</b> 44 New Lombard Rd Chicopee, MA	Farkovits	18.5	18.5
	Fensterman	20 – this is an LLC	20 – this is an LLC
	Gamzeh	18.5	18.5
	Glatzer	18.5	18.5
	Lahasky	18.5	18.5
<b>Renaissance Manor – Westfield (Westfield Gardens)</b> 37 Feeding Hills Rd Westfield, MA	Farkovits	20	20
	Fensterman	20 – this is an LLC	20 – this is an LLC
	Gamzeh	20	20
	Glatzer	20	20
	Lahasky	20	20
<b>Centennial Gardens (Crystal Care Center)</b> 3245 Vera Cruz Ave Minneapolis MN	Farkovits	0	14.5
	Fensterman	0	20 – this is an LLC
	Gamzeh	0	14.5
	Glatzer	0	14.5
	Lahasky	0	14.5
<b>The Gardens at Cannon Fields (Angel Care Center)</b> 300 Dow Street North Cannon Falls MN	Farkovits	0	14.5
	Fensterman	0	20 – this is an LLC
	Gamzeh	0	14.5
	Glatzer	0	14.5
	Lahasky	0	14.5
<b>Waterbury Gardens (Village Green of Waterbury)</b> 128 Cedar Ave Waterbury CT	Farkovits	9.375	9.375
	Fensterman	20 – this is an LLC	20 – this is an LLC
	Gamzeh	18.75	18.75
	Glatzer	18.75	18.75
	Lahasky	18.75	18.75

The resulting change in assets and liabilities for each individual is submitted in a separate confidential filing.

**Request No. 18.** Please revise and resubmit the PFS for David Gamzeh reflecting Priority Care Group instead of Hamilton Nursing Home in Schedule G (Business Ventures).

**Answer:** A revised Personal Financial Statement for David Gamzeh will be re-submitted under seal for Mr. Gamzeh reflecting Priority Care Group instead of Hamilton Nursing Home in Schedule G (Business Ventures).

**MM**

# SHALOM LERNER, LNHA

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Brooklyn, NY 11229  
347.372.6897 [shalomlerner@yahoo.com](mailto:shalomlerner@yahoo.com)

## SUMMARY

Energetic, motivated, and resourceful administrator with outstanding leadership skills. Proven innovator and excellent communicator. Seeking challenging management position with opportunity for growth.

## EXPERIENCE

- 03/2016 – present      **Waterbury Gardens Nursing & Rehabilitation, a subsidiary of Priority Healthcare Group**      Waterbury, CT
- Administrator of Record**
- Formerly known as Village Green of Waterbury (see below)
  - Efficiently transitioned ownership of the 180 bed skilled nursing facility.
  - Reviewed all contracts and vendor relationships to ensure best care, for best resident outcome, at the best price.
  - Successfully completed CMS MDS/Staffing Survey visit.
- 04/2016 – present      **Priority Healthcare Group**      Waterbury, CT
- Regional Administrator**
- Oversee operations for two SNFs located in Chicopee and Westfield, MA.
  - Work alongside the VP of Clinical Services to ensure all operations and clinical services are working well in unison.
  - Administrators answer directly to the Regional Administrator for all questions and concerns.
- 10/2015 – 03/2016      **Village Green of Waterbury, a subsidiary of Revera Healthcare**      Waterbury, CT
- Administrator of Record**
- Oversaw operations for 180 SNF beds including 30 Vent beds.
  - Cut costs, eliminated overtime, increased census, and doubled the Medicare Census.
  - Prepared for transition of new ownership
- 01/2015 – 10/2015      **Alpine Home Health Care, CHHA, a subsidiary of Centers Health Care**      Brooklyn, NY
- Home Care Administrator**
- Increased census of 600 patients by 30% within 7 months of assuming administrative role
  - Reviewed internal processes to ensure efficiency; proposed system changes at cost of \$1 million that were approved by ownership
  - Restructured director positions and filled them with qualified staff
- 2014 – 2015      **Bushwick Center for Rehabilitation and Healthcare, a subsidiary of Centers Health Care**      Brooklyn, NY
- Administrator of Record**

