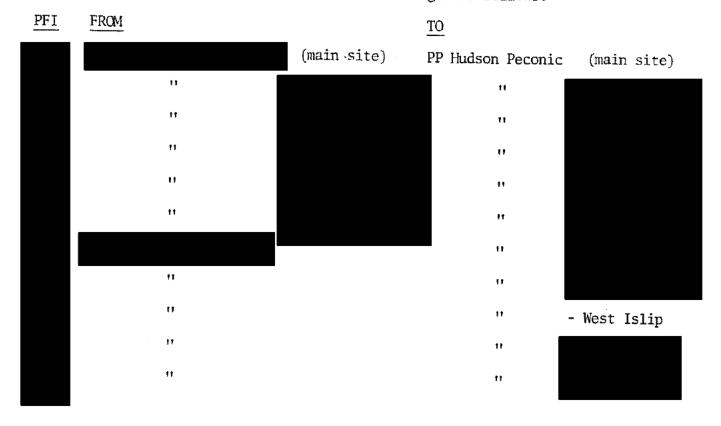
5902208R - Planned Parenthood Hudson Peconic, Inc.

ALL SERVICES HAVE REMAINED AS THEY WERE PRIOR TO THE MERGER.

The names of the extension clinics have been changed as follows:



ADDENDUM to form 2272-A-E

MUST BE SUBMITTED FOR THE ESTABLISHMENT OF A NEW FACILITY OR A CHANGE IN OWNERSHIP

(1)	Operating Certificate # 5902208R (new	<u>')</u>	PFI# 1049 (old)
(2)	Name of Facility PLANNED PARENTHOOD	HUDSON	N PECONIC, INC.
	Street Address		
	CityZip Code		County_
	Telephone # Open	ator Fed	eral ID#_
(3)	Administrator's Name_		
(4)	TRANSFER/AFFILIATION AGREEMEN	ITS	
	XX Hospital		Home Health Agency
	Residential Health Care Facility	П	Hospice
	☐ Diagnostic and Treatment Center		Mental Hospital
			Other (Please specify)



STATE W YORK
DEPARTMENT OF HEALTH
CORNING TOWER BUILDING
ALBANY, N.Y. 12237

Public Health Council

November 25, 1997



Re: Application No. 971094 - Planned Parenthood Hudson Peconic, Inc.

Dear

I HEREBY CERTIFY THAT AFTER INQUIRY and investigation, the application of Planned Parenthood Hudson Peconic, Inc. is APPROVED, the contingencies having now been fulfilled satisfactorily. The Public Health Council had considered this application and imposed the contingencies at its meeting of November 21, 1997.

Public Health Council approval is not to be construed as approval of property costs or the lease submitted in support of the application. Such approval is not to be construed as an assurance or recommendation that property costs or lease amounts as specified in the application will be reimbursable under third party payor reimbursement guidelines.

To complete the requirements for certification approval, please contact the New Rochelle Area Office of the New York State Office of Health Systems Management, 145 Huguenot Street, New Rochelle, New York 10801, or (914) 632-3701 within 30 days of receipt of this letter.

Sincerely,

Karen S. Westervelt Executive Secretary

RESOLUTION

RESOLVED, that the Public Health Council, pursuant to the provisions of
section 2801-a of the Public Health Law, on this 21st day of November, 1997, having
considered any advice offered by the Regional Health Systems Agency, the State
Hospital Review and Planning Council, the staff of the New York State Department of
Health, and the Establishment Committee of this Council and after due deliberation,
hereby approves the following application to merge
and with the
contingencies, if any, as set forth below and providing that each applicant fulfills the
contingencies and conditions, if any, specified with reference to the application, and
be it further

RESOLVED, that upon fulfillment by the applicant of the conditions and contingencies specified for the application in a manner satisfactory to the Public Health Council and the New York State Department of Health, the Secretary of the Council is hereby authorized to issue the approval of the Council of the application, and be it further

RESOLVED, that any approval of this application is not to be construed as in any manner releasing or relieving any transferor (of any interest in the facility that is subject the of the application) of responsibility and liability for any Medicaid (Medicaid Assistance Program — Title XIX of the Social Security Act) or other State fund overpayments made to the facility covering the period during which any such transferor was an operator of the facility, regardless of whether the applicant or any other entity or individual is also responsible and liable for such overpayments, and the State of New York shall continue to hold any such transferor responsible and liable for any such overpayments, and be it further

RESOLVED, that upon the failure, neglect or refusal of the applicant to submit documentation or information in order to satisfy a contingency specified with reference to the application, within the stated time frame, the application will be deemed abandoned or withdrawn by the applicant without the need for further action by the Council, and be it further

RESOLVED, that upon submission of documentation or information to satisfy a contingency specified with reference to the application, within the stated time frame, which documentation or information is not deemed sufficient by Department of Health staff, to satisfy the contingency, the application shall be returned to the Council for whatever action the Council deems appropriate.

NUMBER:			FACI	LITY/APPLICANT	:	
971094			Planr Inc.	ned Parenthood Hu	udson Peconi	С
APPROVAL	CONDITIONAL	LIPON				

N/A

971094 PLANNED PARENTHOOD HUDSON PECONIC, INC.

ESTABLISHMENT application submitted on March 19, 1997 by PLANNED PARENTHOOD HUDSON PECONIC, INC.

requests approval to merge with

Upon approval, will simultaneously change its name to Planned Parenthood Hudson Peconic, Inc. (PPHP) and expand its Board of Directors to include board members from PPHP will be a type B not-for-profit corporation without corporate members. The new entity will then assume responsibility for operating all clinics now operated by and There are a total of 15 sites in four counties.

The applicant anticipates that the merger will enable it to increase its direct service programs (outreach, education, medical treatment and advocacy) to low income women and families, to develop a more specialized administrative staff initally and, over time, to reduce administrative expense, pool resources at the board and staff level, and share best practices in medical programs and education services.

Recommendations

Health Systems Agency

There will be no HSA review of this application.

Office of Health Systems Management

Approval.

State Council Recommendation:

Approval recommended on October 9, 1997,

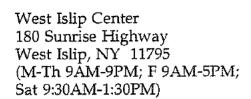
Office of Health Systems Management Staff Analysis

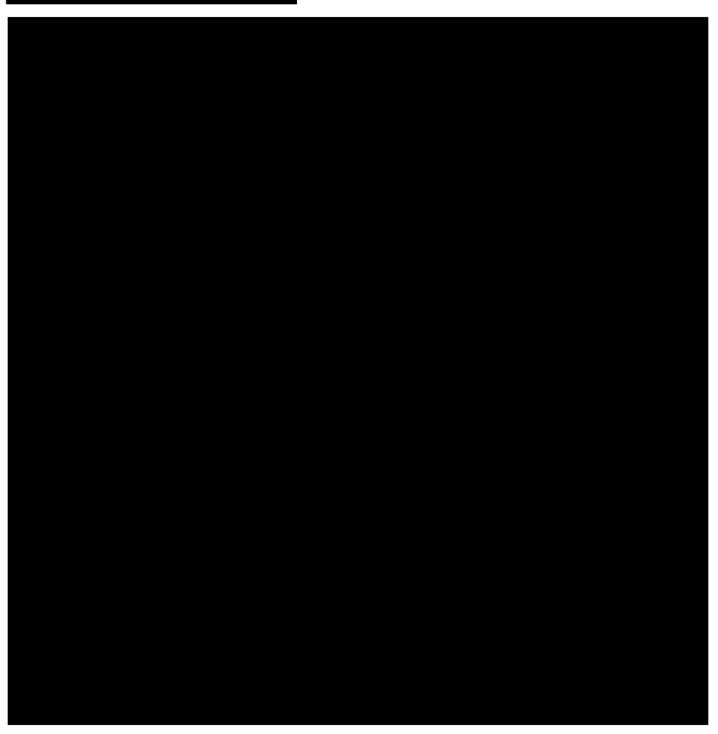
971094 - PLANNED PARENTHOOD HUDSON PECONIC, INC.

Need Analysis

STAFF REVIEW

The application is submitted on behalf of and and and and corporations and establish Planned Parenthood Hudson Peconic, Inc. (PPHP).
formed in 1968 as a merger of four In 1985, management of creating the current reproductive health and primary care services at nine (9) sites in a New York not-for-profit corporation, was was most assumed the assumed the which was wholly acquired in 1993, thus and and a primary care services at nine (9) sites in and and
a New York not-for-profit corporation was formed in 1973 as a result of a merger between P (founded in 1963). provides reproductive health and primary care services at six sites in Suffolk County. is the corporation surviving this merger and will simultaneously change its name to Planned Parenthood Hudson Peconic, Inc. will also expand its board of directors and assume responsibility for operating all clinics now operated by and Planned Parenthood Hudson Peconic, Inc. will be a Type B not-for-profit corporation without corporate members. The fifteen (15) centers located in the four counties served by the agency (Suffolk, and their hours of operation are:
Suffolk County





The services provided by the facilities include primary medical care, prenatal, health education, cancer, VD detection and family planning. During 1996, a total of 63,421 family planning visits were made to the 15 centers. Prenatal care, which is offered in four sites, provided a total of 1,923 visits. The applicant does not expect growth in the number of visits during the first year following implementation of the proposal and projects slight growth to a total of approximately 70,000 visits for the year 2001. Relevant demographic characteristics in the service populations include:

- The African-American population, in Suffolk County, increased by 12% from 1980 to 1990 to become 6% of the total population and the Hispanic population increased by 43% over the same period to represent 6% of the total population.
- The County population has been relatively unchanged over the 10-year period with the overall race/ethnicity indicating approximately 80% of the population as white; 14% black and the remainder being non-white and hispanic. The county is reported as having slightly over 15% of the population with incomes less than 200% of the poverty level.
- County is reported to have a 1990 population of 265,475 which represents a 2.3% increase above the 1980 population. The characteristics for County in 1990 reflected a higher growth rate for non-whites than for whites as the non-white percentage of the population rose from 10.4% to 16.1% during the 1980 to 1990 period. Almost 15% of the population in the service area are reported to have income levels less than 200% of the poverty level.
- The population of County was reported to have increased by 8.7% from 1980 to 1990. The 1990 census statistics indicated that 97.5% of the county's population is white. While the median income is reported as \$52,000 in recent years there has been a steady increase in the number of individuals and families in poverty with a significant 61.5% increase between 1988 and 1990.

The medical services of the facilities are supervised by a medical director, and direct services are provided by physicians and certified nurse clinicians.

CONCLUSION

The and and acres in their communities. They offer the only source of affordable and accessible health services for many of their clients. Most of the persons they serve are low income with a substantial proportion of Medicaid recipients. It is reasonable to assume the utilization being experienced can be expected to continue.

From a need perspective, approval is recommended.

Programmatic Analysis

I. Background

Planned Parenthood Hudson Peconic, Inc., a not-for-profit corporation, requests approval to assume operation of the and the and the and the the corporation will be a combination of the two existing boards.

II. Program Review Description

There are no concurrent staffing or programmatic changes proposed in conjunction with this application. Services provided by the facilities include: primary health care, prenatal, health education, cancer and VD detection, and family planning.

III. Personal Character and Competence

The qualifying education, experience, and background of the new combined board, as contained in submitted disclosure form is as follows:

Name

Business/Occupation

Attorney Minister University Professor Education/Marketing Counselor Tax Advisor Hospital Administrator CPA Marketing/Sales Manager Social Worker retired none Marketing retired Attorney Database Marketing none none Volunteer Retailing Administrator Writer/Editor Attorney Book Shop Manager Attorney retired Homemarker/Artist



none Business Manager

Board Member disclosing other affiliations are:

<u>Name</u>	Business/Occupation	<u>Affiliation</u>
	Homemaker	
	University Administrator	SUNY-Stony Brook
	Clergyman	Family Service of Nassau County Hempstead
	Legal Assistant	Putnam Hospital; Putnam Med. Group; Salem Hills Nursing Facility
	Health Administrator	St. Luke's Roosevelt Hosp.

Findings and Recommendations:

We reviewed the disclosure information contained in the certificate of need application which was submitted by the above individuals regarding licenses held, formal education, training in pertinent health and/or related areas, employment history, a record of legal actions, and a disclosure of the applicant's or their relative's ownership interest in other health care facilities. This review revealed that, while many of the board members have extensive experience in the health care industry, none holds a medical license. Furthermore, none of the board members disclosed a record of legal actions, past or pending. Based on this information, it is concluded that they are persons of good moral character who are competent to operate a business providing medical care for patients.

IV. Associated Facility Histories

A FAVORABLE 10 year review was made of the operation of the and the sources of information included the files, records, and reports, found in the Bureau of Hospital Services. Included in the review were the results of any incident and/or complaint investigations, independent professional reviews, and/or comprehensive/focused inspections. Our review found that there were no cited violations which threatened or resulted in direct, significant harm to the health, safety, or welfare of patients/residents and that any of the relatively minor cited deficiencies were promptly corrected with appropriate remedial action and, in addition, the facilities were found to have not been the subject of any enforcement actions or have any pending surveillance issues that would impact upon this CON. Based on this information, it

is concluded that the facilities have provided a substantially consistent high level of care as defined in New York State Public Health Law 2801-a(3) and 10NYCRR600.2 over the past 10 years.

From a programmatic perspective, approval is recommended.

Financial Analysis

Presented as BFA Attachment C are combined balance sheets for the two existing corporations for 1995 and 1996 and a pro forma balance sheet for PPHP as at the date of merger.

ESTIMATED OPERATING BUDGET

The applicant has submitted an estimated annual operating budget for the merged entity, in 1997 dollars, which is summarized below:

Operating Revenue	\$9,815,399
Other Revenue	1,357,761
Total Revenue	\$11,172,860
Expense	10,564,520
Net Income	\$618,340
Visits	65,802
Cost per Visit	\$140.07

The budget is based on recent historical experience and as such does not include any efficiencies or improved program services that may occur in future years because of the merger. Revenues include patient care reimbursement from all sources which represents approximately 50% of the total, as well as contributions and grants that have been historically received.

The applicant has indicated that the two separate entities currently have contracts with nine different managed care agencies. Upon merger, they anticipate the expanded ability to contract with additional agencies and have identified five such agencies as potential contractors.

CAPABILITY AND FEASIBILITY

Since there is no significant cost associated with the merger, the issue of capability is centered on the initial operating position of the merged entity, which is presented as BFA Attachment C. The pro forma balance sheet is based on the December 31, 1996 balance sheets of the existing corporations and as such appears reasonable and adequate for expanded operations.

Presented as BFA Attachment A and B respectively are financial summaries for and

The issue of feasibility is centered on the ability of the merged entity to offset ongoing expense with revenue. In that regard, the submitted budget appears to address the issue. Both separate entities experienced excess revenues in 1995 and 1996.

From a financial perspective, approval is recommended.

Attachments

BFA Attachment A - Financial Summary-

BFA Attachment B - Financial Summary-

BFA Attachment C - Pro Forma Balance Sheet- Planned Parenthood of Hudson Peconic Inc.

BALANCE SHEET

DECEMBER 31, 1996 AND 1995

•	1996	<u>1995</u>
LIABILITIES AND NET ASSETS (continued)		
Long-term liabilities Mortgage note payable Obligation under capital leases	\$ 621,819 40,343	\$ 67,857
Total liabilities	1.010.316	293,879
Net assets Unrestricted Temporarily restricted Permanently restricted	3,223,803 925,043 25,000	3,226,984 484,220 25,000
Total net assets	4.173,846	3,736,204
Total liabilities and net assets	\$ <u>5,184,162</u>	\$4,030,083

BALANCE SHEET

DECEMBER 31, 1996 AND 1995

	<u> 1996</u>	1995
ASSETS		
Current assets	,	
Cash	\$ 178,543	\$ 329,944
Investments (Note 4)	1,096,207	916,228
Surgical and medical fees receivable (less allowance for uncollectible accounts of \$150,488 in 1996 and		
\$105,279 in 1995)	658,157	493,154
Due from government agencies	218,082	136,231
Contributions receivable	166,294	78,751
Inventories, prepaid expenses and deposits	<u>· 200,989</u>	<u> 179,707</u>
Total current assets	2,518,272	2,134,015
Contributions receivable	158,903	143,941
Investments held for permanent endowment	25,000	25,000
Fixed assets (net of accumulated depreciation		-
and amortization	<u>2,481,987</u>	1,727,127
Total assets	\$ <u>5,184,162</u>	\$ <u>4,030,083</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 303,833	\$ 180,590
Mortgage note payable - current portion	21,980	42,857
Obligation under capital leases - current portion	22,341	2,575
Congación under capital leases - carrent portion		
Total current liabilities	348,154	226,022

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 1996 (With Summarized Financial Information for 1995)

		Temporarily	Permanently	To	tal
Operating revenues, gains and other support	Unrestricted	Restricted	Restricted_	<u>1996</u>	1995
Contributions		\$ 71,925		\$ 71,925	\$ 117,367
Government support		1,633,152		1,633,152	1,651,183
Patient fees	\$ 1,491,364			1,491,364	1,461,068
Medicaid fees	1,662,683	>		1,662,683	1,805,690
Donated services	50,421			50,421	77,095
Other operating revenues	<u>27.068</u>	enverse enverse		27,068	16.531
	3,231,536	1,705,077		4,936,613	5,128,934
Net assets released from restrictions			•		
Satisfaction of program restrictions	1.740,038	(1,740,038)		######################################	
Total operating revenues, gains and other support	<u>4.971.574</u>	(34,961)		4.936,613	5.128.934
Operating expenses					
Medical services	4,030,976			4,030,976	3,775,160
Surgical services	441,450			441,450	463,054
Prenatal services	164,286			164,286	188,620
Adolescent support	127,197			127,197	146,614
Education	352,788			352,788	336,657
Public policy	230,174			230,174	<u>161,566</u>
Total program services	5,346,871			5,346,871	5,071,671
Management and general	622,431			622,431	.631,056
Total operating expenses	_5,969,302			_5,969,302	5,702,727
	-continued-				



YEAR ENDED DECEMBER 31, 1996 (With Summarized Financial Information for 1995)

		Temporarily	Permanently	To	tal
	Unrestricted	Restricted	Restricted	1996	1995
Change in net assets from operations	\$ <u>(997.728)</u>	\$(34.961)		\$ <u>(1.032.689</u>)	\$ <u>(573.793)</u>
Other changes in net assets					
Contributions -Bequests	643,492			643,492 .	614,797 100,000
Auction	127,696			127,696	120,785
Campaign 2000 contributions		739,185		739,185	414,890
Investment income	122,193			122,193	55,530
Net assets released from restrictions					
Satisfaction of program restrictions	116,269	(116,269)			
Satisfaction of capital acquisition restrictions	147,132	(147,132)			
Fund-raising expenses	(291,512)			(291,512)	(192,180)
Direct costs of auction	(35,803)			(35,803)	(33,837)
Change in net assets before change in accounting principles	(168,261)	440,823		272,562	506,192
Change in accounting principles	165,080			<u>165,080</u>	6,000
Change in net assets	(3,181)	440,823		437,642	512,192
Net assets - beginning of year	3,226,984	484,220	\$ <u>25,000</u>	_3,736,204	3,224,012
Net assets - end of year	\$ <u>3,223,803</u>	\$ 925,043	\$_25,000	\$ <u>4.173,846</u>	\$ <u>3,736,204</u>

STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 1996 (WITH COMPARATIVE TOTALS FOR 1995)

	1996	1995 (As restated)
	Total	Total
ASSETS:	**************************************	**************************************
Cash	\$583,238	\$518,341
Contributions receivable	214,801	362,747
Accounts receivable (less		
allowance of \$38,179 and \$25,269 at		
December 31, 1996 and 1995, respectively)	763,637	453,761
Short-term investments	226,043	255,855
Long-term investments	107,283	145,346
Inventory and other assets Land, building, and equipment - net	88,037 3,028,291	95,537 3,105,410
Total Assets	\$5,011,330	\$4,936,997
LIABILITIES AND NET ASSETS: Mortgage payable Accounts payable, accrued expenses and other liabilities	\$566,134 316,917	\$921,404 199,695
Total Liabilities	883,051	1,121,099
Net assets:		
Unrestricted	3,363,736	2,692,607
Temporarily restricted	652,032	1,030,699
Permanently restricted	112,511	92,592
Total Net Assets	4,128,279	3,815,898
Total Liabilities and Net Assets	\$5,011,330	\$4,936,997
	was Collection was Cities were state to the fact when	

			1996		1995 (As restated)
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
REVENUE:				:	
Revenues and gains:					
Contributions	\$ 530,851			\$530,851	\$459,758
New York State grants		\$1,203,550		1,203,550	1,172,547
Special events - net	188,982			188,982	178,525
Other revenue:				4 = 4 = 4 = 4	
Patient fees	1,547,294			1,547,294	1,467,936
Medicald	1,005,537	- 404		1,005,537	753,412
Investment Income - net	17,934	2,431	3,612	23,977	38,061
Miscellaneous income	1,080			1,080	1,815
Total revenues and gains	3,291,678	1,205,981	3,612	4,501,271	4,072,054
Net Assets released from restrictions	1,564,258	(1,580,565)	16,307	0	0
Total Revenue	4,855,936	(374,584)	19,919	4,501,271	4,072,054
EXPENSES:					
Program services:					
Medical services	2,956,100			2,956,100	2,672,469
Community Information and education	398,627			398,627	399,604
Public affairs	136,490			136,490	131,758
Total program services	3,491,217	0	0	3,491,217	3,204,031
Supporting services:				-	
Management and general	457,912			457,912	525,875
Fund raising	235,678	4,083	•.	239,761	232,338
Total supporting services	693,590	4,083	0	697,673	758,213
Total Expenses	4,184,807	4,083	0	4,188,890	3,962,244
Increase (decrease) in net assets from current year					
operations before cumulative change in accounting principles	C74 400	/27n cc7\	40.040	242.004	400.040
	671,129	(378,667)	19,919	312,301	109,610
Cumulative effect of change in accounting principles				0	634,795
Increase (decrease) In net assets	671,129	(378,667)	19,919	312,381	744,605
Net assets at beginning of year					
As previously reported	2,599,419	1,030,699	92,592	3,722,710	3,071,293
Adjustment for understatement of accounts receivable	93,188		• -	93,188	,, -
Balance at beginning of year, as restated	2,692,607	1,030,699	92,592	3,815,898	3,071,293
Net assets at end of year	\$3,363,736	\$652,032	\$112,511	\$4,128,279	\$3,815,898
See notes to financial statements See Independent auditor's report		=======================================	======================================		*********



BALANCE SHEET

ACTUAL DECEMBER 31, 1996 AND 1995, PRO FORMA 1997

ASSETS	1995	1996	Pro Forma 1997	
Cash Investments Fees Receivable Contributions Receivable Inventory and Other Assets Fixed Assets	\$ 848,285 1,342,429 1,083,146 585,439 275,244 4,832,537	\$ 761,781 1,454,533 1,639,876 539,998 289,026 5,510,278	\$ 1,390,944 1,500,000 1,600,000 539,998 290,000 5,258,278	
TOTAL ASSETS	\$ 8,967,080	\$ 10,195,492	\$ 10,579,220	
LIABILITIES AND NET ASSETS	\$ 380.285	\$ 620,750	\$ 620,000	
Accounts Payable Capital Leases Mortgages	\$ 380,285 2,575 1,032,118	\$ 620,750 62,684 1,209,933	\$ 620,000 62,000 1,100,000	
TOTAL LIABILITIES	\$ 1,414,978	<u>\$ 1,893,367</u>	<u>\$ 1,782,000</u>	
NET ASSETS				
Unrestricted Temporarily Restricted Permanently Restricted	\$ 5,919,591 1,514,919 <u>117,592</u>	\$ 6,587,539 1,577,075 <u>137,511</u>	\$ 7,082,709 1,577,000 <u>137,511</u>	
TOTAL NET ASSETS	\$ 7,552,102	<u>\$ 8,302,125</u>	\$ 8,797.220	
TOTAL LIABILITIES AND NET ASSETS	\$ 8,967,080	\$ 10,195,492	\$ 10,579,220	

RESOLUTION

RESOLVED, that the Public Heat section 2801-a of the Public Health Law, on a considered any advice offered by the Regional Hospital Review and Planning Council, the state Health, and the Establishment Committee of the hereby approves the following application to a land contingencies, if any, as set forth below and contingencies and conditions, if any, specified be it further	al Health Systems Agency, the State aff of the New York State Department of this Council and after due deliberation, merge and with the providing that each applicant fulfills the
RESOLVED, that upon fulfillment contingencies specified for the application in a Council and the New York State Department hereby authorized to issue the approval of the further	of Health, the Secretary of the Council is
RESOLVED, that any approval of as in any manner releasing or relieving any trais subject the of the application) of responsible (Medicaid Assistance Program — Title XIX of fund overpayments made to the facility cover transferor was an operator of the facility, regionsher entity or individual is also responsible as State of New York shall continue to hold any any such overpayments, and be it further	lity and liability for any Medicaid the Social Security Act) or other State ring the period during which any such ardless of whether the applicant or any and liable for such overpayments, and the
RESOLVED, that upon the failure submit documentation or information in order reference to the application, within the stated deemed abandoned or withdrawn by the application by the Council, and be it further	time frame, the application will be
RESOLVED, that upon submission satisfy a contingency specified with reference frame, which documentation or information is Health staff, to satisfy the contingency, the after whatever action the Council deems appropriately.	not deemed sufficient by Department of pplication shall be returned to the Council
<u>NUMBER</u> :	FACILITY/APPLICANT:
971094	Planned Parenthood Hudson Peconic, Inc. (Co.)
APPROVAL CONDITIONAL UPO	<u>N</u> :

N/A

971094 PLANNED PARENTHOOD HUDSON PECONIC, INC.

ESTABLISHMENT application submitted on March 19, 1997 by PLANNED PARENTHOOD HUDSON PECONIC, INC.

requests approval to merge with

Upon approval, will simultaneously change its name to Planned Parenthood Hudson Peconic, Inc. (PPHP) and expand its Board of Directors to include board members from PPHP will be a type B not-for-profit corporation without corporate members. The new entity will then assume responsibility for operating all clinics now operated by and There are a total of 15 sites in four counties.

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Recommendations

Health Systems Agency

There will be no HSA review of this application.

Office of Health Systems Management

Approval.

State Council Recommendation:

October 9, 1997

PC rec. uns adapted.

Prayet Review Committee Rec: 9/25/97 OHSM per was adapted.

Office of Health Systems Management Staff Analysis

971094 - PLANNED PARENTHOOD HUDSON PECONIC, INC.

Need Analysis

STAFF REVIEW

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The application is submitted on behalf of and corporations and establish Planned Parenthood Hudson Peconic, Inc. (PPHP)	to merge the two
., a New York not-for-profit formed in 1968 as a merger of four . In 1985, management of which was wholly acquire creating the current reproductive health and primary care services at nine (9) sites in Counties.	assumed the
formed in 1973 as a result of a merger between in 1950) and (founded in 1963). reproductive health and primary care services at six sites in Suffolk Courcorporation surviving this merger and will simultaneously change its parenthood Hudson Peconic, Inc. will also expand its board of direct responsibility for operating all clinics now operated by Hudson Peconic, Inc. will be a Type B not-for-profit corporation without contract the fifteen (15) centers located in the four counties served by the agency (Sufface) and their hours of operation are:	(founded provides is the lame to Planned ectors and assume anned Parenthood proorate members.
Suffolk County	



West Islip Center 180 Sunrise Highway West Islip, NY 11795 (M-Th 9AM-9PM; F 9AM-5PM; Sat 9:30AM-1:30PM)



The services provided by the facilities include primary medical care, prenatal, health education, cancer, VD detection and family planning. During 1996, a total of 63,421 family planning visits were made to the 15 centers. Prenatal care, which is offered in four sites, provided a total of 1,923 visits. The applicant does not expect growth in the number of visits during the first year following implementation of the proposal and projects slight growth to a total of approximately 70,000 visits for the year 2001. Relevant demographic characteristics in the service populations include:

- The African-American population, in Suffolk County, increased by 12% from 1980 to 1990 to become 6% of the total population and the Hispanic population increased by 43% over the same period to represent 6% of the total population.
- The County population has been relatively unchanged over the 10-year period with the overall race/ethnicity indicating approximately 80% of the population as white; 14% black and the remainder being non-white and hispanic. The county is reported as having slightly over 15% of the population with incomes less than 200% of the poverty level.
- County is reported to have a 1990 population of 265,475 which represents a 2.3% increase above the 1980 population. The characteristics for County in 1990 reflected a higher growth rate for non-whites than for whites as the non-white percentage of the population rose from 10.4% to 16.1% during the 1980 to 1990 period. Almost 15% of the population in the service area are reported to have income levels less than 200% of the poverty level.
- The population of County was reported to have increased by 8.7% from 1980 to 1990. The 1990 census statistics indicated that 97.5% of the county's population is white. While the median income is reported as \$52,000 in recent years there has been a steady increase in the number of individuals and families in poverty with a significant 61.5% increase between 1988 and 1990.

The medical services of the facilities are supervised by a medical director, and direct services are provided by physicians and certified nurse clinicians.

<u>CONCLUSION</u>

The and and accessible health services for many of their clients. Most of the persons they serve are low income with a substantial proportion of Medicaid recipients. It is reasonable to assume the utilization being experienced can be expected to continue.

From a need perspective, approval is recommended.

Togrammatic Analysis

I. <u>Background</u>

Planned Parenthood Hudson Peconic, Inc., a not-for-profit corporation, requests approval to assume operation of the which are currently separate diagnostic and treatment centers.

The board of directors of the new corporation will be a combination of the two existing boards.

II. Program Review Description

There are no concurrent staffing or programmatic changes proposed in conjunction with this application. Services provided by the facilities include: primary health care, prenatal, health education, cancer and VD detection, and family planning.

III. Personal Character and Competence

The qualifying education, experience, and background of the new combined board, as contained in submitted disclosure form is as follows:

Name

Business/Occupation

Attorney Minister University Professor Education/Marketing Counselor Tax Advisor Hospital Administrator CPA Marketing/Sales Manager Social Worker retired none Marketing retired Attorney Database Marketing none none Volunteer Retailing Administrator Writer/Editor Attorney Book Shop Manager Attorney retired Homemarker/Artist



none Business Manager

Board Member disclosing other affiliations are:

<u>Name</u>	Business/Occupation	Affiliation
	Homemaker	
	University Administrator	SUNY-Stony Brook
	Clergyman	Family Service of Nassau County Hempstead
	Legal Assistant .	Putnam Hospital; Putnam Med. Group; Salem Hills Nursing Facility
	Health Administrator	St. Luke's Roosevelt Hosp.

Findings and Recommendations:

We reviewed the disclosure information contained in the certificate of need application which was submitted by the above individuals regarding licenses held, formal education, training in pertinent health and/or related areas, employment history, a record of legal actions, and a disclosure of the applicant's or their relative's ownership interest in other health care facilities. This review revealed that, while many of the board members have extensive experience in the health care industry, none holds a medical license. Furthermore, none of the board members disclosed a record of legal actions, past or pending. Based on this information, it is concluded that they are persons of good moral character who are competent to operate a business providing medical care for patients.

IV. Associated Facility Histories

A FAVORABLE 10 year review was made of the operation of the and the sources of information included the files, records, and reports, found in the Bureau of Hospital Services. Included in the review were the results of any incident and/or complaint investigations, independent professional reviews, and/or comprehensive/focused inspections. Our review found that there were no cited violations which threatened or resulted in direct, significant harm to the health, safety, or welfare of patients/residents and that any of the relatively minor cited deficiencies were promptly corrected with appropriate remedial action and, in addition, the facilities were found to have not been the subject of any enforcement actions or have any pending surveillance issues that would impact upon this CON. Based on this information, it

is concluded that the facilities have provided a substantially consistent high level of care as ned in New York State Public Health Law 2801-a(3) and 10NYCRR600.2 over the past 10 years.

From a programmatic perspective, approval is recommended.

Financial Analysis

Presented as BFA Attachment C are combined balance sheets for the two existing corporations for 1995 and 1996 and a pro forma balance sheet for PPHP as at the date of merger.

ESTIMATED OPERATING BUDGET

The applicant has submitted an estimated annual operating budget for the merged entity, in 1997 dollars, which is summarized below:

Operating Revenue	\$9,815,399 1,357,761			
Other Revenue Total Revenue	\$11,172,86			
Expense	10,564,520			
Net Income	\$ <u>618,340</u>			
Visits	65,802			
Cost per Visit	\$140.07			

The budget is based on recent historical experience and as such does not include any efficiencies or improved program services that may occur in future years because of the merger. Revenues include patient care reimbursement from all sources which represents approximately 50% of the total, as well as contributions and grants that have been historically received.

The applicant has indicated that the two separate entities currently have contracts with nine different managed care agencies. Upon merger, they anticipate the expanded ability to contract with additional agencies and have identified five such agencies as potential contractors.

CAPABILITY AND FEASIBILITY

Since there is no significant cost associated with the merger, the issue of capability is centered on the initial operating position of the merged entity, which is presented as BFA Attachment C. The pro forma balance sheet is based on the December 31, 1996 balance sheets of the existing corporations and as such appears reasonable and adequate for expanded operations.

Presented as BFA Attachment A and B respectively are financial summaries for and

The issue of feasibility is centered on the ability of the merged entity to offset ongoing expense with revenue. In that regard, the submitted budget appears to address the issue. Both separate entities experienced excess revenues in 1995 and 1996.

From a financial perspective, approval is recommended.

Attachments

BFA Attachment A - Financial Summary- Planned

BFA Attachment B - Financial Summary-

BFA Attachment C - Pro Forma Balance Sheet- Planned Parenthood of Hudson Peconic Inc.

BALANCE SHEET

DECEMBER 31, 1996 AND 1995

	<u> 1996</u>	<u> 1995</u>
LIABILITIES AND NET ASSETS (continued)		,
Long-term liabilities		
Mortgage note payable	\$ 621,819	\$ 67,857
Obligation under capital leases	40,343	-
Total liabilities	1,010,316	293,879
Net assets		
Unrestricted	3,223,803	3,226,984
Temporarily restricted	925,043	484,220
Permanently restricted	25,000	25,000
Total net assets	4,173,846	3,736,204
		*
Total liabilities and net assets	\$ <u>5,184,162</u>	\$4.030.083

BALANCE SHEET

DECEMBER 31, 1996 AND 1995

· · · · · · · · · · · · · · · · · · ·	<u>1996</u>	1995
ASSETS		
Current assets		
Cash	\$ 178,543	\$ 329,944
Investments (Note 4)	1,096,207	916,228
Surgical and medical fees receivable (less allowance for uncollectible accounts of \$150,488 in 1996 and		
\$105,279 in 1995)	658,157	493,154
Due from government agencies	218,082	136,231
Contributions receivable	166,294	78,751
Inventories, prepaid expenses and deposits	<u>· 200,989</u>	<u> 179,707</u>
Total current assets	2,518,272	2,134,015
Contributions receivable	158,903	143,941
Investments held for permanent endowment	25,000	25,000
Fixed assets (net of accumulated depreciation	,	
and amortization	<u>2,481,987</u>	1,727,127
Total assets	\$ <u>5.184.162</u>	\$ <u>4.030.083</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 303,833	\$ 180,590
Mortgage note payable - current portion	21,980	42,857
Obligation under capital leases - current portion	22,341	2,575
Total current liabilities	348,154	226,022

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 1996 (With Summarized Financial Information for 1995)

(With Summarized Financial Information for 1993)		Temporarily	Permanently	То	tal
	Unrestricted	Restricted	Restricted	1996	1995
Operating revenues, gains and other support		* 31.00E		\$ 71,925	\$ 117,367
Contributions		\$ 71,925		1,633,152	1,651,183
Government support	\$ 1,491,364	1,633,152		1,491,364	1,461,068
Patient fees Medicaid fees	1,662,683	,		1,662,683	1,805,690
Donated services	50,421			50,421	77,095
Other operating revenues	27.068			27.068	16.531
Carol Operating To Condition					
·	3,231,536	1,705,077		4,936,613	5,128,934
Net assets released from restrictions			•		
Satisfaction of program restrictions	1.740.038	(1,740,038)		<u> </u>	***
Total operating revenues, gains and other support	4.971.574	(34,961)		4,936,613	5,128,934
Operating expenses					
Medical services	4,030,976			4,030,976	3,775,160
Surgical services	441,450			441,450	463,054
Prenatal services	164,286			164,286	188,620
Adolescent support	127,197			127,197	146,614
Education	352,788			352,788	336,657
Public policy	<u>230,174</u>			230,174	<u>161,566</u>
Total program services	5,346,871			5,346,871	5,071,671
Management and general	622,431			622,431	<u>631.056</u>
Total operating expenses	5,969,302			5,969,302	_5,702,727
	-continued-				
					weens.



YEAR ENDED DECEMBER 31, 1996 (With Summarized Financial Information for 1995)

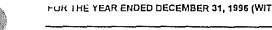
		Temporarily	Permanently	To	tal
	Unrestricted	Restricted	Restricted	1996	1995
Change in net assets from operations	\$ <u>(997,728</u>)	\$(34,961)	•	\$(1.032.689)	\$_(573,793)
Other changes in net assets					
Contributions	643,492			643,492	614,797
Bequests					100,000
Auction	127,696			127,696	120,785
Campaign 2000 contributions		739,185		739,185	414,890
Investment income	122,193			122,193	55,530
Net assets released from restrictions					
Satisfaction of program restrictions	116,269	(116,269)			
Satisfaction of capital acquisition restrictions	147,132	(147,132)			
Fund-raising expenses	(291,512)			(291,512)	(192,180)
Direct costs of auction	(35,803)			(35,803)	(33.837)
Change in net assets before change in accounting principles	(168,261)	440,823		272,562	506,192
Change in accounting principles	165,080			165,080	6,000
Change in net assets	(3,181)	440,823		437,642	512,192
	2.004.004	404.000			
Net assets - beginning of year	3.226,984	484,220	\$ <u>25,000</u>	_3,736,204	3.224.012
Net assets - end of year	\$ 3,223,803	\$ 925,043	\$ <u>25,000</u>	\$ <u>4,173,846</u>	\$ <u>3.736.204</u>

STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 1996 (WITH COMPARATIVE TOTALS FOR 1995)

	1996	1995 (As restated)
	Total	Total
ASSETS:	***************************************	-
Cash	\$583,238	\$518,341
Contributions receivable	214,801	362,747
Accounts receivable (less		
allowance of \$38,179 and \$25,269 at		
December 31, 1996 and 1995, respectively)	763,637	453,761
Short-term investments	226,043	255,855
Long-term investments	107,283	145,346
Inventory and other assets	88,037	95,537
Land, building, and equipment - net	3,028,291	3,105,410
Total Assets	\$5,011,330	\$4,936,997
LIABILITIES AND NET ASSETS:		
Mortgage payable	\$566,134	\$921,404
Accounts payable, accrued expenses	4000,104	\$321,4U4
and other liabilities	316,917	199,695
Total Liabilities	883,051	1,121,099
Net assets:	With the second	***************************************
Unrestricted	3,363,736	2,692,607
Temporarily restricted	652,032	1,030,699
Permanently restricted	112,511	92,592
	112,311	32,33 <u>2</u>
Total Net Assets	4,128,279	3,815,898
Total Liabilities and Net Assets	\$5,011,330	\$4,936,997
	\$100 Miles with Miles \$100 Miles with parts \$100 Miles with \$1	

BFA
ATTACHMENT
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			1996		1995 (As restated)
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
REVENUE:					
Revenues and gains:				•	
Contributions	\$530,851			\$530,851	\$459,758
New York State grants		\$1,203,550		1,203,550	1,172,547
Special events - net	188,982			188,982	178,526
Other revenue:					
Patient fees	1,547,294			1,547,294	1,467,936
Medicald	1,005,537			1,005,537	753,412
Investment Income - net	17,934	2,431	3,512	23,977	38,061
Miscellaneous income	1,080			1,080	1,815
Total revenues and gains	3,291,678	1,205,981	3,612	4,501,271	4,072,054
Net Assets released from restrictions	1,564,258	(1,580,565)	16,307	0	0
Total Revenue	4,855,936	(374,584)	19,919	4,501,271	4,072,054
EXPENSES:			**************************************		
Program services:					
Medical services	2,956,100			2,956,100	2,672,469
Community information and education	398,627			398,627	399,804
Public affairs	136,490			136,490	131,758
Total program services .	3,491,217	C	0	3,491,217	3,204,031
Supporting services:					
Management and general	457,912			457,912	526,875
Fund raising	235,678	4,083	•	239,761	232,338
Total supporting services	693,590	4,083	0	697,673	758,213
Total Expenses	4,184,807	4,083	0	4,188,890	3,962,244
Increase (decrease) in net assets from current year					
operations before cumulative change in accounting principles					
	671,129	(378,667)	19,919	312,381	109,810
Cumulative effect of change in accounting principles				0	634,795
Increase (decrease) In net assets	671,129	(378,667)	19,919	312,381	744,605
Net assets at beginning of year					
As previously reported	2,599,419	1,030,699	92,592	3,722,710	3,071,293
Adjustment for understatement of accounts receivable	93,188			93,188	
Balance at beginning of year, as restated	2,692,607	1,030,699	92,592	3,815,898	3,071,293
Net assets at end of year	\$3,363,736	\$652,032	\$112,511	\$4,128,279	\$3,815,898
See notes to financial statements	***********		=======================================		
Sea independent auditor's report			•		



BALANCE SHEET

ACTUAL DECEMBER 31, 1996 AND 1995, PRO FORMA 1997

ASSETS	1995	1996	Pro Forma 1997
Cash Investments Fees Receivable Contributions Receivable Inventory and Other Assets Fixed Assets	\$ 848,285 1,342,429 1,083,146 585,439 275,244 4,832,537	\$ 761,781 1,454,533 1,639,876 539,998 289,026 5,510,278	\$ 1,390,944 1,500,000 1,600,000 539,998 290,000 5,258,278
TOTAL ASSETS	\$ 8,967,080	\$ 10,195,492	\$ 10,579,220
LIABILITIES AND NET ASSETS Accounts Payable	\$ 380,285	\$ 620,750	\$ 620,000
Capital Leases Mortgages	2,575 <u>1,032,118</u>	62,684 1,209,933	62,000 <u>1,100,000</u>
TOTAL LIABILITIES	\$ 1,414,978	\$ <u>1,893,367</u>	\$ 1,782,000
NET ASSETS			
Unrestricted Temporarily Restricted Permanently Restricted	\$ 5,919,591 1,514,919 <u>117,592</u>	\$ 6,587,539 1,577,075 <u>137,511</u>	\$ 7,082,709 1,577,000 <u>137,511</u>
TOTAL NET ASSETS	<u>\$ 7,552,102</u>	\$ 8,302,125	\$ 8,797,220
TOTAL LIABILITIES AND NET ASSETS	\$ 8,967,080	\$ 10,195,492	\$ 10,579,220



433 River Street • Suite 303 • Troy, New York 12180-2299 • (518) 402-0911

Barbara A. DeBuono, M.D., M.P.H. Commissioner of Health

September 18, 1997

James D. Durante Chairman

WITH



Re: 971094-E

PLANNED PARENTHOOD HUDSON PECONIC.

INC

MERGE PLANNED

Dear

Please be advised that the above captioned application has been scheduled for review by the Project Review Committee of the State Hospital Review and Planning Council on Thursday, September 25, 1997, at 1:00 p.m. at the New York State Department of Health, Meeting Room 302, Third Floor, 5 Penn Plaza, New York City. A copy of the exhibit to be reviewed at the meeting is enclosed.

Subsequently, the application will be considered by the State Hospital Review and Planning Council on October 9, 1997, at 9:30 a.m. at the same location in Meeting Room 302, Third Floor, 5 Penn Plaza, New York City. Both meetings are open to the public. The recommendation of the State Council and, if applicable, the health systems agency involved will be presented to the Public Health Council for a final decision.

Sincerely,

Donna W. Peterson Executive Secretary

Enclosure

971094-E Planned Parenthood Hudson Peconic Inc.

FINDINGS: APPROVAL

The applicant has demonstrated the capability to proceed in a financially feasible manner.

DESCRIPTION

The applicant, Planned Parenthood Hudson Peconic Inc. (PPHP) seeks
pproval to merge two existing licensed agencies,
and
The surviving entity will
imultaneously change its name to PPHP and will expand its Board of
firectors to include board members from and assume responsibility
or operating all clinics now operated by and The surviving
ntity will be a Type B not-for-profit corporation without corporate
embers.

The applicant anticipates that the merger of these two organizations will enable them to increase their direct service programs (outreach, education, medical and advocacy) to low income women and families, develop a more specialized administrative staff initially and, over time, reduce administrative expense, pool resources at the Board and staff level and share best practices in medical programs and education services.

Presented as BFA Attachment A and B respectively are financial summaries for and and

PLAN OF MERGER

According to the merger document, will be the surviving corporation and will be renamed PPHP. will be merged into and all clinics operated by each of the existing corporations will subsequently be operated by PPHP. The counties in which it will operate will be principally Suffolk, at 15 sites located throughout the four counties.

Presented as BFA Attachment C are combined balance sheets for the two existing corporations for 1995 and 1996 and a pro forma balance sheet for PPHP as at the date of merger.

ESTIMATED OPERATING BUDGET

The applicant has submitted an estimated annual operating budget for the merged entity, in 1997 dollars, which is summarized below:

 Operating Revenue
 \$9,815,399

 Other Revenue
 1,357,761

 Total Revenue
 \$11,172,860

The budget is based on recent historical experience and as such does not include any efficiencies or improved program services that may occur in future years because of the merger. Revenues include patient care reimbursement from all sources which represents approximately 50% of the total, as well as contributions and grants that have been historically received.

The applicant has indicated that the two separate entities currently have contracts with nine different managed care agencies. Upon merger, they anticipate the expanded ability to contract with additional agencies and have identified five such agencies as potential contractors.

CAPABILITY AND FEASIBILITY

Since there is no significant cost associated with the merger, the issue of capability is centered on the initial operating position of the merged entity, which is presented as BFA Attachment C. The proforma balance sheet is based on the December 31, 1996 balance sheets of the existing corporations and as such appears reasonable and adequate for expanded operations.

The issue of feasibility is centered on the ability of the merged entity to offset ongoing expense with revenue. In that regard, the submitted budget appears to address the issue. Both separate entities experienced excess revenues in 1995 and 1996.

ATTACHMENTS

BFA Attachment A - Financial Summary-

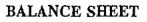
BFA Attachment B - Financial Summary-

BFA Attachment C - Pro Forma Balance Sheet- Planned Parenthood of Hudson Peconic Inc.

BALANCE SHEET

DECEMBER 31, 1996 AND 1995

•	1996	1995
LIABILITIES AND NET ASSETS (continued)		
Long-term liabilities Mortgage note payable Obligation under capital leases	\$ 621,819 40,343	\$ 67,857
Total liabilities	1,010,316	293,879
Net assets Unrestricted Temporarily restricted Permanently restricted	3,223,803 925,043 25,000	3,226,984 484,220 25,000
Total net assets	4,173,846	3,736,204
Total liabilities and net assets	\$ <u>5.184,162</u>	\$ <u>4.030,083</u>



DECEMBER 31, 1996 AND 1995

	<u> 1996</u>	1995
ASSETS		
Current assets		
Cash	\$ 178,543	\$ 329,944
Investments (Note 4)	1,096,207	916,228
Surgical and medical fees receivable (less allowance for uncollectible accounts of \$150,488 in 1996 and	•	·
\$105,279 in 1995)	658,157	493,154
Due from government agencies	218,082	136,231
Contributions receivable	166,294	78,751
inventories, prepaid expenses and deposits	<u>· 200,989</u>	<u>179,707</u>
Total current assets	2,518,272	2,134,015
Contributions receivable	158,903	143,941
Investments held for permanent endowment	25,000	25,000
Fixed assets (net of accumulated depreciation		
and amortization	2,481,987	1,727,127
Total assets	\$ <u>5,184,162</u>	\$ <u>4.030.083</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 303,833	\$ 180,590
Mortgage note payable - current portion	21,980	42,857
Obligation under capital leases - current portion	22,341	2,575
The same of the sa		
Total current liabilities	348,154	226,022

STATEMENT OF ACTIVITIES

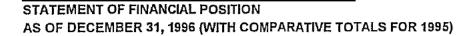
YEAR ENDED DECEMBER 31, 1996 (With Summarized Financial Information for 1995)

	•		Temporarily	Permanently	То	tai
		Unrestricted	Restricted	Restricted	1996	1995
(Operating revenues, gains and other support					
48%	Contributions		\$ 71,925		\$ 71,925	\$ 117,367
	Government support		1,633,152		1,633,152	1,651,183
	Patient fees	\$ 1,491,364			1,491,364	1,461,068
	Medicaid fees	1,662,683	•		1,662,683	1,805,690
	Donated services	50,421			50,421	77,095
	Other operating revenues	27,068			27,068	<u>16,531</u>
	•	3,231,536	1,705,077		4,936,613	5,128,934
	Net assets released from restrictions			t		
	Satisfaction of program restrictions	1,740,038	(1,740,038)			
	Total operating revenues, gains and other support	4,971,574	(34,961)		4,936,613	5.128,934
(Operating expenses					
ul Elle	Medical services	4,030,976			4,030,976	3,775,160
	Surgical services	441,450			441,450	463,054
4000	Prenatal services	164,286			164,286	188,620
	Adolescent support	127,197			127,197	146,614
	Education	352,788			352,788	336,657
	Public policy	230,174			230,174	<u>161,566</u>
	Total program services	5,346,871			5,346,871	5,071,671
	Management and general	622,431			622,431	'631,056
	Total operating expenses	5,969,302			<u>5,969,302</u>	5,702,727
	•	-continued-				

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 1996 (With Summarized Financial Information for 1995)

			Temporarily	Permanently	Tot	.al
		Unrestricted	Restricted	Restricted	<u>1996</u>	1995
	Change in net assets from operations	\$ <u>(997,728</u>)	\$(34,961)		\$ <u>(1,032,689</u>)	\$ <u>(573,793</u>)
anggar-	Other changes in net assets					
	Contributions	643,492			643,492	614,797
	Bequests					100,000
	Auction	127,696			127,696	120,785
	Campaign 2000 contributions		739,185		739,185	414,890
	Investment income	122,193			122,193	55,530
	Net assets released from restrictions					
	Satisfaction of program restrictions	116,269	(116,269)			
	Satisfaction of capital acquisition restrictions	147,132	(147,132)		(204 544)	(100 100)
	Fund-raising expenses	(291,512)			(291,512)	(192,180)
	Direct costs of auction	(35,803)			(35,803)	(33,837)
	Change in net assets before change in accounting principles	(168,261)	440,823		272,562	506,192
	Change in accounting principles	165,080			<u>165,080</u>	6,000
	Change in net assets	(3,181)	440,823		437,642	512,192
	Net assets - beginning of year	3,226,984	484,220	\$ <u>25,000</u>	3,736,204	3,224,012
	Net assets - end of year	\$ <u>3,223,803</u>	\$ <u>925,043</u>	\$ <u>25.000</u>	\$ <u>4,173,846</u>	\$ <u>3,736,204</u>



	1996	1995 (As restated)
	Total	Total
ASSETS:		
Cash	\$583,238	\$518,341
Contributions receivable	214,801	362,747
Accounts receivable (less allowance of \$38,179 and \$25,269 at		
December 31, 1996 and 1995, respectively)	763,637	453,761
Short-term investments	226,043	255,855
Long-term investments	107,283	145,346
Inventory and other assets	88,037	95,537
Land, building, and equipment - net	3,028,291	3,105,410
Total Assets	\$5,011,330	\$4,936,997
LIABILITIES AND NET ASSETS:		
Mortgage payable	\$566,134	\$921,404
Accounts payable, accrued expenses	•	•
and other liabilities	316,917	199,695
Total Liabilities	883,051	1,121,099
Net assets:		
Unrestricted	3,363,736	2,692,607
Temporarily restricted	652,032	1,030,699
Permanently restricted	112,511	92,592
Total Net Assets	4,128,279	3,815,898
Total Liabilities and Net Assets	\$5,011,330	\$4,936,997
		========

See independent auditor's report



ACTUAL DECEMBER 31, 1996 AND 1995, PRO FORMA 1997

ASSETS	1995	1996	Pro Forma 1997
Cash Investments Fees Receivable Contributions Receivable Inventory and Other Assets Fixed Assets	\$ 848,285 1,342,429 1,083,146 585,439 275,244 4,832,537	\$ 761,781 1,454,533 1,639,876 539,998 289,026 5,510,278	\$ 1,390,944 1,500,000 1,600,000 539,998 290,000 5,258,278
TOTAL ASSETS	\$ 8,967,080	\$ 10,195,492	\$ 10,579,220
LIABILITIES AND NET ASSETS			
Accounts Payable Capital Leases Mortgages	\$ 380,285 2,575 <u>1,032,118</u>	\$ 620,750 62,684 <u>1,209,933</u>	\$ 620,000 62,000 1,100,000
TOTAL LIABILITIES	<u>\$ 1,414,978</u>	\$ 1,893,367	\$ 1,782,000
NET ASSETS			
Unrestricted Temporarily Restricted Permanently Restricted	\$ 5,919,591 1,514,919 <u>117,592</u>	\$ 6,587,539 1,577,075 <u>137,511</u>	\$ 7,082,709 1,577,000 <u>137,511</u>
TOTAL NET ASSETS	\$ 7,552,102	\$ 8,302,125	\$ 8,797,220
TOTAL LIABILITIES AND NET ASSETS	\$ 8,967,080	\$ 10,195,492	\$ 10,579,220

Background

Planned Parenthood Hudson Peconic, Inc. a not-for-profit corporation, requests approval to assume operation of the and the and the each of which are currently separate, but similar, diagnostic and treatment centers. The board of directors of the new corporation will be a combination of the two existing boards. The facilities are currently approved to operate at 11 sites in Suffolk, and Counties.

II. Program Review Description

There are no concurrent staffing or programmatic changes proposed in conjunction with this application. Services provided by the facilities include: primary health care, prenatal, health education, cancer and VD detection, and family planning.

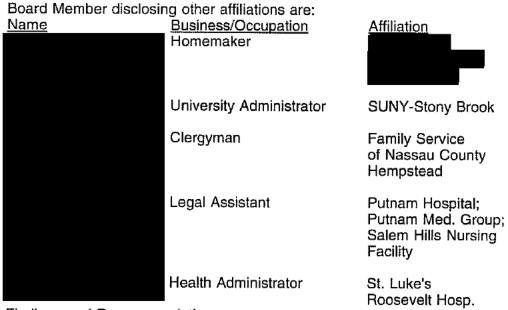
III. Personal Character and Competence

The qualifying education, experience, and background of the new combined board, as contained in submitted disclosure form is as follows:

Name Business/Occupation Attorney Minister University Professor Education/Marketing Counselor Tax Advisor Hospital Administrator CPA Marketing/Sales Manager Social Worker retired none Marketing retired Attorney Database Marketing none none Volunteer Retailing Administrator Writer/Editor Attorney Book Shop Manager Attorney retired Homemarker/Artist none

Business Manager

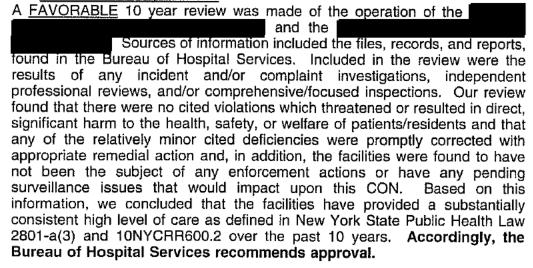




Findings and Recommendations:

We reviewed the disclosure information contained in the certificate of need application which was submitted by the above individuals regarding licenses held, formal education, training in pertinent health and/or related areas, employment history, a record of legal actions, and a disclosure of the applicant's or their relative's ownership interest in other health care facilities. This review revealed that while many of the board members have extensive experience in the health care industry, none of them hold medical licenses. Furthermore, none of the board members disclosed a record of legal actions, past or pending. Based on this information, we concluded that they are persons of good moral character who are competent to operate a business providing medical care for patients.

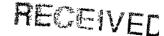
IV. Associated facility histories



Prepared by: Gerald Dievendorf, Regional Medical Care Administrator



July 18, 1997



JUL 23 1997

PROJECT MANAGEMENT

Mr. Robert J. Stackrow, Director Bureau of Project Management New York State Department of Health Suite 303, 433 River Street Troy, New York 12180-2299

RE: 971094 E

Planned Parenthood Hudson Peconic, Inc.

Merge with

Dear Mr. Stackrow:

As requested in your letter of May 21, enclosed are the following items:

- 1. Copies of 1994, 1995 and 1996 certified financial statements for each corporation and a proforma balance sheet for the merged corporation.
- 2. Expense and revenue budgets in 1997 dollars. The Medicaid rate used in these schedules is the current allowable rate for each corporation.
- 3. A utilization schedule and breakdown of payor source.
- 4. Consent of the Bank of New York, a mortgagor of an analysis and another state of the Bank of New York, a mortgagor of
- 5. A statement of strategic goals and objectives of the merger. This information is contained in the Memorandum of Understanding which was previously submitted.

All of the financial information has been updated to reflect the completed 1996 audits and Medicaid cost reports.

If you have any questions, please contact me at

Sincerely,

.pb

cc:

FINANCIAL STATEMENTS AND AUDITOR'S REPORT

DECEMBER 31, 1996

TABLE OF CONTENTS

Independent Auditor's Report

Exhibit

- A Statement of Activities
- **B** Statement of Functional Expenses
- C Balance Sheet
- D Statement of Cash Flows

Notes to Financial Statements

Schedule

1 - Changes in Restricted Net Assets

LOEB & TROPER

655 THIRD AVENUE, 12TH FLOOR, NEW YORK, NY 10017

TEL: (212) 867-4000 FAX: (212) 867-9810

Independent Auditor's Report

Board of Directors We have audited the accompanying balance sheet of . as of December 31, 1996, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of as of December 31, 1996, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles. Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The information in schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. As discussed in Note 2 to the financial statements, changed its method of accounting for investments. Lock + Troper

April 24, 1997

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 1996 (With Summarized Financial Information for 1995)

		Temporarily	Permanently		tal
	Unrestricted	Restricted	Restricted	1996	1995
Operating revenues, gains and other support					
Contributions		\$ 71,925		\$ 71,925	\$ 117,367 1.651,183
Government support (Note 3)		1,633,152		1,633,152	1,651,183
Patient fees	\$ 1,491,364			1,491,364	1,461,068
Medicaid fees	1,662,683			1,662,683	1,805,690
Donated services	50,421			50,421	77,095
Other operating revenues	<u>27,068</u>	-		27,068	<u>16,531</u>
	3,231,536	1,705,077		4,936,613	5,128,934
Net assets released from restrictions (Note 11)			•		
Satisfaction of program restrictions	_1,740,038	(1,740,038)			411
Total operating revenues, gains and other support	4,971,574	(34,961)		4,936,613	_5,128,934
Operating expenses (Exhibit B)					
Medical services	4,030,976			4,030,976	3,775,160
Surgical services	441,450			441,450	463,054
Prenatal services	164,286			164,286	188,620
Adolescent support	127,197			127,197	146,614
Education	352,788			352,788	336,657
Public policy	230,174			230,174	<u>161,566</u>
Total program services	5,346,871			5,346,871	5,071,671
Management and general	622,431			622,431	631,056
Total operating expenses	5,969,302			5,969,302	5,702,727
	-continued-				

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 1996 (With Summarized Financial Information for 1995)

		Temporarily Permanently		То	tal
	Unrestricted	_Restricted_	Restricted	<u>1996</u>	1995
Change in net assets from operations	\$ <u>(997,728</u>)	\$ <u>(34,961</u>)		\$ <u>(1,032,689</u>)	\$ <u>(573,793</u>)
Other changes in net assets					~
Contributions	643,492			643,492 .	614,797
Bequests	•			•	100,000
Auction	127,696			127,696	120,785
Campaign 2000 contributions (Note 5)		739,185		739,185	414,890
Investment income (Note 4)	122,193	•		122,193	55,530
Net assets released from restrictions (Note 11)	·			•	•
Satisfaction of program restrictions	116,269	(116,269)			
Satisfaction of capital acquisition restrictions	147,132	(147,132)			
Fund-raising expenses	(291,512)	(,		(291,512)	(192,180)
Direct costs of auction	(35,803)	494-4444-494-48-4		(35,803)	(33,837)
Change in net assets before change in accounting principles	(168,261)	440,823		272,562	506,192
Change in accounting principles (Note 2)	165,080			165,080	6,000
Change in net assets (Exhibit D)	(3,181)	440,823		437,642	512,192
Net assets - beginning of year	_3,226,984	484,220	\$ <u>25,000</u>	3.736,204	3,224,012
Net assets - end of year (Exhibit C)	\$ <u>3,223,803</u>	\$ <u>925,043</u>	\$_25,000	\$ <u>4,173,846</u>	\$ <u>3,736,204</u>

See independent auditor's report.