- Oversaw operations for 225 SNF beds and an additional 100 adult day care slots at three separate facilities throughout the borough
  - Increased Medicare census, raising Medicare revenue by \$3 million
  - Revamped the Wound Care Program with DOH acknowledgment of 100% improvement
  - Increased CMI to a new facility record
  - Achieved a deficiency-free DOH health survey
  - Facilitated the opening of a brand new in-house dialysis center
  - Increased the level of acuity and care, enabling the acceptance of higher acuity residents
- 2012 – 2014      **University Nursing Home, a subsidiary of Centers Health Care**      Bronx, NY  
**Administrator of Record**
- Oversaw operations for 46 SNF beds
  - In addition to administrative duties, managed the admissions, budgeting, HR, purchasing, and marketing functions for the facility
  - Completely renovated the nursing home while ensuring the safety and security of all residents
  - Led the facility from a stained DOH health survey record to two consecutive deficiency-free surveys
  - Increased the level of acuity and care, enabling the acceptance of higher acuity residents
  - Raised CMI 10%, by ensuring proper capture and scoring
- 2010 – 2012      **Centers for Specialty Care – Financial Coordinator**      Bronx, NY
- Corporate liaison for multiple skilled nursing facilities in NY and NJ
  - Performed accounts receivables audits
  - Ensured compliance of Admissions, Finance, and Social Services departments with corporate financial policies
- 2008 – present      **Connecticut State Police – Chaplain & Peer Support Contact**      Connecticut
- Compile sensitivity training materials for State Police
  - Deliver presentations to troopers and upper management
  - On call to assist in family death notifications
- 2008 – present      **Camp Simcha / Chai Lifeline – Medical Volunteer**      Glen Spey, NY
- Handle day-to-day medical needs of summer campers with chronic illnesses
  - On call 24/7, including overnight watch
  - Transport ill campers to the hospital via ambulance
- 2006 – present      **Hatzolah Volunteer Ambulance – Volunteer EMT**      New York
- Respond to medical emergencies 24/7 via two-way radio
  - Active volunteer with an average of 30+ calls per month
  - Manned a Sullivan County ambulance 18 hours a day for 4 summers
- 2006 – 2010      **Southbury Ambulance Association – Volunteer EMT**      Southbury, CT
- 2005 – 2010      **Campion Ambulance Service – EMT**      Waterbury, CT
- Responded to city's 911 calls. Assessed patients and provided triage, wound care, splinting, and irrigation as needed. Operated a variety of field medical devices in accordance with agency and treatment protocols.

## **EDUCATION**

Spring 2010	<b>University of Connecticut School of Business</b> <ul style="list-style-type: none"><li>▪ Management of Long Term Healthcare Organizations</li></ul>	Hartford, CT
2005 – 2010	<b>Yeshiva Gedolah of Waterbury Rabbinical College</b> <ul style="list-style-type: none"><li>▪ Lectures in analytical thinking</li></ul>	Waterbury, CT
2006 – 2009	<b>Fairleigh Dickinson University</b> <ul style="list-style-type: none"><li>▪ Bachelor of Arts: Major – Science, Minor – Business Management</li></ul>	Teaneck, NJ
2005 – 2007	<b>Naugatuck Valley Community College</b> <ul style="list-style-type: none"><li>▪ EMT training, business courses, classes in Microsoft Office</li></ul>	Naugatuck, CT

## **CERTIFICATIONS**

- Licensed Nursing Home Administrator (LNHA) in Connecticut #002027
- Licensed Nursing Home Administrator (LNHA) in New York #05579
- Certified Emergency Medical Technician in Connecticut and New York
- Certified Advanced Emergency Medical Dispatcher
- Connecticut CERT (Community Emergency Response Team) responder
- CPR / Lifeguard Supervisor with 7+ years experience