The accompanying notes are an integral part of these statements.

CHANGES IN RESTRICTED NET ASSETS YEAR ENDED DECEMBER 31, 1996

				Tempo	rarily Restricte	d					
	State Family <u>Planning</u>	County Grant		Adolescent Adolescent Pregnancy Impact	APPSP Mt. Vernon	Yonkers	Medical Research Projects	Campaign 2000	Private Donor Funds	Tola!	Permanently Restricted
Restricted net assets - beginning of year								\$ 380,090	\$ 104,130	\$ 484,220	\$ 25,000
Revenues Special project awards Campaign 2000 contributions Contract revenues	\$_1,446,920	\$_18,292	\$_	S <u>86,251</u>	\$15,321	\$ <u>39.354</u>	\$ 29,517	739,185	42,408	71,925 739,185	
Net assets available with donor restrictions	_1,446,920	18,292	-	86,251	15,321	39,354	29,517	1.119.275	146,538	-	_25,000
Assets released from restrictions Satisfaction of program restrictions Contract funds Private donor funds Satisfaction of capital acquisition restrictions	1,446,920	18,292		86,251	15,321	39,517	29,517	116,269 	77,369	193,638 147,132	
Total restricted assets released to satisfy restrictions	1,446,920	18,292	_	86,251	15,321	39,354	29.517	263.401	77.369	-	a
Restricted net assets - end of year	\$	s	\$	\$ <u>.</u>	\$	ş	\$	\$ 855.874	\$_69,169	\$ 925,043	\$ <u>25,000</u>

BALANCE SHEET

DECEMBER 31, 1996 AND 1995

·		
•	<u> 1996</u>	1995
ASSETS		
Current assets		
Cash	\$ 178,543	\$ 329,944
Investments (Note 4)	1,096,207	916,228
Surgical and medical fees receivable (less allowance for uncollectible accounts of \$150,488 in 1996 and		·
\$105,279 in 1995)	658,157	493,154
Due from government agencies (Note 3)	218,082	136,231
Contributions receivable (Note 5)	166,294	78,751
Inventories, prepaid expenses and deposits	200,989	<u> 179,707</u>
Total current assets	2,518,272	2,134,015
Contributions receivable (Note 5)	158,903	143,941
Investments held for permanent endowment (Note 4) Fixed assets (net of accumulated depreciation	25,000	25,000
and amortization (Note 6)	2,481,987	1,727,127
Total assets	\$ <u>5.184.162</u>	\$ <u>4,030,083</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 303,833	\$ 180,590
Mortgage note payable - current portion (Note 7)	21,980	42,857
Obligation under capital leases - current portion (Note 9)	<u>22,341</u>	<u> 2,575</u>
Total current liabilities	348,154	226,022



BALANCE SHEET

DECEMBER 31, 1996 AND 1995

	1996	1995
LIABILITIES AND NET ASSETS (continued)		
Long-term liabilities		
Mortgage note payable (Note 7)	\$ 621,819	\$ 67,857
Obligation under capital leases (Note 9)	<u>40,343</u>	
Total liabilities	1,010,316	293,879
Net assets (Exhibit A)		
Unrestricted	3,223,803	3,226,984
Temporarily restricted (Note 11)	925,043	484,220
Permanently restricted (Note 11)	25,000	25,000
(2.2.2.)	25,000	
Total net assets	<u>4,173,846</u>	3,736,204
Total liabilities and net assets	\$ <u>5,184,162</u>	\$ <u>4.030.083</u>

See independent auditor's report.

The accompanying notes are an integral part of these statements.

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 1996 AND 1995

	<u> 1996 </u>	1995
Cash flows from operating activities Change in net assets (Exhibit A)	\$ 437,642	\$ 512,192
Adjustments to reconcile change in net assets		
to net cash provided (used) by operating activities		
Change in accounting principles	(165,080)	(6,000)
Depreciation and amortization	118,683	110,090
Gains on investments	(70,182)	(13,069)
Campaign 2000 contributions	(739,185)	(414,890)
Decrease (increase) in assets		
Fees receivable	(165,003)	7,910
Due from government agencies	(81,851)	(61,255)
Inventories, prepaid expenses and deposits	(21,282)	8,569
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	123,243	(14,854)
Net cash provided (used) by operating activities	(563,015)	128,693
Cash flows from investing activities		
Fixed asset acquisitions	(796,986)	(93,990)
Purchase of investments	(222,643)	(388,469)
Proceeds from sales of investments	277.926	89,095
Net cash used by investing activities	<u>(741,703</u>)	(393,364)



STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 1996 AND 1995

	<u>1996</u>	1995
Cash flows from financing activities		
Campaign 2000 cash contributions received	636,680	192,198
Other capital campaign contributions		6,000
Proceeds from mortgage loan	656,250	
Repayment of mortgage loans	(123,165)	(42,857)
Repayment of obligation under capital leases	(16,448)	(7,723)
Net cash provided by financing activities	1,153,317	147,618
Net decrease in cash	(151,401)	(117,053)
Cash - beginning of year	_329,944	446,997
Cash - end of year	\$ <u>178,543</u>	\$ <u>329.944</u>
Supplemental disclosures		
Cash paid for interest, including capitalized interest	\$ <u>41,218</u>	\$ <u>14,587</u>

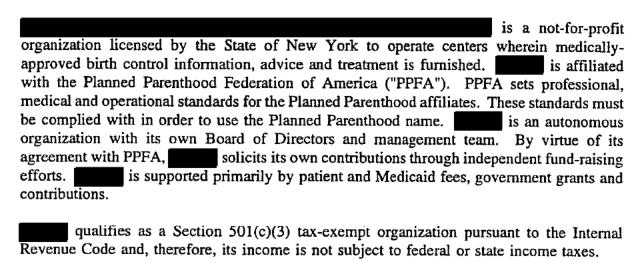
During 1996, PPW/R entered into capital lease agreements for equipment with a cost basis of \$76,557.

See independent auditor's report.

The accompanying notes are an integral part of these statements.

DECEMBER 31, 1996

NOTE 1 - ORGANIZATION



NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

Use of estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Change in accounting principles - Effective January 1, 1995, adopted Statements of Financial Accounting Standards No. 116, "Accounting for Contributions Received and Contributions Made" and No. 117, "Financial Statements of Not-for-Profit Organizations." These Statements require that contributions be recognized as revenue when received, whether as cash, other assets, or a promise of future payment. The Statements also require net assets to be classified as unrestricted, temporarily restricted and permanently restricted based on donor stipulations as to use. The effect of these changes was to increase temporarily restricted net assets by \$6,000.

DECEMBER 31, 1996

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

Change in accounting principles (continued) - Effective January 1, 1996, adopted Statement of Financial Accounting Standards No. 124, "Accounting for Certain Investments Held by Not-for-Profit Organizations." This Statement requires that investments be stated at fair value. In 1995 and prior years, stated its investments at cost. The effect of this change was to increase unrestricted net assets by \$165,080.
Temporarily and permanently restricted net assets - Temporarily restricted net assets are those whose use by the has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by in perpetuity.
Contributions - Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the date the contribution is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions.
Functional allocation of expenses - The costs of providing services have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.
Investments - In 1996, investments are recorded at fair value based on quoted market prices.

Inventories - Supplies inventories are valued at the lower of cost (on a first-in, first-out basis) or market.

In 1995, investments were recorded at cost.

DECEMBER 31, 1996

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

Fixed assets - Land, buildings, furniture, equipment and leasehold improvements are stated at cost, if purchased, or if acquired by gift, at estimated fair value at the date of receipt. Depreciation and amortization are provided on the straight-line method based on the estimated useful lives of the assets or the life of the lease.

Building and improvements 5-40 years Furniture and equipment 5-20 years Leasehold improvements 5-10 years

Donated services - Donated services represent the value of contributed laboratory services.

Malpractice claims - Providers of health care services, who maintain malpractice coverage on a claims made basis without tail coverage, are required to accrue an estimate for incurred, but not reported, malpractice claims (including litigation costs). Management is not aware of any claims as of December 31, 1996.

Operations - operations exclude unrestricted contributions, auction revenues and expenses, investment income, capital campaign contributions and fund-raising expenses.

Summarized financial information - The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended December 31, 1995, from which the summarized information was derived.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1996

NOTE 3 - GOVERNMENT SUPPORT

	Revenues	<u>Receivables</u>
NYS Family Planning	\$1,446,920	\$183,325
APPSP	54 , 675	5,774
Adolescent Pregnancy Impact Program	86,251	21,775
County grant	18,292	

The New York State Department of Health issues one contract in support of family planning activities. Funds from multiple sources are aggregated in the contract: Federal Family Planning (Title X), Maternal and Child Health/State Local Assistance (Title V) and New York State Supplemental Funds.

NOTE 4 - INVESTMENTS

	1996		1995	
	Cost	Market Value	Cost	Market Value
Corporate stocks	\$301,467	\$ 489,006	\$327,639	\$ 460,627
Corporate bonds	216,084	219,460	252,968	263,109
Convertible bonds	104,045	104,838	149,326	159,512
Government bonds	199,660	205,574	124,075	135,840
Cash equivalents	102,329	102,329	87,220	87,220
	\$ <u>923,585</u>	\$ <u>1.121.207</u>	\$ <u>941,228</u>	\$ <u>1,106,308</u>



DECEMBER 31, 1996

NOTE 4 - INVESTMENTS (continued)

Investment income consists of:

Interest and dividends	\$ 59,861
Realized gains	37,640
Unrealized gains	32,542
	130,043

Investment expenses (7.850)

\$<u>122,193</u>

As discussed in Note 2, in 1996 changed its method of recording investments to fair value. This resulted in a cumulative effect adjustment of \$165,080, representing unrealized gains on investments through December 31, 1995.

NOTE 5 - CAMPAIGN 2000

During 1995, the board of directors of launched Campaign 2000 - approximately a \$2.3 million campaign to:

- Modernize
- Implement primary care services for women
- · Invest in and upgrade technology capabilities
- · Create new strategic alliances

has targeted County as the site for increased comprehensive reproductive and primary health care services.

DECEMBER 31, 1996

NOTE 5 - CAMPAIGN 2000 (continued)

M	Iodernization of	ncludes:	
•	Itohovation of the		tive offices were moved out of the for the renovation of the facility.
•	resources of the		purchased a building in the ve medical center, providing a full
	range of gynecological,		• 1

The above is accomplished through bank financing and contributions raised through a capital campaign pledge drive.

In response to the campaign pledge drive, as of December 31, 1996, has received pledges of \$1,186,292, of which \$828,878 has been received in cash. The pledges of \$357,414 have been discounted over the pledge terms using a discount rate equalling the rate of return on the capital fund investment account.

DECEMBER 31, 1996

NOTE 5 - CAMPAIGN 2000 (continued)

A summary of campaign activity is as follows:

Contributions and pledges recognized 1995 1996	\$414,890 <u>739,185</u>
	1.154,075
Add discount of pledges to present value	32,217
	1.186,292
Cash received	
1995	100 100
1996	192,198
1990	<u>636,680</u>
•	828,878
Contributions receivable as of December 31, 1996	\$ <u>357,414</u>
Contributions receivable are due as follows:	
1997	\$166,294
1998-2001	191,120
	357,414
Less discount to present value	(32,217)
•	
	\$ <u>325,197</u>

DECEMBER 31, 1996

NOTE 6 - FIXED ASSETS

	<u> 1996</u>	<u>1995</u>
Land	\$ 175,000	\$ 175,000
Building and improvements	2,259,967	1,506,378
Furniture and equipment	794,283	674,329
Leasehold improvements	456,517	<u>456,517</u>
	3,685,767	2,812,224
Less accumulated depreciation and amortization	1,203,780	1,085,097
	\$ <u>2,481,987</u>	\$ <u>1,727,127</u>

NOTE 7 - MORTGAGE NOTE PAYABLE

financed a portion of the purchase of the building in through a 60-month bank loan secured by a mortgage on the property. The amount of the loan was \$656,250, of which \$356,250 is at a fixed rate of 9.05%. Payments of principal and interest are \$3,217 per month through April 2001 with the unpaid principal balance due May 2001. The remaining \$300,000 is at a rate of prime plus 1%. Payments of \$1,250 principal and interest are made monthly through April 2001 with the unpaid principal balance due May 2001. The balance due as of December 31, 1996 is \$643,799. Principal payments over the next five years are as follows:

1997	\$ 21,980
1998	22,639
1999	23,359
2000	24,148
2001	<u>551,673</u>
	\$643 799

At the time of the closing for this loan, repaid the \$96,428 balance due on the existing mortgage.

DECEMBER 31, 1996

NOTE 8 - LINE OF CREDIT

At December 31, 1996, has an unused secured line of credit of \$250,000, bearing interest at 1% above prime. The line of credit expires on May 1, 1997.

NOTE 9 - LEASES

entered into capital lease agreements for various equipment with a cost basis of \$76,557. These leases are treated as capital leases since each contains a bargain purchase option. Future minimum lease payments are as follows:

1997 1998 1999 2000 2001	\$ 27,386 27,386 14,497 6,182
	77,512
Less amount representing interest	(14,828)

Present value of minimum lease payments \$_62,684

In addition, facilities used by for programs and services are rented under leases which expire in future years. A summary of commitments under such agreements is follows:

1997	\$208,772
1998	176,786
1999	176,627
2000	159,547
2001	<u>109,146</u>

\$830,878

DECEMBER 31, 1996

NOTE 10 - PENSION

participates in the PPFA employee benefits program which includes a defined contribution retirement plan for substantially all employees after they have attained 21 years of age and have completed two years of service, provided they work for a minimum of 1,000 hours per year. contributes 3% of the eligible participating employees' annual compensation. Pension expense was \$59,382 in 1996 and \$51,074 in 1995.

NOTE 11 - TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Temporarily restricted net assets at December 31, 1996 are available for the following purposes:

Campaign 2000 Various programs

\$_925,043

\$ 855,874

69,169

Permanently restricted net assets (Ella Wilson Fund) at December 31, 1996 are restricted to:

Investment in perpetuity, the income from which is expendable to support:

Education and awareness

\$ 25,000

Temporarily restricted net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

\$2,003,439



DECEMBER 31, 1996

NOTE 12 - MERGER



YEAR ENDED DECEMBER 31, 1996 (With Summarized Financial Information for 1995)

*	Program Services							Supporting Services					
	Medical Services	Surgical Services	Prenatal Services	Adolescent Support	Education	Public Policy	Total	Management and General	Fund Raising	Direct Costs of Auction	Total	To	1995_
Salaries	\$ 2,054,341	\$ 193,308	\$ 112,992	\$ 86,253	\$ 185,461	\$ 86,015	\$ 2,718,370	\$ 307,450	\$ 89,424		\$ 396,874	\$ 3,115,244	\$ 3,130,501
Payroll taxes	157,129	14,788	8,644	6,599	14,188	6,580	207,928	23,520	6,841		30,361	238,289	269,668
Employee benefits	195,534	18,466	10,756	10,087	17,656	8,189	260,688	29,269	8,520		37,789	298,477	243,543
Consultants and other fees	151,903	53.037	10.395	2.575	7.566	1.317	226,793	19.831	63,672		83.503	310,296	235,905
Total personal service expenses	2,558,907	279,599	142,787	105,514	224,871	102,101	3,413,779	380,070	168,457		548,527	3,962,306	3,879,617
Recruitment	7,154				841		7,995	1,191			1,191	9,186	11,629
Travel and meetings	32,797	709	328	12,414	3,881	2,732	52,861	7,865	1,217	\$ 27	9,109	61,970	55,866
Occupancy	394,838	13,737	210		27,841	9,556	446,182	37,695	15,018	4,717	57,430	503,612	376,418
n Telephone	47,738	2,071	1,371	214	17,576	2,368	71,338	8,566	2,479	246	11,291	82,629	71,615
Supplies and medications	400,204	50,289	2.258	8,626	28,915	4,026	494,318	19,171	27,176	1,324	47,671	541, 9 89	481,828
I Laboratory services	207,391	47,449	15,949				270,789					270,789	278,298
A Medical liability insurance	36,534	24,358	850				61,742					61,742	53,890
Printing and publications	15,283			189	11,563	2,956	30,091	1,161	31,275	3,478	35,914	66,005	63,638
Computer services	19,439				4,275	1,884	25,598	23,992	2,976		26,968	52,566	40,700
Equipment rental and repair	21,767	525			3,662	1,497	27,451	7,239	1,729	8,495	17,463	44,914	36,706
Postage and shipping	16,328	519	533	205	4,569	4,702	26,856	3,092	10,392	9,631	23,115	49,971	51,371
Advertising and publicity	10,254				248	42,282	52,784	102	694	4,885	5,681	58,465	16,909
PPFA dues								55,742			55,742	55,742	48,51
Other dues and memberships	120	1,814		35	100	52,458	54,527	14,385	590		14,975	69,502	64. 48,865
Legal and accounting fees	9,376					50	9,426	28,550	15,212		43,762	53,188	
Bad debts	130,081						130,081					130,081	131,796
Interest	4,466	669			609	76	5,820	453	67		520	6,340	14,587
New York State assessment		5,153					5,153					5,153	5,284
Donated services	50,421						50,421					50,421	77,095
Depreciation and amortization	67,878	14,558			16,152	2,156	100,744	14,686	3,253		17,939	118,683	110,090
Merger expenses								18,471			18,471	18,471	
Miscellaneous				····	7,585	1.330	8.915		10,977	3,000	13.977	22.892	9,614
Total expenses	4,030,976	441,450	164,286	127,197	352,788	230,174	5,346,871	622,431	291,512	35,803	949,746	6,296,617	5,928,744
Less expenses reported as other changes in net assets on the statement of activities									291,512	35,803	327.315	327.315	226,017
Total operating expenses reported by function on the statement of activities (Exhibit A)	\$ 4.030.976	\$ <u>441.450</u>	\$ <u>164.286</u>	\$ <u>127.197</u>	\$ <u>352,788</u>	\$ <u>230.174</u>	\$ <u>.5.346.871</u>	\$ <u>622,431</u>	s	\$ <u> </u>	\$ <u>622.431</u>	\$ <u>5.969.302</u>	\$ <u>.5.702.727</u>

See independent auditor's report.

The accompanying notes are an integral part of these statements.

FINANCIAL STATEMENTS AND AUDITOR'S REPORT

DECEMBER 31, 1995

TABLE OF CONTENTS

Independent Auditor's Report

Exhibit

- A Statement of Activities
- B Statement of Functional Expenses
- C Balance Sheet
- D Statement of Cash Flows

Notes to Financial Statements

Schedule

1 - Changes in Restricted Net Assets

LOEB & TROPER

655 THIRD AVENUE, 12TH FLOOR, NEW YORK, NY 10017

TEL: (212) 867-4000 FAX: (212) 867-9810

Independent Auditor's Report

Board of Directors

We have audited the accompanying balance sheet of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The information in schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Let. Troper

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STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 1995 (With Comparative Totals for 1994)

		Temporarily	Permanently	То	tal
	Unrestricted	Restricted	Restricted	1995	1994
Operating revenues, gains and other support Contributions					(Restated)
Government support (Note 3)		\$ 117,367		\$ 117,367	\$ 104,120
Patient fees	\$ 1,461,068	1,651,183		1,651,183	1,424,097
Medicaid fees	1,805,690			1,461,068	1,342,860
Donated services	77,095			1,805,690 77,095	1,686,187 99,650
Other operating revenues	16,531			<u>16,531</u>	20,322
	3,360,384	1,768,550		5,128,934	4,677,236
Net assets released from restrictions					
Satisfaction of program restrictions	1,770,879	(1,770,879)			
Satisfaction of capital acquisition restrictions	38,960	(38.960)			
	**************************************			-	
Total operating revenues, gains and other support	_5,170,223	(41,289)	\$	5,128,934	4,677,236
Operating expenses (Exhibit B)					
Medical services	3,775,160			2 775 160	2 402 725
Surgical services	463,054			3,775,160 463,054	3,423,735 426,221
Prenatal services	188,620			188,620	146,639
Adolescent support	146,614			146,614	144,446
Education	336,657			336,657	321,723
Public policy	<u>161,566</u>			<u>161,566</u>	162,910
Total program services	5,071,671			5,071,671	4,625,674
Management and general				, ,	, ,
Withingtonent and general	<u>631,056</u>		-	<u>631,056</u>	<u>653,376</u>
Total operating expenses	_5,702,727		_	_5,702,727	5,279,050
Change in net assets from operations	(532,504)	(41,289)	-	(573,793)	(601,814)

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 1995 (With Comparative Totals for 1994)

		Temporarily	Permanently	Total		
	Unrestricted	Restricted	Restricted	1995	1994	
					(Restated)	
Other changes in net assets						
Contributions	\$ 714,797			\$ 714,797	\$ 627,219	
Auction	120,785			120,785	124,828	
Capital campaign contributions (Note 5)		\$ 414,890		414,890		
Investment income, including realized gains	55,530			55,530	36,979	
Net assets released from restrictions	•					
Satisfaction of program restrictions	37,320	(37,320)				
Fund-raising expenses	(192,180)			(192,180)	(165,616)	
Direct costs of auction	(33.837)			(33,837)	(37.838)	
Change in net assets before change in						
accounting principles	169,911	336,281		506,192	(16,242)	
Change in accounting principles (Note 2)	-	6.000		6,000		
Change in net assets (Exhibit D)	169,911	342,281		512,192	(16,242)	
Net assets - beginning of year	3.057.073	141.939	\$ <u>25,000</u>	3.224.012	3,240,254	
Net assets - end of year (Exhibit C)	\$ <u>3,226,984</u>	\$ <u>484,220</u>	\$ <u>25,000</u>	\$ <u>3,736,204</u>	\$ <u>3,224,012</u>	

See independent auditor's report.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 1995 (With Comparative Totals for 1994)

Program Services Supporting Services													
								Management		Direct			
	Medical	Surgical	Prenatal	Adolescent		Public		and	Fund	Cost of		To	
	Services	Services	Services	Support	Education	Policy	Total	General	Raising	Auction_	Total	1995	1994
													(Restated)
Salaries	\$ 2.084.294	\$ 188,287	\$ 106,297	\$ 112.728	\$ 183,705	\$ 72,787	\$ 2,748,098	\$ 312,859	\$ 69,544		\$ 382,403	\$ 3,130,501	\$ 2.854,190
Payroli taxes	182,507	14,839	9,231	8,548	15,017	6,321	236,463	27,166	6,039		33,205	269,668	275,302
Employee benefits	164,824	13,401	8,336	7,720	13,563	5,708	213,552	24,537	5,454		29,991	243,543	217,561
Clinician and other fees	67,709	_55.079	15,005	1.490	14,406	2.658	156.347	37.901	41.437	S 220	79,558	235,905	140,199
	X1102									<u> </u>			
Total personal service expenses	2,499,334	271,606	138,869	130,486	226,691	87,474	3,354,460	402,463	122,474	220	525,157	3,879,617	3,487,252
Recruitment	10.189	871			50	519	11,629					11.629	25,096
Travel and meetings	22,348	1.404	464	7,760	4.032	2,248	38,256	15,336	2,274		17.610	55,866	49,064
Occupancy	316,084	16,495		,,,,,	21.586	2,517	356,682	13,157	1,882	4.697	19,736	376,418	334,224
Telephone	35,030	1.860	1,240	381	14,725	1,416	54,652	14.769	1,935	259	16,963	71,615	73,099
Supplies and medications	367,062	51,525	1,960	7.550	22,450	1,932	452,479	24,895	3,632	822	29,349	481,828	501,150
Laboratory services	220,988	42,341	14,969				278,298		-,		,	278,298	280,657
Medical Hability Insurance	31,627	21,352	911				53,890					53,890	56,642
Printing and publications	18,431	391	141	54	7,613	1,284	27,914	2,610	30,830	2,284	35,724	63,638	89,041
Computer services	6,817				2,148	1,305	10,270	26,025	4,405		30,430	40,700	33,775
Equipment rental and repair	16,017	578			2,820	632	20,047	6,394	1,450	8,815	16,659	36,706	33.775 24
Postage and shipping	14,302	522	623	216	4,691	4,841	25,195	4,620	13,103	8,453	26,176	51,371	49,222
Advertising and publicity	22				6,350	1,092	7,464	1,008	2,650	5,787	9,445	16,909	28,874
PPFA dues						•	-	48,542			48,542	48,542	52,643
Other dues and memberships	260	1,463			155	50,803	52,681	11,357	350		11,707	64,388	53,440
Legal and accounting fees	5,392						5,392	43,471			43,471	48,863	40,942
Bad debts	73,628	28,725	29,443				131,796					131,796	78,707
Interest	5,422	3,720			2,798	400	12,340	1,981	266		2,247	14,587	15,467
New York State assessment		5,284					5,284					5,284	5,410
Donated services	71,497	763		167	4,668		77,095					77,095	99,650
Depreciation and amortization	60,710	14,154			15,880	2,127	92,871	14,428	2,791		17,219	110,090	95,244
Fundraising supplies and other expenses						2.976	2.976		4.138	2.500	6.638	2.614	4.098
Total expenses (Exhibit A)	\$ <u>3.775.160</u>	\$ <u>463,054</u>	\$ <u>188.620</u>	\$ <u>146.614</u>	\$ <u>336.657</u>	\$ <u>161.566</u>	\$ <u>.5.071.671</u>	\$.631,056	\$_192,180	\$_33,837	\$ <u>857.073</u>	\$ <u>5.928.744</u>	\$ <u>.5.482.504</u>

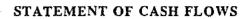
See independent auditor's report.

BALANCE SHEET

DECEMBER 31, 1995 AND 1994

ASSETS	<u> 1995</u>	1994
Current assets Cash Investments (Note 4) Surgical and medical fees receivable (less allowance for uncollectible accounts of \$105,279 in 1995 and \$61,329 in 1994) Due from government agencies (Note 3) Contributions receivable (Note 5) Inventories and prepaid expenses	\$ 329,944 916,228 493,154 136,231 78,751 179,707	\$ 446,997 603,785 501,064 74,976 6,000 188,276
Total current assets	2,134,015	1,821,098
Contributions receivable (Note 5) Investments held for permanent endowment (Note 4) Fixed assets - at cost (net of accumulated depreciation and amortization (Note 6)	143,941 25,000 <u>1,727,127</u>	25,000 <u>1,743,227</u>
Total assets	\$ <u>4,030,083</u>	\$ <u>3.589,325</u>
LIABILITIES AND NET ASSETS		
Current liabilities Accounts payable and accrued expenses Mortgage note payable - current portion (Note 7) Obligation under capital lease - current portion (Note 9) Deferred support Total current liabilities	\$ 180,590 42,857 2,575 	\$ 195,444 42,857 7,723 6,000
Long-term liabilities Mortgage note payable (Note 7) Obligation under capital lease (Note 9) Total liabilities	67,857 	110,714 2,575 365,313
Net assets (Exhibit A) Unrestricted Temporarily restricted (Note 11) Permanently restricted (Note 11) Total net assets	3,226,984 484,220 25,000 3,736,204	3,057,073 141,939 25,000 3,224,012
Total liabilities and net assets	\$ <u>4.030.083</u>	\$ <u>3,589,325</u>

See independent auditor's report.



YEAR ENDED DECEMBER 31, 1995

Cash flows from operating activities		
Change in net assets (Exhibit A)		\$ 512,192
Adjustments to reconcile change in net assets		
to net cash provided by operating activities		
Change in accounting principles		(6,000)
Depreciation and amortization		110,090
Campaign 2000 contributions		(414,890)
Realized gain on sale of investments		(13,069)
Decrease (increase) in assets		(,,
Fees receivable		7,910
Due from government agencies		(61,255)
Inventories and prepaid expenses		8,569
Increase (decrease) in liabilities		•
Accounts payable and accrued expenses		(14,854)
Net cash provided by operating activities		128,693
Cash flows from investing activities		
Fixed asset acquisitions	\$ (93,990)	
Purchase of investments	(388,469)	Ė
Proceeds from sales of investments	<u>89,095</u>	
Net cash used by investing activities		(393,364)
Cash flows from financing activities		
Campaign 2000 contributions	192,198	
Other capital campaign contributions	6,000	
Repayment of mortgage loan	(42,857)	
Repayment of obligation under capital lease	(7,723)	
Net cash provided by financing activities		147,618
Net decrease in cash		(117,053)
Cash - beginning of year		446,997
Cash - end of year		\$ <u>329,944</u>

See independent auditor's report.

DECEMBER 31, 1995

NOTE 1 - ORGANIZATION

is a not-for-profit organization is a not-for-profit organization licensed by the State of New York to operate centers wherein medically-approved birth control
information, advice and treatment is furnished. is affiliated with the Planned Parenthood
Federation of America ("PPFA"). PPFA sets professional, medical and operational standards for the
Planned Parenthood affiliates. These standards must be complied with in order to use the Planned
Parenthood name. Is an autonomous organization with its own Board of Directors and management team. By virtue of its agreement with PPFA, solicits its own contributions through independent fund-raising efforts.
government grants and contributions.
qualifies as a Section 501(c)(3) tax-exempt organization pursuant to the Internal Revenue Code and, therefore, its income is not subject to federal or state income taxes.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

Use of estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Change in accounting principles - Effective with the current year, adopted Statements of Financial Accounting Standards No. 116, "Accounting for Contributions Received and Contributions Made" and No. 117, "Financial Statements of Not-for-Profit Organizations." These statements require that contributions be recognized as revenue when received, whether as cash, other assets, or a promise of future payment. The Statements also require net assets to be classified as unrestricted, temporarily restricted and permanently restricted based on donor stipulations as to use. The effect of these changes in accounting principles on net assets at January 1, 1995 is as follows:

Recognition of contributions previously deferred

\$ 6,000



DECEMBER 31, 1995

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

Temporarily and permanently restricted net assets - Temporarily restricted net assets are those whose use by the has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by in perpetuity.

Contributions - Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the date the contribution is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Functional allocation of expenses - The costs of providing services have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

Investments - Investments are recorded at cost or, if received by gift, at market value on the date of donation.

Inventories - Supplies inventories are valued at the lower of cost (on a first-in, first-out basis) or market.

Fixed assets - Land, buildings, furniture and equipment and leasehold improvements are stated at cost, if purchased, or if acquired by gift, at estimated fair value at the date of receipt. Depreciation and amortization are provided on the straight-line method based on the estimated useful lives of the assets or the life of the lease.

Building and improvements	5-40 years
Furniture and fixtures	5-20 years
Leasehold improvements	5-10 years

Donated services - Donated services represent the value assigned to time contributed by volunteer workers based on the actual hours worked at rates paid to staff members performing similar duties, and the value of contributed laboratory services.

DECEMBER 31, 1995

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)

Malpractice claims - Providers of health care services, who maintain malpractice coverage on a claims made basis without tail coverage, are required to accrue an estimate for incurred, but not reported, malpractice claims (including litigation costs). Management is not aware of any claims as of December 31, 1995.

Operations - operations exclude unrestricted contributions, auction revenues and expenses, investment income, capital campaign contributions and fund-raising expenses.

Comparative totals - The amounts shown for the year ended December 31, 1994 in the accompanying financial statements are included to provide a basis for comparison with 1995 and present summarized totals only. Accordingly, the 1994 amounts are not intended to present all information necessary for a fair presentation in conformity with generally accepted accounting principles.

NOTE 3 - GOVERNMENT SUPPORT

	Revenue	<u>Receivable</u>
NYS Family Planning	\$ 1,471,439	\$ 100,101
APPSP	56,187	5,200
Adolescent Pregnancy Impact Program	85,428	20,244
County grant	18,295	
- parents, professional and teens	19,834	10,686
	\$ <u>1,651,183</u>	\$ <u>136.231</u>

The New York State Department of Health issues one contract in support of family planning activities. Funds from multiple sources are aggregated in the contract: Federal Family Planning (Title X), Maternal and Child Health/State Local Assistance (Title V) and New York State Supplemental Funds.



DECEMBER 31, 1995

NOTE 4 - INVESTMENTS

	19	1995		94
	Cost	Market Value	Cost	Market Value
Corporate stocks Corporate bonds Convertible bonds Government bonds Cash equivalents	\$ 327,639 252,968 149,326 124,075 87,220	\$ 460,627 263,109 159,512 135,840 87,220	\$ 193,638 141,575 132,031 99,418 	\$ 232,419 137,048 118,344 96,828 62,123
	\$ <u>941,228</u>	\$ <u>1,106,308</u>	\$ <u>628.785</u>	\$ <u>646,762</u>

NOTE 5 - CAMPAIGN 2000

During 1995, the board of directors of launched Campaign 2000 - approximately a \$2.3 million campaign to:

- Modernize centers
- Implement primary care services for women
- · Invest in and upgrade technology capabilities
- Create new strategic alliances

has targeted County as the site for increased comprehensive reproductive and primary health care services. Modernization of includes expansion of the and sites. While is still looking to rent new larger space for its site, it is in negotiations to sign a lease to relocate the administrative offices out of the site to thus enabling the expansion/creation of additional medical space at In addition, has identified a building for purchase in the which will consolidate the existing and the into one comprehensive medical center to provide services including colposcopy and prenatal services.

The above is to be accomplished through bank financing and contributions to be raised through a capital campaign pledge drive.

DECEMBER 31, 1995

NOTE 5 - CAMPAIGN 2000 (continued)

In response to the campaign pledge drive, as of December 31, 1995, has received pledges of \$443,200, of which \$192,198 was received in cash. The pledges of \$251,002 have been discounted over the pledge terms using a discount rate equalling the rate of return on the capital fund investment account.

Contributions receivable are due as follows:

1996 1997-2000	\$ 78,751 <u>172,251</u>
Less discount to present value	251,002 (28,310)
	\$ <u>222,692</u>

NOTE 6 - FIXED ASSETS

	1995	1994
Land	\$ 175,000	\$ 175,000
Building and improvements	1,506,378	1,484,671
Furniture and equipment	674,329	655,963
Leasehold improvements	456,517	402,600
	2,812,224	2,718,234
Less accumulated depreciation and amortization	1,085,097	975,007
	\$ <u>1,727,127</u>	\$ <u>1,743,227</u>

NOTE 7 - MORTGAGE NOTE PAYABLE

DECEMBER 31, 1995

NOTE 7 - MORTGAGE NOTE PAYABLE (continued)

Scheduled principal payments on the mortgage note for the next three years are as follows:

1996	\$ 42,857
1997	42,857
1998	 25,000

\$<u>110.714</u>

NOTE 8 - LINE OF CREDIT

At December 31, 1995, has an unused line of credit of \$100,000 which bears interest at 1% above prime.

NOTE 9 - LEASES

has entered into a capital lease agreement for an ultrasound machine with a cost basis of \$32,700. The future minimum lease payments on this obligation at December 31, 1995 is as follows:

1996	\$	2,996
Less amount representing interest	_	421
Present value of minimum lease payments	\$	2.575

In addition, facilities used by for programs and services are rented under leases which expire in future years. A summary of commitments under such arrangements are as follows:

1996	\$ 185,022
1997	111,045
1998	86,156
1999	85,967
2000	89,687

\$_557,877



DECEMBER 31, 1995

NOTE 10 - PE	V	SI	n	IN
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retireme	ent plan for substantially all emple empled two years of service, provided they	nefits program which includes a defined contribution loyees after they have attained 21 years of age and have work for a minimum of 1,000 hours per year ing employees' annual compensation. Pension expense
NOTE 11- '	TEMPORARILY AND PERMANEN	TLY RESTRICTED NET ASSETS
Tempora	arily restricted net assets at December 3	1, 1995 are available for the following purposes:
	npaign 2000 ous programs	\$ 380,090

\$<u>484,220</u>

Permanently restricted net assets (Ella Wilson Fund) at December 31, 1995 are restricted to:

Investment in perpetuity, the income from which is expendable to support:

Education and awareness

\$_25,000

NOTE 12 - CONCENTRATIONS

Financial instruments which potentially subject to a concentration of credit risk are cash accounts with a major financial institution in excess of FDIC insurance limits. This financial institution has a strong credit rating and management believes that credit risk related to these accounts is minimal.

NOTE 13 - SUBSEQUENT EVENTS

has signed a lease to relocate its administrative offices from the New York.	site to
has signed a contract to purchase the building at signed as \$715,000, with additional anticipated renovation costs of approximate.	The negotiated purchase price ly \$550,000.



DECEMBER 31, 1995

NOTE 13 - SUBSEQUENT EVENTS (continued)

has obtained a commitment of \$700,000 from The Bank of New York to finance the above. It is to be used first to pay off the existing balance on the purchase of the site.

NOTE 14 - FAIR VALUE OF FINANCIAL INSTRUMENTS

The following methods and assumptions were used by in estimating the fair value of its financial instruments:

Cash - The carrying amount reported in the balance sheet approximates fair value.

Investments - The fair value of investments is based on quoted market prices.

Mortgage note payable - The carrying amount of the loan payable as reported in the balance sheet approximates fair value.

CHANGES IN RESTRICTED NET ASSETS

YEAR ENDED DECEMBER 31, 1995

		Temporarily Restricted									
	State Family Planning	County Grant	Parents Professional and Teens	Adolescent Pregnancy Impact	cent Support Pr AP Mt. Vernon	PSP Yonkers	Medical Research Projects	Campaign 2000	Private Donor Funds	Tota!	Permanently Restricted
Restricted net assets - beginning of year, after change in accounting principles									\$ 147,939	\$ 147,939	\$ 25,000
Public support and revenue Special project awards Future year pledges Contract revenue	\$ <u>1.471.439</u>	\$ <u>18.295</u>	\$ <u>19.834</u>	\$ <u>85,428</u>	\$ <u>13.139</u>	\$ <u>43,048</u>	\$ 88,230	\$ 192,198 222,692	29,137	309,565 222,692 1,651,183	÷
Funds available with donor restrictions	1.471.439	18,295	19.834	85.428	13.139	43.048	_88.230	414.890	_177.076	2.331.379	25,000
Assets released from restrictions Satisfaction of program restrictions Contract funds Private donor funds Satisfaction of capital acquisition restrictions	1,446,439 	18,295	19,834	85,428	13,139	43,048	88,230	34,800	58,986 13.960	1,714,413 93,786 38,960	
Total restricted assets released to satisfy fund restrictions	1.471.439	18.295	19.834	<u>85.428</u>	13.139	43.048	88,230	34.800	72.946	1.847.159	
Restricted net assets - end of year	s <u> </u>	\$	\$ <u> </u>	s <u> </u>	s <u> - </u>	s <u>-</u>	s <u> </u>	\$_380.090	\$_104.130	\$ <u>484.220</u>	\$_25,000

See independent auditor's report.

FINANCIAL STATEMENTS AND AUDITOR'S REPORT

DECEMBER 31, 1994

TABLE OF CONTENTS

Independent Auditor's Report

Exhibit

- A Statement of Support, Revenue, Expenses and Changes in Fund Balances
- B Statement of Functional Expenses
- C Balance Sheet

Notes to Financial Statements

Schedule

1 - Changes in Restricted Fund Balances

LOEB & TROPER

655 THIRD AVENUE, 12TH FLOOR, NEW YORK, NY 10017

TEL: (212) 867-4000 FAX: (212) 867-9810

Independent Auditor's Report

Board of Directors

We have audited the accompanying balance sheet of as of December 31, 1994, and the related statements of support, revenue, expenses and changes in fund balances, and functional expenses for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The information in schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Leb + Iroper

STATEMENT OF SUPPORT, REVENUE, EXPENSES AND CHANGES IN FUND BALANCES

YEAR ENDED DECEMBER 31, 1994 (With Comparative Totals for 1993)

Public support and revenue
Public support
Contributions
Donated services
Government grants (Note 2)

g......

Total public support

Revenue Medical and surgical fees Self-pay

Medicaid Investment income Education programs

Miscellaneous

Total revenue

Total public support and revenue

Expenses (Exhibit B)

Program services

Medical services Surgical services

Prenatal services

Adolescent support

Education

Public policy

Total program services

Operating	Board Designated	Total	Restricted Funds	Property Fund	1994	ntal 1993
						* f.d. W
S 627,219	\$ 124,828	\$ 752,047	\$ 104,120		\$ 856,167	\$ 956,435
99,650		99,650	V 101,120		99.650	129,088
-			1.424.097		1.424.097	1.388.350
726.869	124.828	<u>851.697</u>	1.528.217		2.379.914	2.473.873
1,342,860		1,342,860			1 742 860	. 1 264 646
1,647,845		1,647,845			1,342,860 1,647,845	1,254,64 <i>5</i> 1,438,947
36.006		36,006	973		36,979	20,728
15,356		15.356	2,5		15,356	25,418
4.966		4.966			4.966	6.380
3.047.033		3.047.033	973		3.048.006	2.746.118
3.773.902	_124.828	3.898.730	1.529.190		<u>5.427.920</u>	5.219.991
2,193,774		2,193,774	1,132,683	\$ 58,936	3,385,393	3,194,278
409,690		409,690		16,531	426,221	411,674
146,639		146,639			146,639	96,082
			144,446		144,446	143,559
162,674		162,674	146,709	12,340	321,723	277,121
_160.869		_160.869		2.041	162.910	118.209
3.073.646		3,073,646	1.423.838	89.848	4.587.332	4.240.923

-continued-

LOEB & TROPER

STATEMENT OF SUPPORT, REVENUE, EXPENSES AND CHANGES IN FUND BALANCES

YEAR ENDED DECEMBER 31, 1994 (With Comparative Totals for 1993)

Expenses (Exhibit B) (continued)
Supporting services
Management and general
Fund raising

Total supporting services

Total expenses

Excess (deficiency) of public support and revenue over expenses

Reclassification

Transfer - fixed asset acquisitions and debt service

Transfer of board-designated fund

Fund balances - beginning of year

Fund balances - end of year (Exhibit C)

See independent auditor's report.

The accompanying notes are an integral part of these statements.

LOEB & TROPER

U	nrestricted Fur	nds				
Operating	Board <u>Designated</u>	Total	Restricted Funds	Property Fund	Tc	1993
\$ 577,720 _162.261	s <u>37.838</u>	\$ 577,720 200,099	\$ 59,487	\$ 16,169 3,355	\$ 653,376 _203,454	\$ 560,065 192,744
739.981	37.838	777.819	59.487	19,524	856,830	752.809
3.813.627	37.838	3.851.465	1.483.325	109.372	<u> 5.444.162</u>	4.993.732
(39,725)	86,990	47,265	45,865	(109,372)	(16,242)	226,259
(204,876)		(204,876)		204,876		
(107,196)		(107,196)	(104,948)	212,144		
86,990	(86,990)					
608.096	1.134,426	1.742.522	226.022	1.271.710	3.240.254	3.013.995
\$ 343,289	\$1,134,426	\$1,477,715	\$ 166,939	\$1,579,358	\$3,224,012	\$ 3,240,254

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 1994 (With Comparative Totals for 1993)

		Program Services					Supporting Services					
								Management				tal
•	Medical	Surgical	Prenatel	Adolescent		Public		and	Fund	2.0		
	Services	Services	Services	Support	Education	Policy_	Total	General	Ralsing	Total	1994	1993
Salaries	\$ 1,806,388	\$ 185,836	5 91,932	\$ 105,909	\$ 171,320	\$ 76,746	\$ 2,438,131	\$ 347,460	\$ 68,599	\$ 416,059	\$ 2,854,190	\$ 2,553,184
Payroll taxes	174,236	17,925	8,867	10,215	16,525	7,403	235,171	33,514	6,617	40,131	275,302	245,168
Employee benefits	138,859	14,279	7,581	4,673	11,534	6,328	183,254	28,651	5,656	34,307	217,561	201,770
Clinician and other fees	16.223	42,400	18.456	1.4EE	4.963		83.530	45.562	_11.107	56.669	140,199	129.046
Total personal service expenses	2,135,705	260,440	126,836	122,285	204,342	90,477	2,940,086	455,187	91,979	547,166	3,487,252	3,129,168
Recruitment	16,447	404		3,793	1,885		22,529	2,567		2,567	25,096	6,847
Travel and meetings	17,601	1,891	1,182	8,989	3,454	3,986	37,103	8,900	3,061	11,961	49,064	49,098
Occupancy	282,588	14,594			18,965	2,090	318,237	9,753	6,234	15,987	334,224	302,690
Telephone	42,802	1,682	1,027	607	9,783	1,847	57,748	12,094	3,257	15,351	73,099	63,941
Supplies and medications	395,743	47,886	3,038	8,557	16,464	2,662	474,350	19,407	7,393	26,800	501,150	526,859
Laboratory services	222,351	45,155	13,151				280,657				280,657	246,610
Medical liability insurance	33,972	22,109	561				56,642				56,642	51,026
Printing and publications	25,345	229	536		17,050	755	43,915	5,263	39,863	45,126	89,041	78,046
Computer services	5,781				1,327	746	7,854	20,440	5, 481	25,921	33,775	38,159
Equipment rental and repair	10,529	1,579			4,728	262	17,098	1,837	9,872	11,709	28,807	27,867
Postage and shipping	14,736	759	308	109	3,429	2,836	22,177	3,789	23,256	27,045	49,222	47,358
Advertising and publicity	527				18,786	3,884	23,197	552	5,125	5,677	28,874	25,781
PPFA dues								52,643		52,643	52,643	46,446
Other dues and memberships	125			88	90	45,700	46,003	6,957	480	7,437	53,440	50,785
Legal and accounting fees	2,397					727	3,124	37,818		37,818	40,942	46,169
Bad debts	35,877	4,488					40,365				40,365	32,285
Interest	6,402	3,716			2,466	330	12,914	2,270	283	2,553	15,467	15,587
New York State assessment		5,410					5,410				5,410	3,680
Donated services	83,930	1,725		18	9,080	4.897	99,650				99,650	129,088
Fund-raising supplies and other expenses									4,098	4.098	4.098	
Total expenses before depreciation											•	
and amortization	3,332,859	412,067	146,639	144,446	311,849	161,199	4,509,059	639,477	200,382	839,859	5,348,918	4,917,490
Depreciation and amortization	52,534	14.154			9.874	1.711	78.273			16.971	95.244	76.242
Total expenses (Exhibit A)	\$ <u>1,385,393</u>	s <u>426.221</u>	\$ 146,639	S <u>144,446</u>	\$_321.723	<u> 5 162,910</u>	s <u>4.587,332</u>	s <u>653,376</u>	\$ 203,454	\$_856.830	s <u>5,444,162</u>	\$_4,993,732

See independent auditor's report.

The accompanying notes are an integral part of these statements.

LOEBATROPER

BALANCE SHEET

DECEMBER 31, 1994 (With Comparative Totals for 1993)

ASSETS
Cash and cash equivalents (allocated) Investments in marketable equity securities (market value \$646,762 in 1994 and \$654,980 in 1993) securities at cost Surgical and medical fees receivable (less allowance for uncollectible accounts of \$61,329 in 1994 and \$52,756 in 1993) Pledges receivable Due from government grantors (Note 2) Supplies inventory Prepaid expenses and deposits
Property and equipment (net of accumulated depreciation) (Note 3) Interfund receivable (payable)
Total assets
LIABILITIES AND FUND BALANCES
Liabilities Accounts payable and accrued expenses Mortgage note payable (Note 4) Obligation under capital lease (Note 7) Deferred support
Total liabilities

See independent auditor's report.

Fund balances (Exhibit A)

The accompanying notes are an integral part of these statements.

Total liabilities and fund balances

LOEB & TROPER

U	incestricted Fu	nds			_	
Operating	Board Designated	Total	Restricted Funds	Property Fund	To	1993
\$ (58,644)	\$ 505,641	\$ 446,997			\$ 446,997	\$ 628,827
	628,785	628,785			628,785	596,682
501,064		501,064	\$ 6,000 74,976		501,064 6,000 74,976	335,805 26,490 189,302
124,703 63,573		124,703 63,573	1	\$ 1,743,227	124,703 63,573 1,743,227	130,045 27,308 1,693,987
<u>(91.963)</u>		(91.963)	91.963	3 1,143,221	1,143,221	
\$ <u>538.733</u>	\$ <u>1.134.426</u>	\$ <u>1.673.159</u>	\$172,939	\$ 1.743.227	\$ 3.589.325	\$ <u>3.628.446</u>
\$195,444		\$ 195,444		\$ 153,571	\$ 195,444 153,571	\$ 144,301 196,429
			\$ 6.000	10,298	10,298 6,000	20,972 26,490
195,444		195,444	6,000	163,869	365,313	388,192
343.289	\$_1.134.426	1,477.715	166.939	1.579.358	3.224.012	3.240.254
\$538,733	\$_1.134.426	\$1,673,159	\$172,939	\$_1.743.227	\$_3.589.325	\$ <u>3.628.446</u>

DECEMBER 31, 1994

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

licensed by the State of New York to operate centers wherein medically-approved birth control information, advice and treatment is furnished. is affiliated with the Planned Parenthood Federation of America ("PPFA"). PPFA sets professional, medical and operational standards for the Planned Parenthood affiliates. These standards must be complied with in order to use the Planned Parenthood name. is an autonomous organization with its own Board of Directors and management team. By virtue of its agreement with PPFA, solicits its own contributions through independent fund-raising efforts.
qualifies as a Section 501(c)(3) tax-exempt organization pursuant to the Internal Revenue Code and, therefore, its income is not subject to federal or state income taxes.
Standards of Reporting
The accompanying financial statements have been prepared on the account basis of accounting and in conformity with the accounting provisions included in the Industry Audit Guide, <u>Audits of Voluntary Health and Welfare Organizations</u> , issued by the American Institute of Certified Public Accountants.
The purpose of each fund group is as follows:
Unrestricted fund: Accounts for all unrestricted contributions and other revenue, supports services provided to the public and funds the operating costs of
Board-designated fund: Accounts for all unrestricted contributions and other revenue designated by the Board for specific purposes.
Restricted funds: Accounts for all contributions and grants which are expendable only for purposes specified by the donor or grantor.
Property fund: Accounts for all capital assets and associated liabilities.
<u>Investments</u>
Marketable equity securities included in investment portfolios are carried at the lower of aggregate cost (determined on an average cost basis) or market value at the balance sheet date. Other marketable securities are stated at cost. Contributed investments are recorded at fair market value at date of donation.

DECEMBER 31, 1994

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Supplies Inventories

Supplies inventories are valued at the lower of cost (on a first-in, first-out basis) or market.

Property and Equipment

Land, buildings, furniture and equipment, and leasehold improvements are stated at cost, if purchased, or if acquired by gift, at estimated fair value at the date of receipt. Depreciation and amortization are provided on the straight-line method based on the estimated useful lives of the assets or the life of the lease.

Deferred Support

Pledges and grants specified for future years are recorded as deferred support and recognized as revenue in those years.

Donated Services

Donated services represent the value assigned to time contributed by volunteer workers based on the actual hours worked at rates paid to staff members performing similar duties, and the cost of contributed space and laboratory services.

Accrued Malpractice Claims

Providers of health care services, who maintain malpractice coverage on a claims made basis without tail coverage, are required to accrue an estimate for incurred, but not reported, malpractice claims (including litigation costs). Management is not aware of any claims as of December 31, 1994.

Comparative Totals

The amounts shown for the year ended December 31, 1993 in the accompanying financial statements are included to provide a basis for comparison with 1994 and present summarized totals only. Accordingly, the 1993 amounts are not intended to present all information necessary for a fair presentation in conformity with generally accepted accounting principles.

DECEMBER 31, 1994

NOTE 2 - GOVERNMENT GRANTS

	Revenue	Due from Grantors
NYS Family Planning	\$ 1,244,603	\$ 55,593
APPSP	57,264	8,272
Adolescent Pregnancy Impact Program	83,935	4,855
County grant	18,295	,
- Parents, professional and teens	20,000	6,256
w.	\$ <u>1,424,097</u>	\$ <u>74,976</u>

During 1989, the New York State Department of Health revised its method of issuing contracts in support of family planning activities. Funds from multiple sources are now aggregated in one contract. The sources are: Federal Family Planning (Title X), Maternal and Child Health/State Local Assistance (Title V) and New York State Supplemental Funds.

NOTE 3 - PROPERTY, PLANT AND EQUIPMENT

	1994	1993
Land Building and building improvements	\$ 175,000 1,484,671	\$ 175,000 1,484,671
Fumiture and equipment Leasehold improvements	655,963 402,600	580,413 333.666
	2,718,234	2,573,750
Less accumulated depreciation and amortization	<u>975,007</u>	879,763
	\$ <u>1,743,227</u>	\$ <u>1.693.987</u>

DECEMBER 31, 1994

NOTE 4 - MORTGAGE NOTE PAYABLE

Scheduled principal repayments on the mortgage note for the next four years are as follows:

\$ 42,857
42,857
42,857
25,000

\$153,571

NOTE 5 - LINE OF CREDIT

At December 31, 1994, has an unused line of credit of \$100,000 which bears interest at 1% above prime.

NOTE 6 - LEASE COMMITMENTS

Rental facilities used by for programs and services are rented under leases which expire in future years. A summary of commitments under such arrangements are as follows:

1995	\$174,803
1996	146,009
1997	87,869
1998	82,156
1999	85,967

\$576,804

CHANGES IN RESTRICTED FUND BALANCES

YEAR ENDED DECEMBER 31, 1994 (With Comparative Totals for 1993)

	State Family	County	Parents, Professionals	Adolescent Pregnancy		PSP	Donor Restricted	Ella Wilson	•	etal
	Planning	Grant	and Teens	_Impact_	Mt. Vernon	Yonkers	Funds	_Fund	1994	1993
Public support and revenue Special project awards Contract revenue Investment income	\$1,244,603	\$ 18,295	\$ 20,000	\$ 83,935	\$ 16,376	\$ 40,888	\$104,120	\$ <u>973</u>	\$ 104,120 1,424,097 973	\$ 230,277 1,388,350 651
Total public support and revenue	1.244.603	_18.295	20.000	83.935	16.376	40.888	104.120	973	1.529,190	1.619.278
							•			
Expenses Salaries Other	799,080 445,523	11,746 6,549	36,238 4,451	84,194 15,936		37,316 7,000	26,551 7,768	973	995,125 _488,200	939,657 _484,222
Total expenses	1.244.603	_18,295	40.689	100.130		44.316	34.319	973	1.483.325	1.423.879
Excess (deficiency) of public support and revenue over expenses			.(20.689)	(16,195)	16.376	_(3.428)	69.801	+	45.865	195,399
Transfers Within restricted funds To property fund To operating fund From operating fund	(50,000)		<u> 20.689</u>	4,500 _11,695	(16,376)	3.428	(4,500) (44,313) (30,071)		(94,313) (46,447) 35,812	(62,391)
Total transfers	(50,000)		20.689	16.195	_(16.376)	_3.428	.(78.884)		(104.948)	_(62,391)
Net change	(50,000)						(9,083)		(59,083)	133,008
Fund balances - beginning of year	50,000						151.022	_25.000	226.022	93,014
Fund balances - end of year	\$ <u> </u>	\$	\$_ -	\$	s	S	\$ <u>141.939</u>	\$ <u>25.000</u>	\$ <u>166,939</u>	\$_226.022

See Independent auditor's report,

LOES & TROPER

Financial Statements and Other Information for the Year ended December 31, 1996 and Independent Auditor's Reports

Financial Statements and Other Information

Year ended December 31, 1996

CONTENTS

Independent Auditor's Report	1
Financial Statements	
Statement of Activities	2
Statement of Functional Expenses	3
Statement of Financial Position	4
Statement of Cash Flows	5
Notes to Financial Statements	6

GIFFUNI & YOUNG CPA, P.C.

CERTIFIED PUBLIC ACCOUNTANTS 490 WHEELER ROAD • SUITE 275 HAUPPAUGE, NEW YORK 11788 (516) 342-8087 Fax: (516) 342-8091

June 16, 1997

In planning and performing our audit of the financial statements of :. for the year ended December 31, 1996 (on which we have issued our report dated June 12, 1997), we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure. Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above. Therefore, we do not

This report is intended solely for the information and use of management and others within the organization and the Planned Parenthood Federation of American, Inc.

consider it necessary to recommend or request any internal control system

Yours truly,

changes at this time.

Soffen & Joing

GIFFUNI & YOUNG CPA, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
490 WHEELER ROAD • SUITE 275
HAUPPAUGE, NEW YORK 11788
(516) 342-8087
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INDEPENDENT AUDITOR'S REPORT

Board of Directors

We have audited the accompanying statement of financial position of (a Not-For-Profit Corporation) as of December 31, 1996 and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 14 of these financial statements, an error resulting in the understatement of accounts receivable and corresponding understatements in revenue and increase in net assets at December 31, 1995 and the year then ended was discovered by management during the current year. Accordingly, the December 31, 1995 financial statements have been restated to correct the error.

In our opinion, such financial statements present fairly, in all material respects, the financial position of corporation) as of December 31, 1996 and the changes in its net assets and its cash flows for the year then ended, in conformity with generally accepted accounting principles.

June 12, 1997

Soffun & Joing

	***		1996		1995 (As restated
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
REVENUE:					
Revenues and gains:					
Contributions	\$530,851			\$530,851	\$459,758
New York State grants		\$1,203,550		1,203,550	1,172,547
Special events - net	188,982			188,982	178,52
Other revenue:					
Patient fees	1,547,294			1,547,294	1,467,936
Medicaid	1,005,537			1,005,537	753,41
Investment income - net	17,934	2,431	3,612	23,977	38,06
Miscellaneous Income	1,080		•	1,080	1,81
Total revenues and gains	3,291,678	1,205,981	3,612	4,501,271	4,072,054
Net Assets released from restrictions	1,564,258	(1,580,565)	16,307	0	
Total Revenue	4,855,936	(374,584)	19,919	4,501,271	4,072,054
EXPENSES:					
Program services:					
Medical services	2,956,100			2,956,100	2,672,469
Community information and education	398,627			398,627	399,804
Public affairs	136,490			136,490	131,758
Total program services	3,491,217	0	0	3,491,217	3,204,031
Supporting services:		1			
Management and general	457,912			457,912	525,875
Fund raising	235,678	4,083		239,761	232,338
Total supporting services	693,590	4,083	0	697,673	758,213
Total Expenses	4,184,807	4,083	C	4,188,890	3,962,244
ncrease (decrease) in net assets from current year					
operations before cumulative change in accounting principles					
, and a second s	671,129	(378,567)	19,919	312,381	109,810
Cumulative effect of change in accounting principles				O	634,795
ncrease (decrease) in net assets	671,129	(378,667)	19,919	312,381	744,605
•		(0.0,00.)	15,510	312,001	744,005
let assets at beginning of year					
As previously reported	2,599,419	1,030,699	92,592	3,722,710	3,071,293
Adjustment for understatement of accounts receivable	93,188		·	93,188	-,,
Balance at beginning of year, as restated	2,692,607	1,030,699	92,592	3,815,898	3,071,293
let assets at end of year	\$3,363,736	\$652,032	\$112,511	\$4,128,279	\$3,815,898
ee notes to financial statements					

		· · · · · · · · · · · · · · · · · · ·			1996				1995
-		Program Service	S		Suppo	orting Services			
-		Community Information	10000000		21/02 - 2//22		: - 154 MARKET		
	Medical Services	and Education	Public Affairs	Total	Management and General	Fund Raising	Total	Total expenses	Total expenses
Salaries	\$1,368,102	\$186,167	\$72,533	\$1,626,802	\$256,689	\$120,346	\$377,035	\$2,003,837	\$1,786,712
Payroll taxes	104,479	13,691	5,570	123,740	19,289	9,217	28,506	152,246	153,605
Employee benefits	194,780	25,522	10,385	230,687	43,666	18,680	62,346	293,033	287,924
Total salaries and		***************************************							
related expenses	1,667,361	225,380	88,488	1,981,229	319,644	148,243	467,887	2,449,116	2,228,241
Other expenses:									
Occupancy	288,253	7,451	3,162	298,866	15,812	7,381	23,193	322,059	301,196
Laboratory fees	272,654			272,654		•	0	272,654	236,712
Clinicians' fees	60,416			60,416			0	60,416	235,852
Supplies and medications	214,693	549		215,242			0	215,242	191,265
Advertising and publicity	4,323	67,283	162	71,768	1,642	27,171	28,813	100,581	79,956
Equipment	55,560	3,188	171	58,919	18,091	1,146	19,237	78,156	72,938
Printing and publications	22,905	26,978	504	50,387	2,559	14,871	17,430	67,817	65,638
Travel and meetings	27,963	20,934	564	49,461	12,493	928	13,421	62,882	51,227
Mortgage Interest	42,778	4,403	1,887	49,068	9,436	4,403	13,839	62,907	80,094
Bad debt expense	79,676			79,676	•	4,083	4,083	83,759	43,650
Telephone	45,593	1,352	581	47,526	5,808	1,309	7,117	54,643	40,565
Other dues and memberships	195	552	31,966	32,713	1,960	50	2,010	34,723	38,095
PPFA dues	31,090	3,886	3,887	38,863	•		0	38,863	34,724
Consultants	1,038	21,787		22,825	9,853	10,229	20,082	42,907	29,485
Postage and shipping	9,753	3,820	1,183	14,756	2,919	8,729	11,648	26,404	26,950
Legal and accounting fees				0	22,671	-,	22,671	22,671	24,789
Medical liability insurance	28,429			28,429	•		0	28,429	23,153
Office supplies	15,018	1,738	449	17,205	2,569	2,201	4,770	21,975	20,813
Other	229	105	100	434	15,961	1,554	17,515	17,949	18,743
Total expenses before depreciation and									
amortization	2,867,927	389,406	133,104	3,390,437	441,418	232,298	673,716	4,064,153	3,844,086
Depreciation and									
amortization	88,173	9,221	3,386	100,780	16,494	7,463	23,957	124,737	118,158
TOTAL	\$2,956,100	\$398,627	\$136,490	\$3,491,217	\$457,912	\$239,761	\$697,673	\$4,188,890	\$3,962,244
Con nature to financial statements				*********					

See notes to financial statements See independent auditor's report

STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 1996 (WITH COMPARATIVE TOTALS FOR 1995)

		1996	1995 (As restated)
	Notes	Total	Total
ASSETS:			
Cash	2	\$583,238	\$518,341
Contributions receivable	2	214,801	362,747
Accounts receivable (less allowance of \$38,179 and \$25,269 at		,	
December 31, 1996 and 1995, respectively)		763,637	453,761
Short-term investments	8	226,043	255,855
Long-term investments	8	107,283	145,346
Inventory and other assets		88,037	95,537
Land, building, and equipment - net	2,3,4,9,10	3,028,291	3,105,410
Total Assets		\$5,011,330	\$4,936,997
LIABILITIES AND NET ASSETS:			
Mortgage payable	9,10	\$566,134	\$921,404
Accounts payable, accrued expenses	•	, ,	,,
and other liabilities	6	316,917	199,695
Total Liabilities		883,051	1,121,099
Net assets:		**************************************	Al-
Unrestricted		3,363,736	2,692,607
Temporarily restricted		652,032	1,030,699
Permanently restricted		112,511	92,592
Total Net Assets		4,128,279	3,815,898
Total Liabilities and Net Assets		\$5,011,330	\$4,936,997
			=========

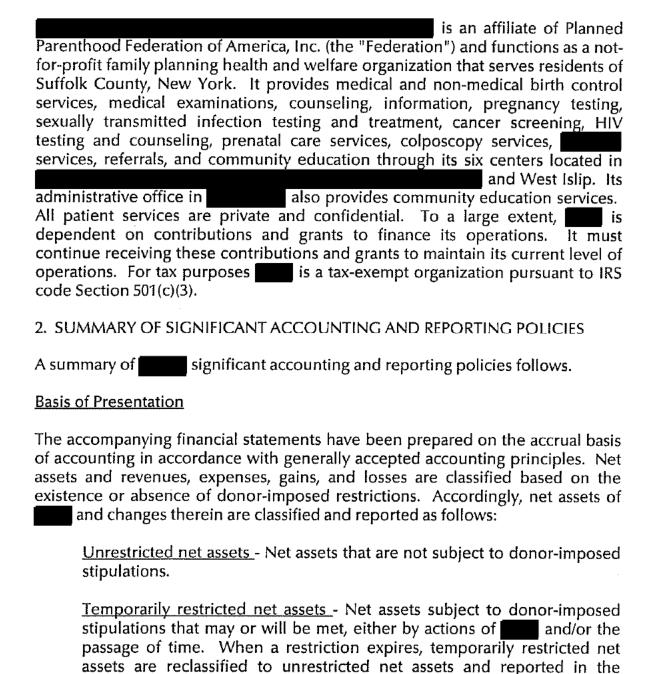
See notes to financial statements See independent auditor's report

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 1996 (WITH COMPARATIVE TOTALS FOR 1995)

CASH FLOWS FROM OPERATING ACTIVITIES		
	1996	1995 (As restated)
Change in net assets	\$ 312,381	\$ 744,605
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Change in accounting principles Depreciation	124,737	(634,795) 118,158
Unrealized gains on market value changes	(10,200)	(20,871)
Increase in accounts receivable	(309,876)	(238,080)
Decrease in contributions receivable	147,946	272,048
(Increase) Decrease in inventory and other assets	7,500	(3,352)
Increase (Decrease) in accounts payable and accrued expenses	117,222	(29,416)
NET CASH USED BY OPERATING ACTIVITIES	389,710	208,297
CASH FLOWS FROM INVESTING ACTIVITIES		-
Purchase of building and equipment	(47,618)	(121,967)
Proceeds from sale of investments	122,238	28,760
Purchase of investments	(44,163)	(66,865)
NET CASH USED BY INVESTING ACTIVITIES	30,457	(160,072)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of principal indebtedness	(355,270)	(38,066)
NET CASH USED BY FINANCING ACTIVITIES	(355,270)	(38,066)
NET INCREASE IN CASH AND CASH EQUIVALENTS	64,897	10,159
Cash and Cash Equivalents at Beginning of Year	518,341	508,182
Cash and Cash Equivalents at End of Year	\$ 583,238	\$ 518,341
SUPPLEMENTAL DATA		
Interest paid	\$ 62,907	\$ 80,094

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1996 (WITH COMPARATIVE TOTALS FOR 1995)

1	ORGAL	NIZATION	AND	NATIBE	OF ACTI	VITIES
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<u>Permanently restricted net assets</u> - Net assets subject to donor-imposed stipulations that they be maintained permanently by Generally, the

statement of activities as net assets released from restrictions.

donors of these assets permit to use all or part of the income earned on any related investments for general or specific purposes.

Change in Accounting Principles - Effective with the year ended December 31, 1995, adopted Statements of Financial Accounting Standards No. 116, "Accounting for Contributions Received and Contributions Made" No. 117, "Financial Statements of Not-for-Profit Organizations," and No. 124 "Accounting for Certain Investments Held by Not-for-Profit Organizations." These statements require that contributions be recognized as revenue when received, whether as cash, other assets, or a promise of future payment. The Statements also require net assets to be classified as unrestricted, temporarily restricted and permanently restricted based on donor stipulations as to use. The Statements also require certain investments to be valued at fair value with any changes in such values recognized during the year in the Statement of Activities. The effect of these changes in accounting principles on net assets at January 1, 1995 resulted in the recognition of contributions previously deferred amounting to \$634,795 and a resulting increase in net assets of the same amount.

<u>Revenue Recognition</u> - Patient and Medicaid reimbursement fees are recognized when the service is performed. Contributions are recognized when received per above. Revenues associated with grants received from the New York State Department of Health are recorded coincident with the incidence of the related expenses.

<u>Cash and Cash Equivalents</u> - Cash and cash equivalents consist of demand deposits, deposits in interest-bearing money market accounts and short-term certificates of deposit.

<u>Property</u> - Property purchased with unrestricted funds is stated at cost and depreciated on the straight-line basis over its estimated useful service life of five to ten years, except for leasehold improvements which are amortized over the lease term. The building is depreciated over 39 years on a straight line method.

The cost of property purchased with funds provided by the New York State Department of Health (see Note 3) is recorded as a program expense in the period of acquisition. Title to such assets resides with the grantor.

Related Party Transactions - participates in an insurance plan administered by a foreign captive insurance company affiliate of the Federation which provides general and malpractice liability insurance covering each of local members of the Federation. Expenses associated with the plan amount to \$28,429 and \$23,153 in 1996 and 1995, respectively.

<u>Current Vulnerability Due to Certain Concentrations</u> - A substantial portion of revenue comes from governmental entities. A change in the funding

abilities or philosophical directions of such entities could have a significant financially disruptive effect (severe impact) on the operations of

Contributions - Unconditional contributions, including promises to give cash and other assets, are reported at fair value as made. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Unconditional promises to give in subsequent years are reported at the present value of their net realizable value using risk free interest rates applicable to the years in which the promises are to be received.

New York State Department of Health - The New York State Department of Health is the principal grantor of restricted funds. The various grants in effect during 1996 and 1995 were restricted for (i) family planning, education and counseling programs; and (ii) programs to help prevent low birth weight in infants and reduce problems in high risk adolescent pregnancies, and HIV permanency planning.

3. BUILDING AND EQUIPMENT

Property - net consists of the following at December 31,:

	<u>1996</u>	<u>1995</u>
Land and Building	\$2,960,987	\$2,955,549
Equipment, furniture and fixtures	342,104	305,542
Leasehold improvements	102,818	102,818
Total	3,405,909	3,363,909
Less - accumulated depreciation and amortization	377,618	<u>258,499</u>
Property - net	\$3,028,291	\$3,105,410

4. CAPITAL CAMPAIGN

The capital campaign was established in 1991 to seek and receive contributions to enable to acquire and operate a comprehensive family planning and reproductive health care center in Suffolk County (see note 10). Pledges to the

campaign totaled \$3,544,791 and \$3,548,874 as of December 31, 1996 and December 31, 1995 with receipts to date, as well as pledges receivable, included in income. The remaining balance pledged at December 31, 1996, \$165,408, is expected to be realized by December 31, 1999.

5. GRANT REVENUE

For the years ended December 31, 1996 and 1995, grant revenue consists of the following:

F:		<u>1996</u>	<u>1995</u>	
Family planning and education outreach	\$	956,449	\$ 949,091	
Case management (programs intended to prevent low birth weight and reduce problems in high risk adolescent pregnancies; and HIV permanency planning)		187,294	221,195	
Other		59 <u>,807</u>	2,260	
Total	\$1	1,203,550	\$1,172,546	

6. LEASES

is obligated under various operating leases covering its medical center office spaces which are subject to escalation for real estate taxes and maintenance, as well as certain operating equipment leases. Minimum annual rentals under these leases, are as follows:

Year Ending December 31,	<u>Amount</u>
1997	167,567
1998	167,079
1999	171,742
2000	155,093
2001	72,832
Thereafter	<u>81,862</u>
Total	\$816,175

Rent expense for 1996 and 1995 was \$157,209 and \$153,596 respectively.

7. DONATED SERVICES

Donated services are not recognized in 1996 based on the adoption of Statement of Financial Accounting Standards No. 116, as such related services do not involve specialized skills.

8. INVESTMENTS AND INVESTMENT INCOME

At December 31, 1996 and 1995, investments consist of units in United States Government securities, shares of mutual funds invested in United States government securities and a \$5,000 corporate bond.

investments, none of which are held for trading purposes, include cash and cash equivalents. estimates that the fair value of all investments at December 31, 1996, does not differ materially from the aggregate carrying values of its investments recorded in the accompanying statement of financial position.

The estimated fair value amounts have been determined using available market information and appropriate valuation methodologies. The carrying amounts of cash and cash equivalents reported in the statement of financial position approximate fair values because of the short maturities of those instruments.

Investment Income - net is composed of the following:

	Total	Unrestricted	Temporarily Restricted	Permanently Restricted
Interest and Dividends Net market changes based	\$13,777	\$5,473	\$ 511	\$7,793
on fair value	10,200	12,461	1,920	(4,181)
	\$23,977	\$17,934	\$2,431	\$3,612

PURCHASE OF BUILDING

On September 30, 1993, purchased a building in New York, for use as its administrative offices and as a new clinic. The purchase price for the property was \$1,800,000, of which the company paid \$800,000 and obtained a \$1,000,000 seller financed mortgage (see Note 10). The building was placed in service in early May, 1994, after a period of construction and renovation. Depreciation is being computed on a straight line basis over a useful life of 39 years.

10. LONG TERM DEBT

Long term debt is as follows:

Mortgage note payable in equal monthly installments of \$9,847 (including interest) through September 1, 2003, secured by the related building. The ten year mortgage is payable pursuant to a 15 year amortization schedule. The entire unpaid principal balance at the end of the ten years, if any (as it is anticipated to be -0- assuming no interest rate changes or additional prepayments (see below)), is due in one balloon payment on October 1, 2003.

Principal pre-payments of \$200,000 and \$100,000 were made February 1, 1996 and December 31, 1996, respectively. The initial interest rate is 8 1/2% and it is fixed for the first five years. Commencing October 1, 1998 and each October 1, thereafter, the interest rate is subject to change and the monthly payment is subject to change as compared with a published index detailed in the mortgage agreement.

Total due	\$566,134
Less: current maturities	<u>72,913</u>
Long term portion	\$493,221

Year Ending December 31

1997	\$ 72,913
1998	79,357
1999	86,372
2000	94,007
2001	102,316
Thereafter	<u>131,169</u>
Total	\$566,134

11. SPECIAL EVENTS

For the year ended December 31, 1996, special events - net revenue consists of the following:

Special events gross revenue	\$212,566
Less: direct expenses	<u>23,584</u>
Special events - net	\$188.982

12. DEFINED CONTRIBUTION

has a defined contribution plan (the Plan) covering all employees with at least two years of service, who are at least 21

13. CERTIFICATE OF MERGER

14. PRIOR PERIOD ADJUSTMENT

During the year ended December 31, 1996, an error was discovered by management of which had an effect on the previously reported fiscal year ended December 31, 1995. The error resulted in the understatement of accounts receivable and corresponding understatements in revenue and increase in net assets. There is no tax effect due to this change as sexempt from Federal, State and Local income taxes. As a result of the above error, accounts receivable, revenue, and increase in net assets were understated by \$93,188. Accordingly, the fiscal year ended December 31, 1995 financial statements have been restated to correct the error.

Financial Statements and Other Information for the Year ended December 31, 1995 and Independent Auditor's Report

Financial Statements and Other Information

Year ended December 31, 1995

CONTENTS

Independent Auditor's Report	1
Financial Statements	
Statement of Activities	2
Statement of Functional Expenses	3
Statement of Financial Position	4
Statement of Cash Flows	5
Notes to Financial Statements	6

GIFFUNI & YOUNG CPA, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
490 WHEELER ROAD • SUITE 275
HAUPPAUGE, NEW YORK 11788
(516) 342-8087
Fax: (516) 342-8091

INDEPENDENT AUDITOR'S REPORT

Board of Directors

••
We have audited the accompanying statement of financial position of
: (a Not-For-Profit Corporation) as of
December 31, 1995 and the related statements of activities, functional expenses
and cash flows for the year then ended. These financial statements are the
responsibility of the Company's management. Our responsibility is to express ar opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

June 16, 1996

Gefferni & Jourg

				1995		1994
	Notes	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
REVENUE:						
Revenues and gains: Contributions		£400 000	****			
New York State grants		\$429,292	\$30,466 \$1,172,547		\$459,758	\$1,513,881
Special events - net		178,525	31,172,347		1,172,547 178,525	948,619
Other revenue:		***********			170,323	141,264
Patient fees		1,467,936			1,467,936	1,136,268
Medicaid		660,224			660,224	633,876
Investment income - net		40,980	4,560	(7,479)	38,061	21,147
Miscellaneous income		1,815			1,815	2,220
Total revenues and gains	2,4,5,7,8,11	2,778,772	1,207,573	(7,479)	3,978,866	4,397,275
Net Assets released from restrictions		1,278,988	(1,278,988)		0	0
Total Revenue		4,057,760	(71,415)	(7,479)	3,978,866	4,397,275
EXPENSES: Program services: Medical services Community information and education		2,672,469 399,804			2,672,469	2,491,054
Public affairs		131,758			399,804 131,758	398,476 135,232
					131,730	135,232
Total program services		3,204,031	0	0	3,204,031	3,024,762
Supporting services:						
Management and general		525,875			525,875	414,120
Fund raising		232,338			232,338	317,589
Total supporting services		758,213	0	0	758,213	731,709
Total Expenses	2,4,6,7	3,962,244	0	0	3,962,244	3,756,471
Increase (decrease) in net assets from current year operations before cumulative						
change in accounting principles		95,516	(71,415)	(7,479)	16,622	640,804
Cumulative effect of change in accounting principles	2		634,795		634,795	
Increase (decrease) in net assets		95,516	563,380	(7,479)	651,417	640,804
Net assets at begining of year		2,503,903	467,319	100,071	3,071,293	2,430,489
Net assets at end of year		\$2,599,419	\$1,030,699	\$92,592	\$3,722,710	\$3,071,293
Sec Notes to Financial Statements						

				1995				1994
	Program Services			Suppo	rting Services			
	Community Information						\$6-798-0048 FO F MAIN	
Medical Services	and Education	Public Affairs	Total	Management and General	Fund Raising	Total	Total expenses	Tota expense
\$1,098,662	\$214,551	\$59,972	\$1,373,185	\$291,879	\$121,648	\$413,527	\$1,786,712	\$1,628,524 19,733
104,174	14,045	3,984	122,203	23,440	7.962	31,402	153,605	140,627
181,414	30,858	9,060	221,332	48,487	18,105	66,592	287,924	295,716
	TANK TANK		•	***************************************				
1,384,250	259,454	73,016	1,716,720	363,806	147,715	511,521	2,228,241	2,084,600
264,914	11.577	4,292	280.783	15 196	5 317	20.442	201 100	
	,	-,	236,712	15,150	372.17	20,413		311,164
						U		223,700
						_		306,395
	49 307			2.046	00.470	•		174,821
								62,622
		- nw					72,938	59,104
						25,487	65,638	86,530
						9,738	51,227	63,823
	8,410	4,005		14,016	5,206	19,222	80,094	55,130
						0		23,283
	2,981				1,288	4,988		42,509
	250	30,915	31,215	6,385	495			29,259
27,780	3,472	3,472	34,724					37,091
134	687			28.664		_		24,997
3,062	4,299	2,297			12,295			38,895
		•	0		12,255			
23,153			23.153	,		-		18,616
	3.542	1 177		2 207	1 701	•		19,050
194	201	4	399	13,227	5,117	18,344	20,813 18,743	23,393 14,759
	· · · · · · · · · · · · · · · · · · ·		-	-				
2,594,566	385,616	127,186	3,107,368	509,636	227,082	736,718	3,844,086	3,699,741
77,903	14,188	4,572	96,663	16,239	5,256	21,495	118,158	76,463
\$2,672,469	\$399,804	\$131,758	\$3,204,031	\$525,875	\$232,338	\$758,213	\$3,962,244	\$3,776,204
	Medical Services \$1,098,662 104,174 181,414 1,384,250 264,914 236,712 235,852 191,265 5,554 48,553 16,687 21,103 48,457 43,650 31,605 50 27,780 134 3,062 23,153 11,591 194 2,594,566 77,903	Information and Education	Community Information and Services Education Affairs \$1,098,662 \$214,551 \$59,972 104,174 14,045 3,984 181,414 30,858 9,060 1,384,250 259,454 73,016 264,914 11,577 4,292 235,852 191,265 5,554 49,307 48,553 4,608 16,687 22,837 627 21,103 13,991 6,395 48,457 8,410 4,005 43,650 31,605 2,981 991 50 250 30,915 27,780 3,472 3,472 134 687 3,062 4,299 2,297 23,153 11,591 3,542 1,172 194 201 4 2,594,566 385,616 127,186	Community Information Affairs Total	Community Information	Community Information Services Education Affairs Total and General Fund Raising	Community Information Affairs Total And General Fund Raising Total	Community Information

STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 1995 (WITH COMPARATIVE TOTALS FOR 1994)

		1995	1994
	Notes	Total	Total
ASSETS:			
Cash	2	\$518,341	\$508,182
Contributions receivable Accounts receivable (less allowance of \$25,269 and \$13,741 at	2	362,747	
December 31, 1995 and 1994, respectively)		360,573	215,681
Short-term investments	8	255,855	226,155
Long-term investments	8	145,346	116,070
Inventory and other assets	Ü	95,537	92,185
Land, building, and equipment - net	2,3,4,9,10	3,105,410	3,101,601
Total Assets		\$4,843,809	\$4,259,874
LIABILITIES AND NET ASSETS:			
Mortgage payable	9,10	\$921,404	\$959,470
Accounts payable, accrued expenses			
and other liabilities	6	199,695	229,111
Total Liabilities		1,121,099	1,188,581
Net assets:			
Unrestricted		2,599,419	2,503,903
Temporarily restricted		1,030,699	467,319
Permanently restricted		92,592	100,071
Total Net Assets		3,722,710	3,071,293
Total Liabilities and Net Assets		\$4,843,809	\$4,259,874

See Notes to Financial Statements

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 1995

CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$	651,417
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Change in accounting principles Depreciation Unrealized gains on market value changes Increase in accounts receivable Increase in contributions receivable Increase in prepaid expenses Increase in accounts payable and accrued expenses		(634,795) 118,158 (20,871) (144,892) 272,048 (3,352) (29,416)
NET CASH USED BY OPERATING ACTIVITIES	******	208,297
CASH FLOWS FROM INVESTING ACTIVITIES	99790743451C/m	THE COLUMN TWO IS NOT
Purchase of land, building, and equipment Proceeds from sale of investments Purchase of investments		(121,967) 28,760 (66,865)
NET CASH USED BY INVESTING ACTIVITIES	deleratio an	(160,072)
CASH FLOWS FROM FINANCING ACTIVITIES	**************************************	
Repayments of principal indebtedness		(38,066)
NET CASH USED BY FINANCING ACTIVITIES	***************************************	(38,066)
NET INCREASE IN CASH AND CASH EQUIVALENTS Cash and Cash Equivalents at Beginning of Year	#Millibhrena.no.c	10,159 508,182
Cash and Cash Equivalents at End of Year	\$	518,341
SUPPLEMENTAL DATA		
Interest paid	\$ ===	80,094

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1995 (WITH COMPARATIVE TOTALS FOR 1994)

ORGANIZATION AND NATURE OF ACTIVITIES

Parenthood Federation of America, Inc. (the "Federation") and functions as a not-for-profit family planning health and welfare organization that serves residents of Suffolk County, New York. It provides medical and non-medical birth control services, medical examinations, counseling, information, pregnancy testing, sexually transmitted infection testing and treatment, cancer screening, HIV testing and counseling, prenatal care services, colposcopy services, services, referrals, and community education through its six centers located in and West Islip. All patient services are private and confidential. To a large extent, is dependent on contributions and grants to finance its operations. It must continue receiving these contributions and grants to maintain its current level of operations. For tax purposes is a tax-exempt organization pursuant to IRS code Section 501(c)(3).

2. SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

A summary of significant accounting and reporting policies follows.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of and changes therein are classified and reported as follows:

<u>Unrestricted net assets</u> - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

<u>Permanently restricted net assets</u> - Net assets subject to donor-imposed stipulations that they be maintained permanently by Generally, the donors of these assets permit to use all or part of the income earned on any related investments for general or specific purposes.

Change in Accounting Principles - Effective with the current year, adopted Statements of Financial Accounting Standards No. 116, "Accounting for Contributions Received and Contributions Made" No. 117, "Financial Statements of Not-for-Profit Organizations," and No. 124 "Accounting for Certain Investments Held by Not-for-Profit Organizations." These statements require that contributions be recognized as revenue when received, whether as cash, other assets, or a promise of future payment. The Statements also require net assets to be classified as unrestricted, temporarily restricted and permanently restricted based on donor stipulations as to use. The Statements also require certain investments to be valued at fair value with any changes in such values recognized during the year in the Statement of Activities. The effect of these changes in accounting principles on net assets at January 1, 1995 resulted in the recognition of contributions previously deferred amounting to \$634,795 and a resulting increase in net assets of the same amount.

<u>Revenue Recognition</u> - Patient and Medicaid reimbursement fees are recognized when the service is performed. Contributions are recognized when received per above. Revenues associated with grants received from the New York State Department of Health are recorded coincident with the incidence of the related expenses.

<u>Cash and Cash Equivalents</u> - Cash and cash equivalents consist of demand deposits, deposits in interest-bearing money market accounts and short-term certificates of deposit.

<u>Property</u> - Property purchased with unrestricted funds is stated at cost and depreciated on the straight-line basis over its estimated useful service life of five to ten years, except for leasehold improvements which are amortized over the lease term. The building is depreciated over 39 years on a straight line method.

The cost of property purchased with funds provided by the New York State Department of Health (see Note 3) is recorded as a program expense in the period of acquisition. Title to such assets resides with the grantor.

Related Party Transactions - participates in an insurance plan administered by a foreign captive insurance company affiliate of the Federation which provides general and malpractice liability insurance covering each of local members of the Federation. Expenses associated with the plan amount to \$23,153 and \$19,050 in 1995 and 1994, respectively.

<u>Current Vulnerability Due to Certain Concentrations</u> - A substantial portion of revenue comes from governmental entities. A change in the funding abilities or philosophical directions of such entities could have a significant financially disruptive effect (severe impact) on the operations of

<u>Contributions</u> - Unconditional contributions, including promises to give cash and other assets, are reported at fair value as made. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Unconditional promises to give in subsequent years are reported at the present value of their net realizable value using risk free interest rates applicable to the years in which the promises are to be received.

New York State Department of Health - The New York State Department of Health is the principal grantor of restricted funds. The various grants in effect during 1995 and 1994 were restricted for (i) family planning, education and counseling programs; and (ii) programs to help prevent low birth weight in infants and reduce problems in high risk adolescent pregnancies, and HIV permanency planning.

3. BUILDING AND EQUIPMENT

Property - net consists of the following at December 31,:

	<u>1995</u>	<u>1994</u>
Land and Building	\$2,955,549	\$2,891,068
Equipment, furniture and fixtures	305,542	280,907
Leasehold improvements	102,818	93,087
Total	3,363,909	3,265,062
Less - accumulated depreciation and amortization	<u>258,499</u>	163,461
Property - net	\$3,105,410	\$3,101,601

4. CAPITAL CAMPAIGN

The capital campaign was established in 1991 to seek and receive contributions to enable to acquire and operate a comprehensive family planning and reproductive health care center in Suffolk County (see note 10). Pledges to the campaign totaled \$3,548,874 and \$3,519,957 as of December 31, 1995 and December 31, 1994 with receipts to date included in income. The remaining balance pledged at December 31, 1995, \$355,789 is expected to be realized by

December 31, 1996. Expenditures made during 1994 relate to administration of the campaign.

5. GRANT REVENUE

For the years ended December 31, 1995 and 1994, grant revenue consists of the following:

- 4 1	<u>1995</u>	<u>1994</u>		
prevent low birth weight and duce problems in high risk lolescent pregnancies; and HIV ermanency planning) her	\$949,091	\$851,551		
Case management (programs intended to prevent low birth weight and reduce problems in high risk adolescent pregnancies; and HIV				
permanency planning)	221,195	92,068		
Other	2,260	5,000		
Total	\$1,172,546	\$948,619		

6. LEASES

is obligated under various operating leases covering its medical center office spaces which are subject to escalation for real estate taxes and maintenance, as well as certain operating equipment leases. Minimum annual rentals under these leases, are as follows:

Year Ending December 31,	<u>Amount</u>
1996	\$150,161
1997	154,285
1998	154,237
1999	160,517
2000	152,1 7 0
Thereafter	<u> 158,926</u>
Total	\$930,296

Rent expense for 1995 and 1994 was \$153,596 and \$190,026 respectively.

7. DONATED SERVICES

Services donated to by volunteers are valued at \$19,733 for the year ended December 31, 1994, representing estimate as to the amount it would have paid for such services. Donated services are recorded as both revenues and expenditures in the accompanying financial statements. Donated services are not recognized in 1995 based on the adoption of Statement of Financial

Accounting Standards No. 116, as such related services do not involve specialized skills.

8. INVESTMENTS AND INVESTMENT INCOME

At December 31, 1995 and 1994, investments consist of units in United States Government securities, shares of mutual funds invested in United States Government securities and a \$5,000 corporate bond.

investments, none of which are held for trading purposes, include cash and cash equivalents. estimates that the fair value of all investments at December 31, 1995, does not differ materially from the aggregate carrying values of its investments recorded in the accompanying statement of financial position.

The estimated fair value amounts have been determined using available market information and appropriate valuation methodologies. The carrying amounts of cash and cash equivalents reported in the statement of financial position approximate fair values because of the short maturities of those instruments.

Investment Income - net is composed of the following:

Net market changes based	Total	Unrestricted	Temporarily Restricted	Permanently Restricted
Interest and Dividends	\$17,190	\$15,077	\$2,113	
on fair value	20,871	25,903	2,447	(\$7,479)
	\$38,061	\$40,980	\$4,560	(\$7,479)

PURCHASE OF BUILDING

On September 30, 1993, purchased a building in New York, for use as its administrative offices and as a new clinic. The purchase price for the property was \$1,800,000, of which the company paid \$800,000 and obtained a \$1,000,000 seller financed mortgage (see Note 10). The building was placed in service in early May, 1994, after a period of construction and renovation. Depreciation is being computed on a straight line basis over a useful life of 39 years.

10. LONG TERM DEBT

Long term debt is as follows:

Mortgage note payable in equal monthly installments of \$9,847 (including interest) through September 1, 2003, secured by the related building. The ten year mortgage is payable pursuant to a 15 year amortization schedule. The entire unpaid principal balance at the end of the ten years, anticipated to be approximately \$115,232 assuming no interest rate changes or additional prepayments (see below), is due in one balloon payment on October 1, 2003.

A \$200,000 principal pre-payment was made February 1, 1996. The initial interest rate is 8 1/2% and it is fixed for the first five years. Commencing October 1, 1998 and each October 1, thereafter, the interest rate is subject to change and the monthly payment is subject to change as compared with a published index detailed in the mortgage agreement.

Total due	\$921,404
Less: current maturities	<u> 249,401</u>
Long term portion	<u>\$672,003</u>
Year Ending December 31	
1004	¢ን/ነ <u>ዓ</u> / በ11

rear charig December 31	
1996	\$249,401
1997	64,074
1998	69,737
1999	<i>75,7</i> 01
2000	82,611
Thereafter	<u>379,880</u>
Total	\$ 921,404

11. SPECIAL EVENTS

For the year ended December 31, 1995, special events - net revenue consists of the following:

Special events gross revenue	\$199,194
Less: direct expenses	<u>20,669</u>
Special events - net	<u>\$178,525</u>

Financial Statements and Other Information for the Year ended December 31, 1994 and Independent Auditor's Report

GIFFUNI & YOUNG CPA, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
490 WHEELER ROAD • SUITE 275
HAUPPAUGE, NEW YORK 11788
(516) 342-8087
Fax: (516) 342-8091

INDEPENDENT AUDITOR'S REPORT

Board of Directors

We have audited the accompanying balance sheet of . (a Not-For-Profit Corporation) as of December 31, 1994 and the related statements of support and revenue, expenses and changes in fund balances and of functional expenses for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of at December 31, 1994 and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

June 15, 1995

Soffen & Young

BALANCE SHEETS

AS OF DECEMBER 31, 1994 (WITH COMPARATIVE TOTALS FOR 1993)

	1994					1993	
		Current Fi	unds		Building and		
	Notes	Unrestricted	Restricted	Endowment Fund	Equipment Fund	Total	Total
ASSETS:							
Cash and cash equivalents of \$226,155 and \$207,575 Accounts receivable (less allowance of \$13,741 and	2	\$715,960		\$10,999	\$18,377	\$745,336	\$924,446
\$16,821)		215,681				215,681	196,280
Investments (at cost, which							
approximates market)	9			100,071	5,000	105,071	235,071
Inventory and other assets		77,869	\$9,315		5,001	92,185	77,636
Due from other funds					324,674	324,674	186,628
Land, building and equipment -net	2,4,5,10,11				3,101,601	3,101,601	2,157,825
Total Assets		\$1,009,510	59,315	\$111,070	\$3,454,653	\$4,584,548	\$3,777,886
LIABILITIES AND FUND BALANCES:							
Accounts payable, accrued expenses	_	****					01440
and other	7	\$229,111		0.000		\$229,111	\$166,317
Due to other funds	10.11	304,360	\$9,315	\$10,999	P050 150	324,674	186,628
Long term debt	10,11	477, 020		100 071	\$959,470	959,470	994,452
Fund Balances		476,039		100,071	2,495,183	3,071,293	2,430,489
Total Liabilities and Fund							
Balances		\$1,009,510	\$9,315	\$111,070	\$3,454,653	\$4,584,548	\$3,777,886

STATEMENT OF SUPPORT AND REVENUE, EXPENSES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED DECEMBER 31, 1994 (WITH COMPARATIVE TOTALS FOR 1993)

	1994				1993		
		Current Fo		Endowment	Building and Equipment		
	Notes	Unrestricted	Restricted	Fund	Fund	Total	Total
REVENUE: Public support Contributions		\$285,276			S1,228,605	\$1,513,881	\$896,481
New York State grants		<i>(2)</i> 112	\$948,619		37.051	948,619	895,040
Special events - net Donated services Other revenue:		63,413 19,733			77,851	141,264 19,733	193,182 20,236
Patient fees		1,136,268				1,136,268	989,563
Medicald Investment Income		633,876 19,079			2,068	633,876 21,147	685,515 49,472
Miscellaneous income		2,220			2,004	2,220	8,710
Total Revenue	2,3,5,6,8	2,159,865	948,619		1,308,524	4,417,008	3,648,199
EXPENSES: Program services: Patient services Community information and education		1,640,835 225,227	779,889 159,380		83,905 15,321	2,504,629 399,928	2,065,594 330,573
Public affairs		131,827			4,857	136,684	112,333
Total program services		1,997,889	939,269		104,083	3,041,241	2,508,500
Supporting services: Administration		383,088	9,350		21,682	414,120	362,570
Development		177,488	7,550		143,355	320,843	237,854
Total supporting services		560,576	9,350		165,037	734,963	600,424
Total expenses	2,3,5,7,8	2,558,465	948,619		269,120	3,776,204	3,108,924
EXCESS (DEFICIENCY) OF REVENUE OVER EX	CPENSES	(398,600)			1,039,404	640,804	539,275
FUND BALANCES, JANUARY 1		874,639	g	\$100,671	1,455,779	2,430,489	1,891,214
FUND BALANCES, DECEMBER 31		\$476,039		\$100,671	\$2,495,183	\$3,071,293	\$2,430,489

	1994							1993	
		Program Services			Suppo	rting Services			
	Patient Services	Community Information and Education	Public Affairs	Total	Administrative	Development	Total	Total expenses	Total expenses
Salaries	\$ 946,405	\$223,066	\$62,651	\$1,232,122	\$219,734	\$176,668	\$396,402	\$1,628,524	\$1,430,917
Donated Services	13,575	1,452	1,452	16,479		3,254	3,254	19,733	20,236
Payroll taxes and									
employee benefits	276,791	49,085	13,753	339,629	56,656	40,058	96,714	436,343	379,192
Total salaries and									
related expenses	1,236,771	273,603	77,856	1,588,230	276,390	219,980	496,370	2,084,600	1,830,345
Other expenses:									
Consultants	2,288			2,288	5,777	6,451	12,228	14,516	6,901
Occupancy	243,161	15,715	6,791	265,667	24,167	8,127	32,294	297,961	254,387
Mortgage interest	31,975	7,718	2,757	42,450	9,372	3,308	12,680	55,130	
Clinic supplies	164,776			164,776				164,776	185,886
Clinicians' fees	306,395			306,395				306,395	239,240
Laboratory fees	223,700			223,700				223,700	147,391
Medical records	10,045			10,045				10,045	9,691
Dues	29,823	4,083	31,157	65,063	1,287		1,287	66,350	67,543
Equipment	35,178	2,757		37,935	18,293	2,876	21,169	59,104	36,852
Advertising	17,670	25,077	995	43,742	30	18,850	18,880	62,622	38,766
Postage and printing	21,029	26,918	7,257	55,204	7,419	44,675	52,094	107,298	71,022
Travel, meetings and									
training	23,464	19,417	3,976	46,857	10,894	6,072	16,966	63,823	55,970
Supplies	16,610	10,809	1,424	28,843	4,819	2,458	7,277	36,120	32,103
Professional fees	12,081	257	201	12,539	32,421	1,322	33,743	46,282	41,024
Telephone	25,898	4,255	1,622	31,775	8,625	2,109	10,734	42,509	27,657
Other	523	132	20	675	864	1,435	2,299	2,974	13,411
Bad debt expense	23,283			23,283				23,283	
Insurance	28,029	1,584	528	30,141	1,452	660	2,112	32,253	19,749
Total expenses before depreciation and		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,							
amortization	2,452,699	392,325	134,584	2,979,608	401,810	318,323	720,133	3,699,741	3,077,938
Depreciation and									
amortization	51,930	7,603	2,100	61,633	12,310	2,520	14,830	76,463	30,986
TOTAL	\$2,504,629	\$399,928	\$136,684	\$3,041,241	\$414,120	\$320,843	\$734,963	\$3,776,204	\$3,108,924

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1994 (WITH COMPARATIVE TOTALS FOR 1993)

ORGANIZATION

is an affiliate Planned Parenthood Federation of America, Inc. "Federation") and functions as a nonprofit family planning health and welfare organization that serves residents of Suffolk County, It provides medical and non-medical birth control New York. services, medical examinations, counseling, information, pregnancy testing, sexually transmitted disease testing and treatment, cancer screening, HIV testing and counseling, colposcopy services, referrals, and community education through its six centers located West Islip, and Its administrative office in Smithtown also provides community education services. All patient services are private and confidential. To a large extent, is dependent on contributions and grants to finance its operations. continue receiving these contributions and grants to maintain its current level of operations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

A summary of significant accounting and reporting policies follows.

<u>Basis of Presentation</u> - Financial statement presentation follows the recommendations of the American Institute of Certified Public Accountants in its Industry Audit Guide, <u>Audits of Voluntary Health and Welfare Organizations</u>.

<u>Endowment Fund</u> - The endowment is subject to the restrictions of the related gift instruments requiring that the principal be permanently invested.

Revenue Recognition - Patient and Medicaid reimbursement fees are recognized when the service is performed. Contributions are recognized when received. Revenues associated with grants received from the New York State Department of Health are recorded coincident with the incurrence of the related expenses.

<u>Cash and Cash Equivalents</u> - Cash and cash equivalents consist of demand deposits, deposits in interest-bearing money market accounts and short-term certificates of deposit.

<u>Property</u> - Property purchased with unrestricted funds is stated at cost and depreciated on the straight-line basis over its estimated useful service life of five to ten years, except for leasehold improvements which are amortized over the lease term. The building is depreciated over 39 years on a straight line method.

The cost of property purchased with funds provided by the New York State Department of Health (see Note 3) is recorded as a program expense in the period of acquisition. Title to such assets resides with the grantor.

Related Party Transactions - participates in an insurance plan administered by a foreign captive insurance company affiliate of the Federation which provides general and malpractice liability insurance covering each of local members of the Federation. Expenses associated with the plan amount to \$19,050 and \$14,456 in 1994 and 1993, respectively.

3. RESTRICTED FUND

The restricted fund has been established to receive grants and contributions which are available for use but are expendable solely for the purposes specified by the respective grantors. Under the terms of applicable grant agreements, generally is entitled to an advance payment equivalent to 25 percent of the grant award and, thereafter, submits monthly claims for reimbursement of allowable expenditures.

The New York State Department of Health is the principal grantor of restricted funds. The various grants in effect during 1994 and 1993 were restricted for (i) family planning, education and counseling programs; and (ii) programs to help prevent low birth weight in infants and reduce problems in high risk adolescent pregnancies.

4. BUILDING AND EQUIPMENT FUND

Property - net consists of the following at December 31:

	1994	1993
Land and Building	\$2,891,068	\$2,008,250
Equipment, furniture and fixtures	280,907	186,515
Leasehold improvements	93,087	66,612
Total	3,265,062	2,261,377
Less - accumulated depreciation and amortization	163,461	103,552
Property - net	\$3,101,601	\$2,157,825

CAPITAL CAMPAIGN

The capital campaign was established in 1991 to seek and receive contributions to enable to acquire and operate a comprehensive family planning and reproductive health care center in Suffolk County (see note 10). Pledges to the campaign totalled \$3,519,957 and \$2,617,323 as of December 31, 1994 and December 31, 1993 with receipts to date included in income. The remaining balance pledged at December 31, 1994, \$641,220, is expected to be realized by December 31, 1996. Expenditures made during 1994 and 1993 relate to administration of the campaign. Interest earned is recorded as income in the building and equipment fund where it is maintained for future capital use. All such transactions are included in the Building and Equipment fund.

6. GRANT REVENUE

For the years ended December 31, 1994 and 1993, grant revenue consists of the following:

	<u>1994</u>	1993
Family planning and education outreach	\$851,551	\$778,218
Case management (programs intended to prevent low birth weight and reduce problems in high risk		
adolescent pregnancies)	92,068	96,072
Other	5,000	20,750
Total	\$948,619	<u>\$895,040</u>

7. LEASES

is obligated under various operating leases covering its medical center office spaces. Minimum annual rentals under these leases, which are subject to escalation for real estate taxes and maintenance, are as follows:

Year Ending December 31,	<u>Amount</u>
1995	\$135,817
1996	135,484
1997	141,084
1998	143,616
1999	152,603
Thereafter	303,481
Total	\$1,012,085

Rent expense for 1994 and 1993 was \$190,026 and \$191,756 respectively.



8. DONATED SERVICES

Services donated to by volunteers are valued at \$19,733 and \$20,236 for the years ended December 31, 1994 and 1993, respectively, representing sestimate as to the amount it would have paid for such services. Donated services are recorded as both revenues and expenditures in the accompanying financial statements.

9. INVESTMENTS

At December 31, 1994 and 1993, investments consist of units in United States Government securities and shares of mutual funds.

10. PURCHASE OF BUILDING

On September 30, 1993, purchased a building in New York, for use as its administrative offices and as a new clinic. The purchase price for the property was \$1,800,000, of which the Company paid \$800,000 and obtained a \$1,000,000 seller financed mortgage (see Note 11). The building was placed in service in early May, 1994, after a period of construction and renovation. Depreciation is being computed on a straight line basis over a useful life of 39 years.

11. LONG TERM DEBT

Long term debt is as follows:

Mortgage note payable in equal monthly installments of \$9,847 (including interest) through September 1, 2003, secured by the related building. The ten year mortgage is payable pursuant to a 15 year amortization schedule. The entire unpaid principal balance at the end of the ten years, anticipated to be approximately \$486,375 assuming no interest rate changes (see below), is due in one balloon payment on October 1, 2003.

The initial interest rate is 8 1/2% and it is fixed for the first five years. Commencing October 1, 1998 and each October 1, thereafter, the interest rate is subject to change and the monthly payment is subject to change as compared with a published index detailed in the mortgage agreement.

Total due \$959,470

Less: current maturities 38,075

Long term portion \$921,395



New York State Department of Health Office of Health Systems Management

Certificate of Need Application

Schedule **6C**

For Establishment/Construction Requiring Full Review *

Page 1 of 4

D & T Center Annual Allocation of Operating Costs

This schedule consists of 4 pages (9 columns and lines 328-384) to be completed for the current, first and third year of operation.

Set No: 1

See Page 2 of this schedule Combined

for year ended 1996

	Salary and Wages	Employee Benefits	Purchased Contract & Services	Supplies	Line No.
TOTAL ADJUSTED COSTS	4,716,075	904,283	681,964	[4]	328
I. Core Cost Centers			1 001,904	1,022,236	320
a. Administration	724,564	70,381	131,867	92,713	329
b. Facility	, 241, 304	70.301	131,807	92.713	330
c. Patient Transportation					331
Subtotal	724,564	70,381	131,867	92,713	332
II. Patient Care Cost Centers					AHIIIIN
a. Multi-service, Child Health				***************************************	*********
1. Medical				***************************************	333
2. Dental				,	334
3. Laboratory					335
4. X-Ray .					336
5. Pharmacy					337
6. Mental Health					338
7. Rehab. Therapies			~~~		339
8. Other Health					340
TOTAL (I & IIa)					341
b. Family Planning					dillilli
1. Reproductive Health Care	3,465,608	721,448	470,257	812,028	342
2. Laboratory					343
3. Pregnancy Counseling					344
4. Cammunity Service					345
TOTAL (I & IIb)					346
C.					
1. Medical					347·
2. Laboratory					348
3. Other Surgical & Related Services					349
4. Intake & Screening					350
TOTAL (I & IIc)					351
d. Cerebral Palsy & Rehab.					
1. Medical					352
2. Dental					353
3. Speech & Hearing					354

Columns continue with column 5 on page 1 of this schedule. Lines continue with line 355 on pages 3 and 4 of this schedule.

^{*}Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

NYS DOH/OHSM Certificate of Need Application D&T Center Annual Allocation of Operating Costs

Schedule **6C**

Columns 5 through 9; Lines 328 through 354 *

Page 2 of 4

• •	This data is identified as SET NO Enter a data Set Number in the box at left (see arrow) on each of the four pages of this schedule. Enter the identifying information for that data set in this enclosure. Check box for the appropriate year.					
Set	No: - 1)	1	Year Ended _12 ear Ended		nird Year Ended /
	3					
Line No.	General Costs	Donations	Total Before Distribution	Distribution of Facility Costs	Total After Distribution	
328	1,892,765	[5]	9,217,323	(8)	9,217,323	TOTAL ADJUSTED COSTS
THINKS					THE PROPERTY OF THE PARTY OF TH	I. Core Cost Centers
329	324,357		1,343,882	91,501	1,435,383	a. Administration
330	1,163,805		1,163,805	(1.163.805)	1,400,000	b. Facility
331	1,103,005		1,103,007	10101001		c. Patient Transportation
332	1,488,162		2,507,687	(1,072,304)	1,435,383	Subtotal
						II. Patient Care Cost Centers
						a. Multi-service. Child Health
333						1. Medical
334						2. Dental Service
335		,				3. Laboratory
336						4. X-Ray
337						5. Pharmacy
338						6. Mental Health
339						7. Rehab. Therapies
340						8. Other Health
341						TOTAL (I & IIa)
dillille						b. Family Planning
342	344,896	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	5,814,237	_ 929.311	6.743.548	1. Reproductive Health Care
343	31.1030		J101714J/			2. Laboratory
344						3. Pregnancy Counseling
345						4. Community Service
346						TOTAL (I & IIb)
						C.
347						. 1. Medical
348						2. Laboratory
349						3. Other Surg. & Related Serv.
350			,			4. Intake & Screening
351				· — - · · · · · · · · · · · · · · · · ·		TOTAL (I & IIc)
MILITA						d. Cerebral Palsy & Rehab.
352		***************************************				1. Medical
353			i			2. Dental
354						3. Speech & Hearing

Columns 1 to 4 appear in pages 1 and 3 of this schedule. Lines continue on pages 3 and 4.

^{*}Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

NYS DOH/OHSM Certificate of Need Application D&T Center Annual Allocation of Operating Costs Columns 1 through 4; Lines 355 to 384 **

Schedule **6C**

Page 3 of 4

Set No:

See Page 2 of this schedule

·	Salary and Wages	Employee . Benefits (2)	Purchased Contract & Services	Supplies	Line No.
d. Cerebral Palsy & Rehab. (continued)	annananananananananananananananananana		[3]	200000000000000000000000000000000000000	samme.
4. Physical Therapy					355
5. Occupational Therapy					356
6. Other Therapies		-			357
7. Mental Health					358
8. Medical Social Services				Ì	359
TOTAL (I & IId)					360
e. Methadone Maint, Treatment Program					
1. Medical		`			351
2. Mental Health					362
3. Dispensing					363
TOTAL (I & Ile)					364
f. Hemodialysis					
1. Medical					365
2. Chronic Dialysis					366
3. Home Dialysis					367
4. Peritoneal Dialysis					368
TOTAL (I & IIf)					369
g. Dental					
1. Dental Services					370
2. Dental Laboratory					371
TOTAL (I & IIg)					372
h. Speech & Hearing					
1.					373
2.					374
3					375
TOTAL (I & IIh)			÷		376
i. Drug Free					
1.					377
2.				-	378
3.					379
TOTAL (I & IIi)				•	380
j. Hemophilia					
1,					381
2.					382
3.				•	384
TOTAL (I & IIj)					389

Columns 5 to 9 continue on pages 2 and 4. Line 389 is the last line.

 $[\]star$ Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

NYS DOH/OHSM Certificate of Need Application D&T Center Annual Allocation of Operating Costs Columns 5 through 9; Lines 355 to 384

Schedule 6C

Page 4 of 4

Set No:

See Page 2 of this schedule

			Total	Distribution	Total	
Line	General		Before	of Facility	After	
No.	Costs	Donations	Distribution	Costs	Distribution	
. '*'			(7)			
· · · · · · · · · · · · · · · · · · ·	——— [5] ———	(6) 	ananananan (V)	(9)	(3)	Cerebral Palsy & Rehab. (cont.)
355	~~~					4. Physical Therapy
356						5. Occupational Therapy
357						6 Other Therapies
358						7. Mental Health
359						8. Medical Social Services
360						TOTAL (I & IId)
200			namanana			e. Methadone Maint, Treat, Prog
361						1. Medical
362		- /			-	2. Mental Health
						3. Dispensing
363 364	-					TOTAL (I & IIe)
354	manamana a		miniminimini			f. Hemodialysis
						1. Medical
365						2. Chronic Dialysis
366						3. Home Dialysis
367						4. Peritoneal Dialysis
368						TOTAL (I & III)
369	mmmmmm	ammannamina.	mmmmmmm	mmmmmmm		g. Dental
						1. Dental Services
370					l	2. Dental Laboratory
371					· · · · · · · · · · · · · · · · · · ·	TOTAL (I & lig)
372		mmmmmmmm	mmmmmm			
						h. Speech & Hearing
373	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		·			1.
374						2. 3.
375	,					
376		***************************************	·······			TOTAL (I & IIh)
						i. Orug Free
377						1.
378						2.
379		•				3.
380						TOTAL (I & III)
						į. Hemophilia
381						1.
382						2.
384						3.
389						TOTAL (I & III)

End of Schedule

^{*} Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

New York State Department of Health Office of Health Systems Management

Certificate of Need Application

Schedule **6C**

For Establishment/Construction Requiring Full Review

Page 1 of 4

D & T Center Annual Allocation of Operating Costs

This schedule consists of 4 pages (9 columns and lines 328-384) to be completed for the current, first and third year of operation.

Set No:

See Page 2 of this schedule Assumes No Change at end of First Year of Operation 12/31/97

	Salary and Wages	Employee Benefits	Purchased Contract & Services	Supplies (4)	Line No.
TOTAL ADJUSTED COSTS	4,716,075	904,283	681,964	1,022,236	328
I. Core Cost Centers					dillilli
a. Administration	724,564	70,381	131,867	_ 92,713	329
b. Facility			1317037	751743	330
c. Patient Transportation					331
Subtotal	724,574	70,381	131,867	92,713	332
II. Patient Care Cost Centers					MILLIA
a. Multi-service. Child Health					
1. Medical					333
2. Dental					334
3. Laboratory					335
4. X-Ray					336
5. Pharmacy					337
6. Mental Health					338
7. Rehab. Therapies					339
8. Other Health					340
TOTAL (I & IIa)					341
b. Family Planning					
Reproductive Health Care	3.465.608	721.448	470,257	812,028	342
2. Laboratory					343
3. Pregnancy Counseling					344
4. Community Service					345
TOTAL (I & IIb)					346
C.					
1. Medical					347
2. Laboratory					348
3. Other Surgical & Related Services					349
4. Intake & Screening					350
TOTAL (I & IIc)					351
d. Cerebral Palsy & Rehab.					
1. Medical					352
2. Dental					353
3. Speech & Hearing				•	354

Columns continue with column 5 on page 1 of this schedule. Lines continue with line 355 on pages 3 and 4 of this schedule.

 $m{st}_{ ext{Do not use}}$ the master copy. Photocopy master and then complete copy if this schedule is required.

NYS DOH/OHSM Certificate of Need Application D&T Center Annual Allocation of Operating Costs Columns 5 through 9; Lines 328 through 354

Schedule **6C**

Page 2 of 4

F 11			This data is identified as SET NO Enter a data Set Number in the box at left (see arrow) on each of the four pages of this schedule. Enter the identifying information for that data set in this enclosure. Check box for the appropriate year.				
Set	Set No:2 Current Year Ended / Third Year Ended /						
	<u> </u>						
Line No.	General Costs	Donations	Total Before Distribution	Distribution of Facility Costs	Total After Distribution		
	(5)	(5)	[7]	[8]	[9]		
328	1,892,765		9,217,323	_	9,217,323	TOTAL ADJUSTED COSTS	
330	224 257					I. Core Cost Centers	
329	324,357		1,343,882	91,501	1,435,383	a. Administration	
330 331	1,163,805		1,163,805	(1,163,805)	<u> </u>	b. Facility	
332	1,488,162		2 507 607	(1 070 20/)	1 /25 202	c. Patient Transportation Subtotal	
225	1,466,102		2,507,687	(1,072,304)	1,435,383	11. Patient Care Cost Centers	
						a. Multi-service, Child Health	
333						1. Medical	
334				<u></u>		2. Dental Service	
335						3. Laboratory	
336						4. X-Ray	
337						5. Pharmacy	
338						6. Mental Health	
339						7. Rehab. Therapies	
340						8. Other Health	
341						TOTAL (I & IIa)	
						b. Family Planning	
342	344,896		5,814,237	929,311	6,743,548	1. Reproductive Health Care	
343			<u> </u>		V - 1-3 - 1-41	2. Laboratory	
344						3. Pregnancy Counseling	
345						4. Community Service	
346				`		TOTAL (I & IIb)	
						C.	
347						, 1, Medical	
348					· ·	2. Laboratory	
349						3. Other Surg. & Related Serv.	
350						4. Intake & Screening	
351						TOTAL (I & IIc)	
						d. Cerebral Palsy & Rehab.	
352						1. Medical	
353						2. Dental	
354						3. Speech & Hearing	

Columns 1 to 4 appear in pages 1 and 3 of this schedule. Lines continue on pages 3 and 4.

^{*}Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

D&T Center Annual Allocation of Operating Costs Columns 1 through 4; Lines 355 to 384 * Page 3.0

Page 3 of 4

Set No: 2

See Page 2 of this schedule

	Salary and Wages	Employee . Benefits	Purchased Contract & Services	Supplies	Line No.
d. Cerebral Palsy & Rehab. (continued)	munnumun	111111111111111111111111111111111111111	[3]	14)	in illillin
4. Physical Therapy			,		355
5. Occupational Therapy			1		356
6. Other Therapies					357
7. Mental Health				"	358
8. Medical Social Services					359
TOTAL (I & IId)					360
e. Methadone Maint. Treatment Program					
1. Medical		•			361
2. Mental Health					362
3. Dispensing 🖟					363
TOTAL (I & IIe)					364
f. Hemodialysis					
1. Medical					365
2. Chronic Dialysis					366
3. Home Dialysis					367
4. Peritoneal Dialysis					368
TOTAL (I & IIf)					369
g. Dental					
1. Dental Services					370
2. Dental Laboratory					371
TOTAL (1 & IIg)					372
h. Speech & Hearing					THINKS.
1.		*****************	1		373
2.			1		374
3					375
TOTAL (I & IIh)					376
i. Drug Free					
1.					377
2.				-	378
3.					379
TOTAL (I & III)				•	380
j. Hemophilia					
1.					381
2.			•		382
3.				•	384
TOTAL (I & IIj)					389

Columns 5 to 9 continue on pages 2 and 4. Line 389 is the last line.

^{*} Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

NYS DOH/OHSM Certificate of Need Application D&T Center Annual Allocation of Operating Costs Columns 5 through 9; Lines 355 to 384

Schedule **6C**

Page 4 of 4

Set No:

See Page 2 of this schedule

Line No.	General Costs	Donations	Total Before Distribution	Distribution of Facility Costs	Total After Distribution	
	(5)	(6)	(7)	[8]	(9) ——	Corebral Polou & Babab (acat)
355						Cerebral Palsy & Rehab. (cont.) 4. Physical Therapy
356						5. Occupational Therapy
357						6. Other Therapies
358				<u>}</u>	-	7. Mental Health
359						8. Medical Social Services
360						TOTAL (I & IId)
200						e. Methadone Maint, Treat, Prog.
361						1. Medical
361 362						2. Mental Health
						3. Dispensing
363					ļ	TOTAL (I & Ile)
364	ammannan		annananananananananananananananananana			f. Hemodialysis
						1. Medical
365				<u> </u>	ļ	2. Chronic Dialysis
366						3. Home Dialysis
367						
368						4. Peritoneal Dialysis TOTAL (I & III)
369	mmmmmm	Lamanananananananananananananananananana	manaman			
*******						g. Dental
370						Dental Services
371					1	2. Dental Laboratory
372	***************************************			***************************************		TOTAL (I & IIg)
						h. Speech & Hearing
373						1.
374						2.
375						3.
376						TOTAL (I & IIh)
						i. Drug Free
377						1.
378						2
379						3.
380						TOTAL (I & IIi)
						ı. Hemophilia
381	***************************************	***************************************			-	1.
382					 	2.
384		·		<u> </u>		3.
389						TOTAL (I & IIj)

End of Schedule

^{*}Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

New York State Department of Health Office of Health Systems Management

Certificate of Need Application

Schedule **6C**

For Establishment/Construction Requiring Full Review *

Page 1 of 4

D & T Center Annual Allocation of Operating Costs

This schedule consists of 4 pages (9 columns and lines 328-384) to be completed for the current, first and third year of operation.

Set No: 3

See Page 2 of this schedule Assumes 6% Growth at end of 1999.

	Salary and Wages	Employee Benefits	Purchased Contract & Services	Supplies [4]	Line No.
TOTAL ADJUSTED COSTS	4,999,040	958,540	722,882	1,083,570	328
I. Core Cost Centers					
a. Administration	768,038	74.604	139.779	98.276	329
b. Facility					330
c. Patient Transportation					331
Subtotal	768,038	74,604	139,779	98,276	332
II. Patient Care Cost Centers					
a. Multi-service, Child Health					
1. Medical					333
2. Dental					334
3. Laboratory					335
4. X-Ray					336
5. Pharmacy				,	337
6. Mental Health					338
7. Rehab. Therapies					339
8. Other Health					340
TOTAL (I & IIa)					341
b. Family Planning					
1. Reproductive Health Care	3,673,544	764,735	498,473	860.750	342
2. Laboratory					343
3. Pregnancy Counseling					344
4. Community Service					345
TOTAL (I & IJb)					346
С.					
1. Medical				'	347
2. Laboratory			l		348
3. Other Surgical & Related Services					349
4. Intake & Screening					350
TOTAL (I & IIc)					351
d. Cerebral Palsy & Rehab.					
1. Medical					352
2. Dental					353
3. Speech & Hearing				•	354)

Columns continue with column 5 on page 1 of this schedule. Lines continue with line 355 on pages 3 and 4 of this schedule.

NYS DOH/OHSM Certificate of Need Application D&T Center Annual Allocation of Operating Costs Columns 5 through 9; Lines 328 through 354 **

Schedule **6C**

Page 2 of 4

. ,	\		This data is identified as SET NO3 Enter a data Set Number in the box at left (see arrow) on each of the four pages of this schedule. Enter the identifying information for that data set in this enclosure. Check box for the appropriate year.				
Sat	No: 3)	1 —	Year Ended	******	1.14 5.4.4 12 7 99	
261	110 3)	LI First Ye	ar Ended	/	hird Year Ended $\frac{12}{}$ / $\frac{99}{}$	
	- <u>- </u>						
Line No.	General Costs	Donations	Total Before Distribution	Distribution of Facility Costs	Total After Distribution		
	(5)	(6)	[7]	(8)	(5)		
328	2,006,331		9,770,362		9,770,362		
						I. Core Cost Centers	
329	343,818		1,424,515	96,991	1,521,506	a. Administration	
330	1,233,633		1,233,633	(1,233,633)	-	b. Facility	
331					7 701 506	c. Patient Transportation	
332	1,577,451	mmmmmm	2,658,148	(1,136,642)	1,521,506	Subtotal II. Patient Care Cost Centers	
						a. Multi-service, Child Health	
						Medical Medical	
333				*		2. Dental Service	
334						3. Laboratory	
335						4. X-Ray	
336						5. Pharmacy	
337	<u> </u>					6. Mental Health	
338		<u> </u>				7. Rehab. Therapies	
339 340						8. Other Health	
341	 					TOTAL (I & IIa)	
						b. Family Planning	
342	200		6.163.091	985-069	7.148.161	1. Reproductive Health Care	
343	365.589		0.103.041	901,009	/s.140 s 1.0.1.	2. Laboratory	
344						3. Pregnancy Counseling	
345						4. Community Service	
346						TOTAL (I & IIb)	
						C.	
347						. 1. Medical	
348						2. Laboratory	
349						Other Surg. & Related Serv.	
350						4. Intake & Screening	
351	<u> </u>					TOTAL (I & IIc)	
						d. Cerebral Palsy & Rehab.	
352						1. Medical	
353						2. Dental	
354	1					3. Speech & Hearing	

Columns 1 to 4 appear in pages 1 and 3 of this schedule. Lines continue on pages 3 and 4.

^{*}Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

NYS DOH/OHSM Certificate of Need Application D&T Center Annual Allocation of Operating Costs Columns 1 through 4; Lines 355 to 384 **

Schedule 6C

Page 3 of 4

Set No:

See Page 2 of this schedule

	Salary and Wages	Employee . Benefits	Purchased Contract & Services	Supplies	Line No.
 d. Cerebral Palsy & Rehab. (continued) 			[3]		NAMED PROPERTY.
4. Physical Therapy					355
5. Occupational Therapy					356
6. Other Therapies					357
7. Mental Health					358
8. Medical Social Services					359
TOTAL (I & IId)		. 4			360
e. Methadone Maint, Treatment Program					
1. Medical		•			361
2. Mental Health					362
3. Dispensing.					363
TOTAL (I & Ile)	, ,	. ,			364
1. Hemodialysis					
1. Medical					365
2. Chronic Dialysis					366
3. Home Dialysis					367
4. Peritoneal Dialysis	İ				368
TOTAL (I & IIf)					369
g. Dental					
Dental Services					370
2. Dental Laboratory			ļ		371
TOTAL (I & IIg)					372
h. Speech & Hearing					
1.					373
2.		, 14.			374
3.					375
TOTAL (I & IIh)			:		376
i. Drug Free					
1.		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			377
2.				•	378
3.					379
TOTAL (I & III)					380
j. Hemophilia					
1. nemophina					381
2.					382
3.					384
TOTAL (I & III)					389

Columns 5 to 9 continue on pages 2 and 4. Line 389 is the last line.

^{*} Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

NYS DOH/OHSM Certificate of Need Application D&T Center Annual Allocation of Operating Costs Columns 5 through 9; Lines 355 to 384 *

Schedule **6C**

Page 4 of 4

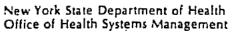
Set No: 3

See Page 2 of this schedule

	· · · · · · · · · · · · · · · · · · ·		Total	Distribution	Total	
Line	General		Before	of Facility	After	
No.	Costs	Donations	Distribution	Costs	Distribution	
- "	15)					
munn		[5] ——	[7]	[8]		
355						Cerebral Palsy & Rehab. (cont.)
	-					4. Physical Therapy
356						5. Occupational Therapy
357			· · · · · · · · · · · · · · · · · · ·		<u>. </u>	6. Other Therapies
358	<u></u>					7. Mental Health
359						8. Medical Social Services
360						TOTAL (I & IId)
						e. Methadone Maint, Treat, Prog.
361						1. Medical
362						2. Mental Health
363	-					3. Dispensing
364						TOTAL (I & IIe)
MILLE						f. Hemodialysis
365	han.					1. Medical
366		-				2. Chronic Dialysis
367						3. Home Dialysis
368	,					4. Peritoneal Dialysis
369						TOTAL (I & III)
ullille						g. Dental
370						Dental Services
371						
372						2. Dental Laboratory
dillilli	mmmmmmm		ennanamana	annanananana	ammannana	TOTAL (I & IIg)
373						h. Speech & Hearing
373 374						1.
						2.
375						3.
376	annamannaman .		1			TOTAL (I & IIh)
						i. Drug Free
377						1.
378				•		2
379						3.
380						TOTAL (I & III)
						j. Hemophilia
381						1.
382						2.
384						3.
389				}		
202			<u>-</u>			TOTAL (I & IIj)

End of Schedule

^{*}Do not use the master copy. Photocopy master and then complete copy if this schedule is required.



Certificate of Need Application For Establishment/Construction Requiring Full Review*

Schedule 7C

Diagnostic & Treatment Center Statement of Revenue

	a. Medicaid	2,668,220	
I. Patient Revenue	b. Medicare		
•	c. Blue Cross		
	d. Self Pay	3,037,922	
	e. Private Insurance		
	f. Capitation Plan Revenue	736	
	g. Ordered Ambulatory Services		
	h. Other (specify)	5.706.878	
	TOTAL	3,100,070	7
	a. Sale of Literature		
II. Other Operating	b. Sale of X-Ray Silver		7
Revenue	c. Sale of Supplies to Other than Patients		
	d. Telephone		
	e. Other	224,739	*1
	TOTAL	224,739	
III Na- Constinu	a. Gifts, Legacies, and Bequests	2,230,206	
III. Non Operating	b. Grants:		
Revenue	Community Health Center (Section 330)		
	Maternal and Child Health (Title V)	86,251	
•	WIC Administrative Funds		
,	Primary Ambulatory Care Program	,	
	Local Health Assistance Funds		
	Family Planning	2,750,451	
	Other Grants (Specify)	71,925	*2
	c. Other Non-Operating Revenue		
	TOTAL	5,138,833	
	TOTAL REVENUE (f, II and III)	11,070,450	フ

F. Charges		Total Charges	Adjustments
	1. MEDICAID	2,668,220	- 0 -
	2. MEDICARE		
	3. BLUE CROSS		
	4. SELF PAY	5,823,460	(2,785,538)
	5. PRIVATE INSURANCE		
	6. OTHER		
	TOTAL	8,491,680	(2,785,538)

^{*} Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

Certificate of Need Application

Schedule 7C Attachment

Diagnostic & Treatment Center Statement of Revenue

Notes:

1.

	II. Other Operating Revenu e. Other	e Investment Income Education/Training Donated Services Misc.	146,170 27,068 50,421 <u>1,080</u>
		TOTAL	224,739
2.	III. Non Operating Revenue b. Other Grants	Medical Research Private Donor Funds Grant TOTAL	29,517 42,408 71,925

New York State Department of Health Office of Health Systems Management

Certificate of Need Application

Schedule 7C

For Establishment/Construction Requiring Full Review *

Diagnostic & Treatment Center Statement of Revenue

	a. Medicaid	2,828,313
I. Patient Revenue	b. Medicare	
•	c. Blue Cross	
	d. Self Pay	
	e. Private Insurance	3,220,197
	f. Capitation Plan Revenue	780
	g. Ordered Ambulatory Services	
	h. Other (specify)	
	TOTAL	6,049,290
	a. Sale of Literature	
II. Other Operating	b. Sale of X-Ray Silver	
Revenue	c. Sale of Supplies to Other than Patients	
	d. Telephone	
	e. Other	238,223
	TOTAL	238,223
	a. Gifts, Legacies, and Bequests	2.364.018
III. Non Operating	b. Grants:	
Revenue	Community Health Center (Section 330)	
	Maternal and Child Health (Title V)	91,426
	WIC Administrative Funds	
	Primary Ambulatory Care Program	
	Local Health Assistance Funds	
	Family Planning	2,915,478
	Other Grants (Specify)	76,240
	c. Other Non-Operating Revenue	
	TOTAL	5,447,163
	TOTAL REVENUE (I, II and III)	11,734,677

F. Charges		Total Charges	Adjustments
	1. MEDICAID	2,828,313	- 0 -
	2. MEDICARE		
	3. BLUE CROSS		
	4. SELF PAY	6,172,868	(2,952,671)
	5. PRIVATE INSURANCE		
	6. OTHER		
	TOTAL	9,001,181	(2,952,671)

^{*} Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

Certificate of Need Application

Schedule 7C Attachment

Diagnostic & Treatment Center Statement of Revenue

Notes:

1.

	II. Other Operating Revenu	ie	
	e. Other	Investment Income	154,940
		Education/Training	28,692
		Donated Services	53,446
		Misc.	<u>1,145</u>
		TOTAL	238,223
2.	III. Non Operating Revenue	Medical Research	31,288
	b. Other Grants	Private Donor Funds Grant	44,952
		TOTAL	76,240

New York State Department of Health Office of Health Systems Management

Certificate of Need Application For Establishment/Construction Requiring Full Review*

Schedule 76

Diagnostic & Treatment Center Statement of Revenue

	a. Medicaid	2,668,220	
I. Patient Revenue	b. Medicare		
•	c. Blue Cross		
	d. Self Pay	3,037,922	
	e. Private Insurance		
	f. Capitation Plan Revenue	736	
	g. Ordered Ambulatory Services		\neg
	h. Other (specify)	5,706,878	
	TOTAL	3,700,070	
H 01 0	a. Sale of Literature		
II. Other Operating	b. Sale of X-Ray Silver		
Revenue	c. Sale of Supplies to Other than Patients		
	d. Telephone		
	e. Other	224,739	*1
	TOTAL	224,739	_
	a. Gifts. Legacies, and Bequests	2,230,206	٦
III. Non Operating	b. Grants:		
Revenue	Community Health Center (Section 330)		
	Maternal and Child Health (Title V)	86,251	
•	WIC Administrative Funds		7
,	Primary Ambulatory Care Program		7
	Local Health Assistance Funds		
	Family Planning	2,750,451	
	Other Grants (Specify)	71,925	*2
	c. Other Non-Operating Revenue		
•	TOTAL	5,138,833	
	TOTAL REVENUE (I. II and III)	11,070,450	フ

F. Charges	•	Total Charges	Adjustments
	1. MEDICAID	2,668,220	- 0 -
	2. MEDICARE		
	3. BLUE CROSS		
	4. SELF PAY	5,823,460	(2,785,538)
	5. PRIVATE INSURANCE		
	6. OTHER		
	TOTAL	8,491,680	(2,785,538)

^{*} Do not use the master copy. Photocopy master and then complete copy if this schedule is required.



Certificate of Need Application

Schedule 7C Attachment

Diagnostic & Treatment Center Statement of Revenue

Notes:

1.

	II. Other Operating Revenue e. Other	Revenue Investment Income Education/Training Donated Services Misc.		Other Investment Income 146 Education/Training 27 Donated Services 50	
		TOTAL	224,739		
2.	III. Non Operating Revenue b. Other Grants	Medical Research Private Donor Funds Grant	29,517 42,408		
		TOTAL	71,925		



BALANCE SHEET

ACTUAL DECEMBER 31, 1996 AND 1995, PRO FORMA 1997

ASSETS	1995	1996	Pro Forma 1997
Cash Investments Fees Receivable Contributions Receivable Inventory and Other Assets Fixed Assets	\$ 848,285 1,342,429 1,083,146 585,439 275,244 4,832,537	\$ 761,781 1,454,533 1,639,876 539,998 289,026 5,510,278	\$ 1,390,944 1,500,000 1,600,000 539,998 290,000 5,258,278
TOTAL ASSETS	\$ 8,967,080	\$ 10,195,492	\$ 10,579,220
LIABILITIES AND NET ASSETS Accounts Payable Capital Leases Mortgages	\$ 380,285 2,575 1,032,118	\$ 620,750 62,684 1,209,933	\$ 620,000 62,000 <u>1,100,000</u>
TOTAL LIABILITIES	\$ 1,414,978	\$ 1,893,367	\$ 1,782,000
NET ASSETS			
Unrestricted Temporarily Restricted Permanently Restricted	\$ 5,919,591 1,514,919 <u>117,592</u>	\$ 6,587,539 1,577,075 <u>137,511</u>	\$ 7,082,709 1,577,000 <u>137,511</u>
TOTAL NET ASSETS	<u>\$ 7,552,102</u>	\$ 8,302,125	\$ 8,797,220
TOTAL LIABILITIES AND NET ASSETS	\$ 8,967,080	\$ 10,195,492	\$ 10,579,220



CERTIFICATE OF NEED APPLICATION

UTILIZATION

	1996	1997	1999
Total Unduplicated Clients	32,331	32,600	33,100
Payor Source			
% Medicaid	18%	17%	18%
% Self-Pay	82%	83%	82%

7/16/97 conutil.pb

THE BANK OF NEW YORK

NEW YORK'S FIRST BANK - FOUNDED 1784 BY ALEXANDER HAMILTON

123 MAIN STREET, WHITE PLAINS, NEW YORK 10009

July 21, 1997



Flease accept this letter as the formal Bank of New York approval for the merger of

Please contact me regarding name changes, etc. that may be required for account and loan documentation.

Should you have any questions, please contact me at (914)-421-8224.

Wery truly yours,

William W. Sipperly

Vice President

WWS:bc

Strategic Goals and Objectives of Merger

- The merger of and and offers an opportunity to bring two strong organizations together in order to: (1) increase our direct service programs outreach, education, medical and advocacy to low income women and families; (2) develop a more specialized administrative staff initially and, over time, to reduce administrative costs; (3) pool resources at the Board and Staff level; and (4) share best practices in medical programs and education services.
- Transition costs are estimated at \$25,000: \$15,000 in legal fees; \$2,500 of additional
 auditing fees to conduct mutual due diligence reviews; and \$7,500 for benefits consultation.
 The costs have been offset by private foundation support in the amount of \$20,000. No
 additional costs are anticipated because the CON was prepared internally and planning
 work was done by Board members on a volunteer basis.
- The merger was not undertaken to reduce costs, but rather to enable us to maintain community-based services and programs and to spend administrative dollars more effectively. An example of the benefit of merger is the installation of a single, networked, third party billing system in both agencies, and the creation of a single billing department. The reduced cost for the unified system is 10% in software, 5% in hardware, for a savings of approximately \$20,000. Eventually, staff in the billing department may be consolidated to achieve greater savings.
- No change is anticipated in the number of staff hours in our medical or education programs; job functions and position descriptions will be made parallel over a two year period.
- All staff in the other community affairs area have been offered positions in the joint program. Reorganization is anticipated over time to accommodate the Board's commitment to the development of local volunteer councils, the increased need to do private fund raising, our desire to make better use of technology/capital resources. As examples, the information line has been converted to an automated bilingual system called Smart Calls which is now more heavily used because it operates on a 24-hour basis and the education van, Smart Wheels, will be used in four counties.
- The wage scales of both agencies have been analyzed and are very similar with the
 exception of the salary of senior nurse clinician personnel. This difference will be
 accommodated by "banding" the scale from the low point to the high point in order to
 permit recruitment of the best qualified clinicians in the four county area.
- There is a meaningful difference in the benefit rate of our two agencies: benefit rate is 22%; benefit rate is 17%. A firm specializing in employee benefits and human resource management has been hired to prepare a cost neutral package of benefits for all employees in the joint agency.

- There are no uncovered insurance claims against either agency.
- The merger has been undertaken to provide the opportunity to expand services to womenin-need. Center renovations are underway in and to double
 their capacity for serving those communities. These renovations will proceed. Prenatal
 services have been added to and and bringing the total to five compared
 to three prior to merger. The merge will result in no diminution of services or access to
 services. No service sites will be closed.
- There are no employee termination costs related to merger.

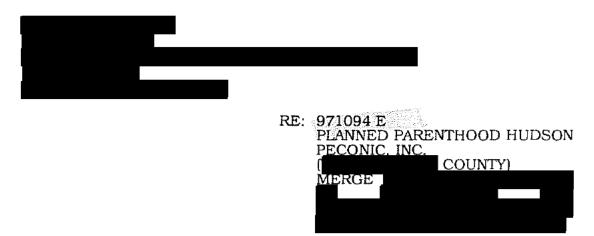


433 River Street, Suite 303

Troy, New York 12180-2299

Barbara A. DeBuono, M.D., M.P.H. Commissioner Dennis P. Whalen
Executive Deputy Commissioner

May 21, 1997



Dear :

Review of the above application has revealed the need for the additional information requested in the enclosure. Please submit an original and six copies of your response to Robert J. Stackrow, Director, Bureau of Project Management, New York State Department of Health, Suite 303, 433 River Street, Troy, New York, 12180-2299 within 30 days of the date of this letter in accordance with 10 NYCRR 710.3(a). In preparing answers to the questions, please repeat each question and then provide the answer.

Processing of your application by the review unit which has requested this additional information cannot continue until the information is received and reviewed. Also, if this project requires review by the State Hospital Review and Planning Council, such review may have to be delayed if the requested information is not received promptly. Accordingly, you are encouraged to submit your response at your earliest opportunity. In this regard, be advised that a single faxed response to this request does not constitute a full and complete response and will not enable further processing.

If you have any questions on the information being requested, please contact the individual identified on the enclosure.



Robert J. Stackrow

Very truly yours,

Director

Bureau of Project Management

cc: NRAO

971094-E
Planned Parenthood Hudson Peconic Inc.
County

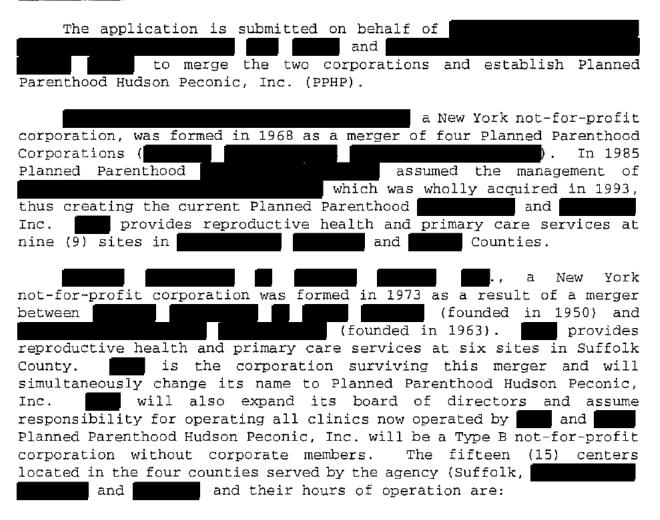
The following questions have been prepared by the Bureau of Financial Analysis and Review. If additional information is needed please contact John Harrison at (518) 402-0953.

- 1. Submit 1994, 1995 and 1996 certified financial statements for each of the corporations to be merged and a pro forma balance sheet for the merged corporation.
- The submitted expense budgets are acceptable in terms of format but must be submitted in constant 1997 dollars. Resubmit or confirm as appropriate. Revenue budgets must be submitted for all three expense budgets, also in 1997 dollars. Include a calculation of the proposed Medicaid rate.
- Indicate the anticipated utilization for each budget and provide a breakdown of said utilization by payor source.
- 4. Provide the consent of any existing mortgagors to the proposed merger, if appropriate.
- 5. Provide a copy of the merged entity's business plan indicating the anticipated advantages for the merged corporation in the expanding managed care environment.

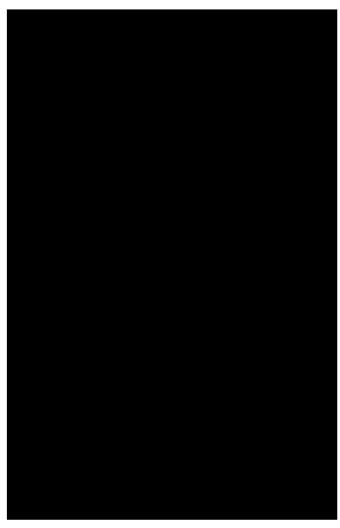
BUREAU REVIEW

The Bureau of Health Facility Planning recommends approval of the application.

STAFF REVIEW



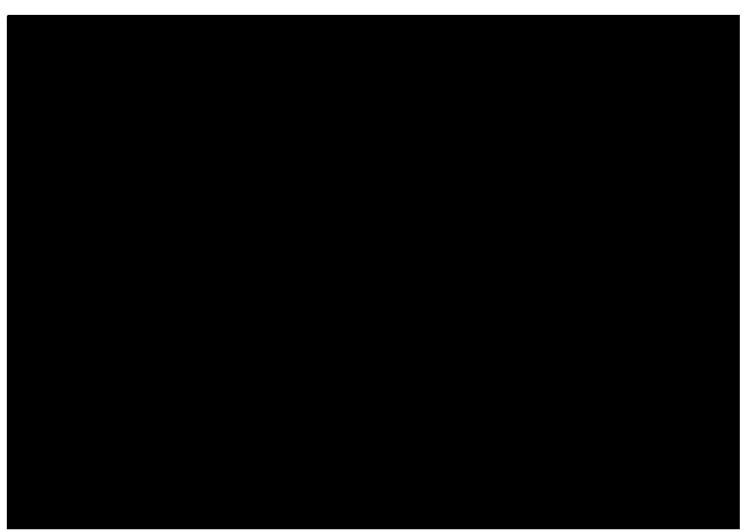
Suffolk County





West Islip Center 180 Sunrise Highway West Islip, NY 11795 (M-Th 9AM-9PM; F 9AM-5PM; Sat 9:30AM-1:30PM)





The services provided by the facilities include Primary Medical Care, Prenatal, Health Education, Cancer, VD Detection and Family Planning. During 1996, a total of 63,421 family planning visits were made to the 15 centers. Prenatal care, which is offered in four sites, provided a total of 1,923 visits. The applicant does not expect growth in the number of visits during the first year following implementation of the proposal and projects slight growth to a total of approximately 70,000 visits for the year 2001. Relevant demographic characteristics in the service populations include:

- The African-American population, in Suffolk County, increased by 12% from 1980 to 1990 to become 6% of the total population and the Hispanic population increased by 43% over the same period to represent 6% of the total population.
- The County population has been relatively unchanged over the 10-year period with the overall race/ethnicity indicating

approximately 80% of the population as White; 14% Black and the remainder being non-White and Hispanic. The County is reported as having slightly over 15% of the population with incomes less than 200% of the poverty level.

- County is reported to have a 1990 population of 265,475 which represents a 2.3% increase above the 1980 population. The characteristics for County in 1990 reflected a higher growth rate for non-Whites than for Whites as the non-White percentage of the population rose from 10.4% to 16.1% during the 1980 to 1990 period. Almost 15% of the population in the service area are reported to have income levels less than 200% of the poverty level.
- The population of County was reported to have increased by 8.7% from 1980 to 1990. The 1990 Census statistics indicated that 97.5% of the County's population is White. While the median income is reported as \$52,000 in recent years there has been a steady increase in the number of individuals and families in poverty with a significant 61.5% increase between 1988 and 1990.

The medical services of the facilities are supervised by a Medical Director, and direct services are provided by physicians and certified nurse clinicians.

CONCLUSION

The Planned Parenthood of are unique resources in their communities. They offer the only source of affordable and accessible health services for many of their clients. Most of the persons they serve are low income with a substantial proportion of Medicaid recipients. It is reasonable to assume the utilization being experienced can be expected to continue. Therefore, the Bureau of Health Facility Planning recommends approval.

Dackground Program Review

The Planned Parenthood Hudson Peconic, Inc., requests approval to assume operation of the Planned Parenthoods of And the Planned Parenthood of County, each of which are currently separate diagnostic and treatment centers. The facilities are currently approved to operate at 11 sites in Suffolk, and Counties. There are no concurrent staffing or programmatic changes proposed in conjunction with this application. Services provided by the facilities include: primary health care, prenatal, health education, cancer and VD detection, and family planning.

Members of the Board of Directors of the new corporate operator include:

<u>Name</u>

Business/Occupation

Homemaker Attornev Ministern University Professor Education/Marketing Counselor Tax Adviser Hospital Administrator CPA Marketing/Sales Manager Social Worker Retired None Marketing Retired Attorney Database Marketing None University Professor Volunteer University Administrator Retailing Administrator Writer/Editor Clergyman Attorney Book SHop Manager Legal Assistant Attorney Retired Homemaker/Artist None Health Administration Business Manager

Character and Competence

A FAVORABLE 10-year review was made of the operation of the and the pursuant to 2801-a(3) of the Public Health Law. The facilities have not been the subject of any enforcement actions nor do they have any pending surveillance issues that would impact upon this CON. Our review was made based on the Bureau of Hospital Services' files, records/reports enforcement history, Article 28 incidents, complaints, and/or comprehensive/focused surveys pertaining to the facility. It is therefore concluded that the facilities have provided a substantially consistent high level of care as defined in New York State Public Health Law 2801-a(3). Also, review was disclosure information submitted by the proposed new corporation's Board Members which revealed nothing that would negatively impact on the character,

competence or standing in the community of any of the applicants. Accordingly, the Bureau of Hospital Services recommends approval.

Prepared by: Gerald Dievendorf, Regional Medical Care Administrator

433 River Street, Suite 303

Troy, New York 12180-2299

Barbara A. DeBuono, M.D., M.P.H. Commissioner

April 8, 1997

Dennis P. Whalen
Executive Deputy Commissioner



RE: 971094 E

PLANNED PARENTHOOD HUDSON

PECONIC. INC.

MERGE

COUNTY)

Dear

The above referenced CON application, for which you have been designated the contact person, has been distributed to all reviewing units and, if operating, your local health systems agency for processing in accordance with 10 NYCRR 710. Please refer to the enclosed Important Notice for further information with respect to this process.

The mandatory review of your project for the criteria of public need, financial feasibility, and character and competence as required by the Public Health Law may determine that the proposal is unapprovable. Therefore, prior to entering into any contractual commitments or commencing construction, the final determination of the Director of the OHSM, or Public Health Council if establishment is involved, must be obtained.

Very truly yours,

Robert J. Stackrow

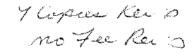
Director

Bureau of Project Management

RJS/BWM/kmc

WITH PERSONAL OF REALIST H





RECEIVED

March 13, 1997

MAR 1 9 1997

BUHEAU OF PROJECT MANAGEMENT

Robert Stackrow Bureau of Project Management Office of Health Systems Management, Room 1717 New York State Department of Health Empire State Plaza - Tower Building Albany, NY 12237

,,,
Dear Mr. Stackrow:
t am pleased to submit on behalf of a Certificate of Need application to merge our two corporations.
The Boards of Directors of our organizations have determined that this strategic link will enable us to continue our broad array of comprehensive reproductive and primary health care services and to meet more effectively the challenges of market driven and managed health care reforms. A memorandum of understanding was formally adopted by each corporation in November 1996 and the Plan of Merger outlining our intent to establish Planned Parenthood Hudson Peconic, Inc. (PPHP) is appended to the application.
Our new combined corporation will provide public education and services in four countiesSuffolk, and Medical services will reach 40,000 patients in approximately 70,000 visits in the first year in a network of fifteen medical centers located in and West Islip.
Please note all directors of the merged entity are currently directors of either or There are no additional costs resulting immediately from the merger. Although we anticipate savings over time resulting from staff attrition and enhanced efficiencies, normal increases in the costs are likely to flatten the economics of scale.
The overriding goal of the proposed merger is to enhance the ability of each organization to fulfill its historic role of providing advocacy, education and high quality, cost effective medical services to women and men most in-need, and through our licensed services improve the health of the New York State communities we serve.
I will be happy to supply additional information if required, or to answer questions, and look forward to your authorization for the merger.
FSS:ds
cc:

New York State Department of Health Office of Health Systems Management

Certificate of Need Application For Establishment/Construction Requiring Full Review*

General Information Page 1 of 2

971094

RECEIVED

•		mation PR	MAR 19 1997 BUHEAU OF OJECT MANAGEMENT			
I Facility Identification Played	Parenthoolog	Provie Inc	Lac. NO			
Fig. 50. The File of William Control of the Control	5.4					
VICTOR OF THE PROPERTY OF THE	NAME A	IC TITLE OF CONTACT PERSON				
TO AND	* * * * * *	104, 1055				
NAME OF OPERATOR						
5" FEET AND TALMBER	*EL5P40	NE NUMBER	<u></u>			
GET STATE Z.P	NAME 3	40MINISTRATOR				
Address of the site location of the proposed activity, lattach sketch if appro	poriates		***************************************			
II Project Outline Facility Type Code	tal Project Des					
CODE PROPOSED SOLUTION/ACTION	CODE	FUNCTIONAL AREAS/SE BED TYPES AFFECT	ERVICES : MFP TED RANKING			
[2]	3	[4]				
u p tp tt	<u> </u>					
III Board Resolution and Auth	_	-				
Board resolution for Corporation Applicants						

NYS DOH/OHSM Certificate of Need Application

General Information Section*

General Information Page 2 of 2

IV Project & Subproject Cost			VI General Questionnaire				
T	SUB OTAL PROJECT I Project/Subproject Cost	SUB PROJECT 2	SUB PROJECT 3	1.	Do all of the components and solutions	YES	NO
\$	efrom schedule 4A or 4B. S Total Basic Cost of Construction	S	S		contained in this project appear in the 1983 Capital Needs Assessment Inventory (CNA) or Services Capital Needs Inventory (SCNI)? If yes, enter year	MAN-RESCARRABINES	
S	rfrom schedule 4A or 48. S		S		If no. explain in attachment #		
\$	Total Cost of Moveable Equipm ifrom schedule 4A, or 48	nent calumn (3), line 5) S	\$	2a.	Have you submitted a Long Range Capital Plan to the Bureau of Architectural and Engineering Review?		***************************************
***************************************	Cost/SF New Construction (from schedule 10)	~			If yes, date of submission If no, explain in attachment #	***************************************	
S	S Cost/SF Renovation Construction Schedule 10)	S ion	\$	2b.	Is this proposal consistent with the Long Range Capital Plan? If no, explain in attachment #		
\$	S Total Incremental Operating Confirm schedule 6A, 68, or		\$	3.	Have you submitted a debt capacity study to the Department?	AMOUTANTONOMES	
S	S Type of Financing	_	\$	4.	Have all the solutions contained in this project been ranked in the Regional/State Medical Facility Plan?		*
S	(from schedule 5)	\$	\$	-	Note: This issue must be addressed in Schedule 3.	-commercialities	dhuku cakharaam
\$	Percentage Financed (from schedule 5) S Depreciation Life	S	\$	5.	Has a site visit been conducted by the Office of Health Systems Management? If yes, date of last site visit	***************************************	ecologica e Vintumo ecologica e
s	S S	\$	\$	6.	Has the Capital, Architectural and Program Alternatives (CAPA) review process with the Office of Health Systems Management been		
V	Construction I Anticipated Construction Start (from Schedule 4A) Anticipated Construction Comp (from Schedule 4A)	Date		7.	If no, and if the total basic cost of construction of your proposal exceeds \$15,000,000, contact this Department before filing an application. Have you submitted an Architectural Alternative Report to the Department? If yes, date of submission		

Certificate of Need Application For Establishment/Construction Requiring Full Review*

Schedule

Checklist of Schedules

Schedule No.	Schedule Name	Submitted	Not Required	
1	Checklist of Schedules	х		
2	Project Narrative	x		
3	Community Need	х		
4A	Total Project Cost		x	
4B	Subproject Cost		х	
5	Proposed Plan for Project Financing		x	
6A	Annual Operating Costs		x	
6 B	RHCF Statement of Functional Expenses		х	
6C	D & T Center Annual Allocation of Operating Costs	x		
7 A	Annual Operating Revenues		х	
7B	RHCF Analysis of Net Patient Revenue & Total Operating Revenue	_	х	
7 C	D & T Center Statement of Revenue	x		
8	Inpatient & Outpatient Services Utilization		х	
9	Utilization/Discharge & Patient Days		х	
10	Space and Construction Cost Distribution		x	
10A	RHCF Space and Construction Cost Distribution		х	
11A	Architectural Submission		х	
11 B	Construction Timetable		x	
11C	Architectural Alternatives		x	
12	Moveable Equipment .		x	
13A	Certified Services		х	
13 B	RHCF Rehabilitation & Non-Occupant Services		х	
14	Bed Components		х	
15	Staffing		х	
16	Assurances	x		
17	Environmental Assessment		х	
18	Facility Access		х	
19	Personal Financial Statement	х,		
20	Personal Qualifying Information	×		
21	Disclosure of Applicant's and Relatives' Interests in Other Facilities	×		
22	Corporation, Bank and/or Savings and Loan Association with a Real Property Interest in the Facility	х		
23	Partnership, Syndication and/or Other Group with a Real Property Interest in the Facility		×	
. 24	Private Person with a Real Property Interest in the Facility		×	

New York State Department of Health Office of Health Systems Management

Certificate of Need Application

Schedule **2**

For Establishment/Construction Requiring Full Review *

Planned Parenthood Hudson Peconic, Inc.

Schedule 2. Project Narrative

This application seeks approval for the merge	er of including the second
formed in 1968 as a merger of four Planned I). In 1985 management of creating the current reproductive health and primary care services counties.	which was wholly acquired in 1993 Inc. It provides
formed in 1973 as a result of a merger between 1950) and health and primary care services at six sites in	(founded in 1963). It provides reproductive
the only source of affordable and accessible	ources in their respective communities. They offer health services for many of their clients. Most of a substantial proportion of Medicaid recipients.
	that in order to meet the current and future health nieve their education and advocacy goals, and to s should merge.
As described in the certificate of merger which corporation surviving the merger, will simultan Hudson Peconic, Inc. (PPHP), and PPHP will responsibility for operating all clinics now open B not-for profit corporation without corporate	neously change its name to Planned Parenthood I expand its board of directors and assume trated by and and PPHP will be a Type

New York State Department of Health Office of Health Systems Management

Certificate of Need Application

Schedule 3

For Establishment/Construction Requiring Full Review*

Page 1 of 2

Community Need

Public Need Summary:

Briefly summarize on this schedule, in the space provided, why the project is needed. Append additional narrative as necessary, however this summary must be completed, as applicable.

1. Describe the relationship to the most recently adopted Medical Facility Plan

N/A

2. Identify the relevant service area.

Attached is a list of the 15 medical centers located in the four counties served by the agency: Suffolk, and

3. Describe qualitatively the characteristics of the population to be served. (see 8. next page).

SEE ATTACHMENT

4 Indicate the proposed demand for this service, currently and five years into the future.

During 1996, a total of 63,421 family planning visits were made to the 15 medical centers. Prenatal care which is offered in four sites served 1,923 visits. Two sites provided and 937 colopscopy/ cryotherapy visits.

Projected visits for 1997 are flat over the 1996 year-end numbers, and no growth in visits is projected for five years ended 2001.

(Continued next page)

* Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

NYS DOH/OH5M Certificate of Need Application

Public Need Summary*

Schedule 3

Page 2 of 2

5. Describe where and how the population to be served currently receives the service(s) proposed.

Attached is a list of the locations for the fifteen medical centers and the hours the centers are open. The medical services are supervised by a Medical Director (.80 FTE), and direct services are provided by physicians and certified nurse clinicians.

6 Indicate the benefits to the target population from this project.

- Improved standards of practice
- Uniformity of care
- More efficient delivery systems with expanded outreach and education capacity
- Enhanced penetration within managed care delivery systems
- 7 Describe the consequences to the population to be served if this project is not implemented.

 The population would continue to be separately served, but with increasing overhead expenses and reduced outreach, educational and medical service capacity.

A. Total Population Distribution (See factor #3 of instructions)								
Current Year (1996)° S Year Projection (19)								
Age	Male	Female	TOTAL	Male	T Female	TOTAL		
0-4 Years	93,329	88,679	182,008					
5-9 Years		period 6 No. 10 No.						
10-14 Years	174,344	164,966	339,310					
15-44 Years	577,154	604,447	1,181,601					
45-64 Years	272,537	291,857	564,394					
65→ Years	121,587	185,582	307,169					
TOTAL	1,238,951	1,335,531	2,574,482	1,238,951	1,335,531	2,574,482		

Do not use the master copy.

Photocopy master and then complete copy if this schedule is required.

B. Ambulatory Care Service Registrants						
(See factor #10 of instructions)						
Registrant Number of Ambulatory Care Rate Per Registrants Service Registrants 1.000 Population Projected						
First Year						
Second Year						
Third Year						

Certificate of Need Application

Schedule 3 Attachment

3. Describe qualitatively the characteristics of the population to be served.

Suffolk

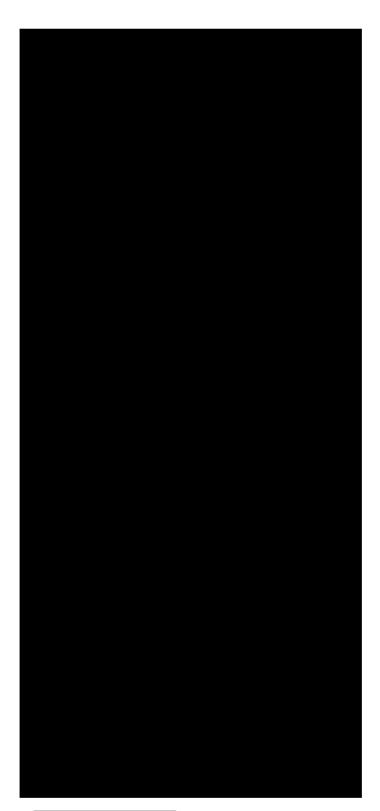
The county's minority population profile changed dramatically from 1980 to 1990. The African-American population increased by 12% to 6% of the total population and the Hispanic population increased by 43% over the same period to represent 6% of the total population.

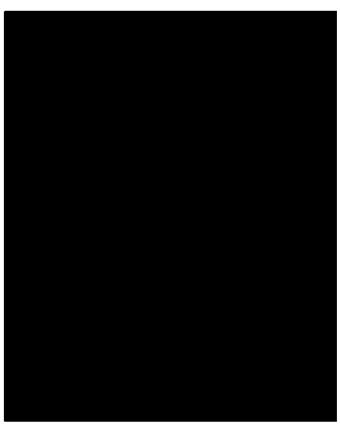
The population of County has been relatively unchanged over the last ten years. The overall race/ethnicity indicates that approximately 80% of the population is white, 14% is black, and the remainder are non-white and Hispanic. The median family income in the County is \$58,862, however, over 15% of the people in the county have incomes less than 200% of the poverty level.

The population of County was 265,475 in 1990 which represented a growth rate increase of 2.3% above the 1980 population. While median family income in 1990 was \$60,479, in PPWR's service areas, almost 15% of the population have income levels less than 200% of poverty. Racial characteristics for in 1990 reflected a higher growth rate for non-whites than for whites as the non-white percentage of the population rose from 10.4% to 16.1% during the past ten years.

The population of County increased 8.7% from 1980 to 1990. The 1990 Census statistics indicated that 97.5% of the County's population is white. The median income is \$52,000, but in recent years, there has been a steady increase in the number of individuals and families in poverty with a significant 61.5% increase between 1988 and 1990.

Administrative Office and Medical Center Information





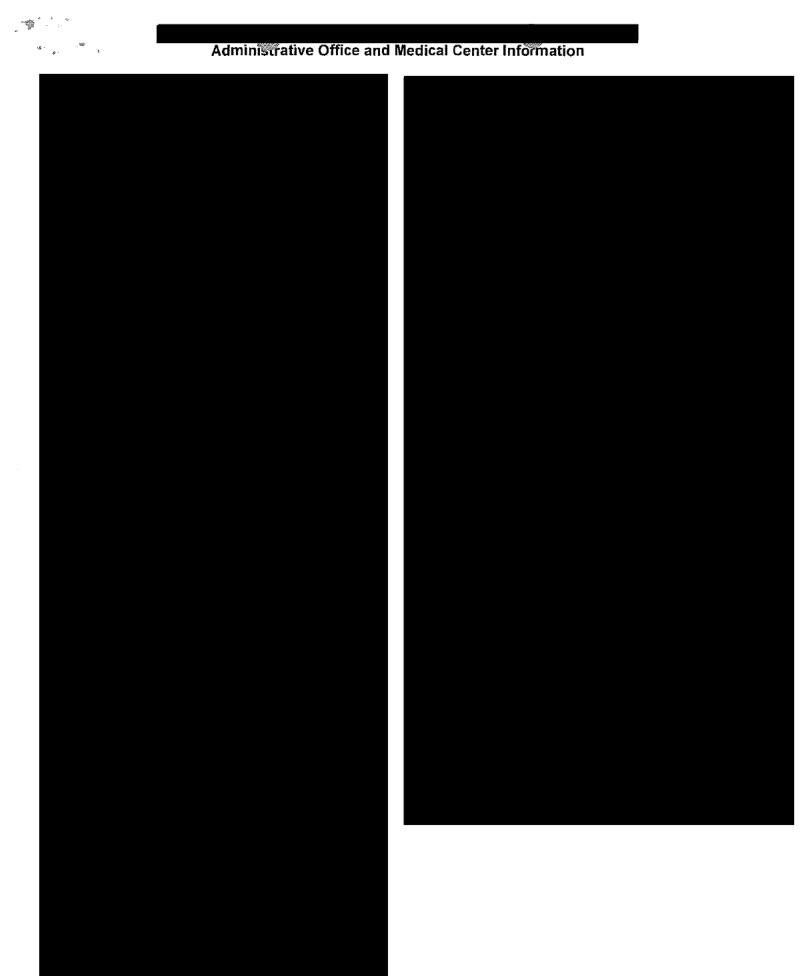
West Islip Center 180 Sunrise Highway W. Islip, NY 11795 Regional Director: Center Manager:

Sr. Clinician:

516/893-0150 phone: fax: 516/893-0146

M-Th 9am-9pm, F 9am-5pm hours:

S 9:30am-1:30pm



New York State Department of Health Office of Health Systems Management

Certificate of Need Application

For Establishment/Construction Requiring Full Review

Schedule **6C**

Page 1 of 4

D & T Center Annual Allocation of Operating Costs

This schedule consists of 4 pages (9 columns and lines 328-384) to be completed for the current, first and third year of operation.

Set No:

See Page 2 of this schedule

Assumes no change at end of first year of operation 12/31/97.

	Salary and Wages	Employee Benefits	Purchased Contract & Services	Supplies	Line No.
TOTAL ADJUSTED COSTS	5,100,289	943,705	679,550	711,899	328
I. Care Cast Centers					dilling.
a. Administration	753,252		151,420	87,651	329
b. Facility		•	• • • • • • • • • • • • • • • • • • • •		330
c. Patient Transportation					331
Subtotal	753,252		151,420	87,651	332
II. Patient Care Cost Centers					MILITE
a. Multi-service. Child Health					
1. Medical					333
2. Dental					334
3 Laboratory			,		335
4. X-Яау .					336
5. Pharmacy					337
6. Mental Health					338
7. Rehab. Therapies					339.
8. Other Health					340
TOTAL (I & IIa)					341
b. Family Planning					
1. Reproductive Health Care	3,971,710	878,328	333,436	486,036	342
2. Laboratory				3	343
3. Pregnancy Counseling					344
4. Community Service					345
TOTAL (I & IIb)					346
C.	Munnunnunn				
1. Medical					347
2. Laboratory					348
3. Other Surgical & Related Services					349
4. Intake & Screening				•	350
TOTAL (I & IIc)					351
d. Cerebral Palsy & Rehab.					
1. Medical					352
2. Dental					353
3. Speech & Hearing					354

Columns continue with column 5 on page 1 of this schedule. Lines continue with line 355 on pages 3 and 4 of this schedule.

^{*}Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

NYS DOH/OHSM Certificate of Need Application) & T Center Annual Allocation of Operating Costs Columns 5 through 9; Lines 328 through 354 **

Schedule 6

Page 2 of 4

								
			- This	data is iden	itified as SE	T NO2		
			Enter a'data S	et Number in the bo	ox at left (see arro	w) on each of the four pages of this		
	-		schedule, Ente	er the identifying i	nformation for the	at data set in this enclosure. Check		
	- 🔻		•	propriate yéar.		•		
20+	et No:2 Current Year Ended / Third Year Ended /							
રહા	NU. — 2)	First Ye	ar Ended <u>12</u>	/_97. OTH	ird Year Ended/		
_								
	· · ·		Total	Distribution	Total			
.ine	General		Before	of Facility	After			
Vo.	Costs	Donations	Distribution	Costs	Distribution			
	(5)	(6)	[7]	···-[8]				
328	1,945,316	197	9,380,759	1-1	9,380,759	TOTAL ADJUSTED COSTS		
100						I. Core Cost Centers		
129	267,838		1,260,161	80.395	1,340,556			
	1,028,493		1,028,493	(1,028,493)		b. Facility		
131	2,020,405			(4,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		c. Patient Transportation		
132	1,296,331		2,288,654	(948,098)	1,340,556	Subtotal		
IIII						II. Patient Care Cost Centers		
IIII						a. Multi-service. Child Health		
133						1. Medical		
34						2. Dental Service		
35						3. Laboratory		
136						4. X-Ray		
37						5. Pharmacy		
-38						6. Mental Health		
39						7. Rehab. Therapies		
40						8. Other Health		
141	i I					TOTAL (I & IIa)		
III						b. Family Planning		
42	518,356		6,187,866	838,666	7.026.532	1. Reproductive Health Care		
43						2. Laboratory		
44						3. Pregnancy Counseling		
145						4. Community Service		
146						TOTAL (I & IIb)		
						С.		
47						. 1. Medical		
48						2. Laboratory		
49						3. Other Surg. & Related Serv.		
50 51						4. Intake & Screening		
51				mmmxmmmm	amminimini	TOTAL (I & IIc)		
						d. Cerebral Palsy & Rehab.		
52						1. Medical		
53						2. Dental		
54						3. Speech & Hearing		

Columns 1 to 4 appear in pages 1 and 3 of this schedule. Lines continue on pages 3 and 4.

 $m{st}_{ extsf{Do not use}}$ the master copy. Photocopy master and then complete copy if this schedule is required.

NYS DOH/OHSM Certificate of Need Application

D&T Center Annual Allocation of Operating Costs Columns 1 through 4; Lines 355 to 384 **

Schedule 6C

Page 3 of 4

Set No:

See Page 2 of this schedule

	Salary and Wages	Employee Benefits (2)	Purchased Contract & Services	Supplies	Line No.
d. Cerebral Palsy & Rehab. (continued)			(2)	[4]	
4. Physical Therapy					355
5. Occupational Therapy					356
6. Other Therapies					357
7. Mental Health					358
Medical Social Services					359
TOTAL (I & IId)			· • · · · · · · · · · · · · · · · · · ·		360
e. Methadone Maint. Treatment Program					
1. Medical		1			361
2. Mental Health					362
3. Dispensing					363
TOTAL (I & IIe)					364
1. Hemodialysis					ALIININ S
1. Medical		***************************************			365
2. Chronic Dialysis					366
3. Home Dialysis					367
4 Peritoneal Dialysis		···			368
TOTAL (1 & IIf)					369
g. Dental					THINKS.
Dental Services					370
2. Dental Laboratory					371
TOTAL (I & IIg)					372
h. Speech & Hearing					SHILLING.
1.					373
2.		-			374
3.		·			375
TOTAL (I & IIh)					376
i. Drug Free					THINK IN
1.					377
2.				<u> </u>	378
3			···· -		379
TOTAL (I & III)					380
j. Hemophilia			THE PROPERTY OF THE PROPERTY O		
1.					381
2.					382
3.					384
TOTAL (I & IIj)					389

Columns 5 to 9 continue on pages 2 and 4. Line 389 is the last line.

^{*}Oo not use the master copy. Photocopy master and then complete copy if this schedule is required.

NYS DOH/OHSM Certificate of Need Application D&T Center Annual Allocation of Operating Costs Columns 5 through 9; Lines 355 to 384

Schedule **6C**

Page 4 of 4

Set No:

See Page 2 of this schedule

Line No.	General Costs	Donations	Total Before Distribution	Distribution of Facility Costs	Total After Distribution	
	[5]	(6)	[7]	[8]	[9]	
mme		munumunumun		40000000000000000000000000000000000000	200000000000000000000000000000000000000	Cerebral Palsy & Rehab. (cont.)
355						4. Physical Therapy
356						5. Occupational Therapy
357						6. Other Therapies
358				· · · · · · · · · · · · · · · · · · ·		7. Mental Health
359						8. Medical Social Services
360						TOTAL (I & IId)
						e. Methadone Maint, Treat, Prog.
361						1. Medical
362						2. Mental Health
363	-					3. Dispensing
364				•		TOTAL (I & Ile)
						f. Hemodialysis
365						1. Medical
366	**************************************					2. Chronic Dialysis
367						3. Home Dialysis
368						4. Peritoneal Dialysis
369						TOTAL (I & III)
						g. Dental
370						Dental Services
371						2. Dental Laboratory
372						TOTAL (I & IIg)
						h. Speech & Hearing
373				·		1.
374						2.
375						3.
376						TOTAL (I & IIh)
						i. Orug Free
377						1.
378				,		2
379						3.
380						TOTAL (I & IIi)
						į. Hemophilia
381						1.
382						2.
384						3.
389						TOTAL (I & IIj)

End of Schedule

^{*}Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

THYOHSM Certificate of Need Application Inter Annual Allocation of Operating Costs Tumns 5 through 9; Lines 355 to 384 **

Schedule 6C

Page 4 of 4

No: 2

See Page 2 of this schedule

7						
	Circles I		Total	Distribution	Total	
ine	General	Dammatana	Belore	of Facility	After	
Yo.	Costs	Donations	Distribution	Costs	Distribution	
****	[5]	(6)	[7]	[8]	[9]	
11111				HIIIIIII KANIN		Cerebral Palsy & Rehab. (cont.)
100						4. Physical Therapy
156	ļ					5. Occupational Therapy
157						6. Other Therapies
158						7. Mental Health
159						8. Medical Social Services
60						TOTAL (I & IId)
						e. Methadone Maint, Treat, Prog.
61					•	1. Medical
62	* .					2. Mental Health
63						3. Dispensing
54				•		TOTAL (I & IIe)
						f. Hemodialysis
65						1. Medical
66						2. Chronic Dialysis
57						3. Home Dialysis
58						4. Peritoneal Dialysis
59			···			TOTAL (I & III)
1112						g. Dental
0						1. Dental Services
1						2. Dentai Laboratory
2						TOTAL (I & lig)
11/2						h. Speech & Hearing
3		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		minimini		
4						1. 2.
5						3.
-					———— <u>—</u>	
202						TOTAL (I & IIh)
277.5	minimum in	mmmmmi	mmmm			
				 	<u>_</u>	1.
+						2.
+						3.
32			amananananan	mmanamana	ammannam .	TOTAL (I & IIi)
33						. Hemophilia
						1.
- 						2.
19						3.
19	<u> </u>		<u> </u>			TOTAL (I & IIj)
			•			

End of Schedule

^{*}Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

NYS DOH/OHSM Certificate of Need Application D&T Center Annual Allocation of Operating Costs Columns 1 through 4; Lines 355 to 384 **

Schedule 6C

Page 3 of 4

Set No:

See Page 2 of this schedule

	Salary and Wages	Employee Benefits	Purchased Contract & Services	. Supplies	Line No.
d. Cerebral Palsy & Rehab. (continued)			[3]	anninninininin	iiziiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiii
4. Physical Therapy					355
5. Occupational Therapy					356
6. Other Therapies		•			357
7. Mental Health					358
8. Medical Social Services					359
TOTAL (I & IId)					360
e. Methadone Maint. Treatment Program					
1. Medical	T	•			351
2. Mental Health					362
3. Dispensing					363
TOTAL (I & Ile)					36-1
f. Hemodialysis					
1. Medical					365
2. Chronic Dialysis					366
3. Home Dialysis					367
4 Peritoneal Dialysis					368
TOTAL (I & III)					369
g. Dental					
1. Dental Services					370
2. Dental Laboratory	1				371
TOTAL (I & Ifg)					372
h. Speech & Hearing					
1. Speech & Hearing			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	777777777	373
2.	<u> </u>				374
3.	· · · · · · · · · · · · · · · · · · ·				375
			:		376
TOTAL (I & IIh)					
i. Orug Free				,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	377
1.		'		-	378
2.					379
3.					- 380
TOTAL (I & III)					THINITE STATES
j. Hemophilia					381
<u>l 1, </u>	ļ				382
2.					384
3.	<u> </u>			:	389
TOTAL (I & IIj)	<u> </u>	<u></u>			1 -203 /

Columns 5 to 9 continue on pages 2 and 4. Line 389 is the last line.

New York State Department of Health Office of Health Systems Management

Certificate of Need Application

Schedule **6C**

For Establishment/Construction Requiring Full Review *

Page 1 of 4

D & T Center Annual Allocation of Operating Costs

This schedule consists of 4 pages (9 columns and lines 328-384) to be completed for the current, first and third year of operation.

Set No:

See Page 2 of this schedule

Combined

for year ended 1996.

Core Cost Centers		Salary and Wages	Employee Benefits	Purchased Contract & Services	Supplies	Line No.
Core Cost Centers	TOTAL ADJUSTED COSTS	5,100,289	943,705	679,550	711,899	328
D. Facility 330 330 331 331 332 332 332 332 332 332 332 333 333 333 333 333 333 334 334 334 334 335 335 336 33	I. Core Cost Centers					dilille
D. Facility 330 331 331 331 332 332 332 332 332 33		753,252		151,420	87.651	329
C. Patient Transportation 331 331 332 332 332 3332 3332 33332 33343 3334						
Subtotal 753,252 151,420 87,651 332 Il. Patient Care Cost Centers 3 333 A. Multi-service, Child Health 333 2. Dental 334 335 3. Laboratory 335 336 4. X-Ray 335 336 5. Pharmacy 337 338 7. Rehab, Therapies 339 8. Other Health 340 b. Family Planning 341 b. Family Planning 341 1. Reproductive Health Care 3,971,710 878,328 333,436 486,036 342 2. Laboratory 343 3. Pregnancy Counseling 344 4. Community Service 345 TOTAL (I & IIb) 346 c. 346 1. Medical 347 2. Laboratory 348 3. Other Surgical & Related Services 349 4. Intake & Screening 350 TOTAL (I & IIc) 351 d. Cerebral Palsy & Rehab. 352 1. Medical 352 2. Dental 353 388 332 352 389 350 353 390 350 350 351 352 353 353 352 353 361 361 362 363 362 365 365 365 365 367 367 367 367 368 367 368 367 369 369 360 367 361 367 362 363 363 363 363 365 364 365 365 365 366 365 367 367 368 367 368 367 369 367 360 367 370 370	c. Patient Transportation					
Patient Care Cost Centers	Subtotal	753,252		151,420	87,651	
1. Medical 333 2. Dental 334 3. Laboratory 335 4. X-Ray 335 5. Pharmacy 337 6. Mental Health 338 7. Rehab. Therapies 339 8. Other Health 340 TOTAL (I & IIa) 341 b. Family Planning 341 1. Reproductive Health Care 3,971,710 878,328 333,436 486,036 342 2. Laboratory 343 3. Pregnancy Counseling 344 4. Community Service 345 TOTAL (I & IIb) 346 c. 1. Medical 347 2. Laboratory 348 3. Other Surgical & Related Services 349 4. Intake & Screening 350 TOTAL (I & IIIc) 351 d. Cerebral Palsy & Rehab. 352 2. Dental 353						
2. Dental 334 3 Laboratory 335 4 X-Pay 336 5. Pharmacy 337 6. Mental Health 338 7. Rehab. Therapies 339 8. Other Health 340 TOTAL (I & IIa) 341 b. Family Planning 341 1. Reproductive Health Care 3,971,710 878,328 333,436 486,036 342 2. Laboratory 343 3. Pregnancy Counseling 344 4. Community Service 5 TOTAL (I & IIb) 346 c. 1. Medical 347 2. Laboratory 348 3. Other Surgical & Related Services 349 4. Intake & Screening 350 TOTAL (I & IIc) 351 d. Cerebral Palsy & Rehab. 352 2. Dental 353						
2. Dental 334 3. Laboratory 335 4. X-Ray 336 5. Pharmacy 337 6. Mental Health 338 7. Rehab. Therapies 339 8. Other Health 340 TOTAL (1 & IIa) 341 b. Family Planning 341 1. Reproductive Health Care 3,971,710 878,328 333,436 486,036 342 2. Laboratory 343 3. Pregnancy Counseling 344 4. Community Service 345 TOTAL (1 & IIb) 346 C. 1. Medical 347 2. Laboratory 348 3. Other Surgical & Related Services 349 4. Intake & Screening 350 TOTAL (1 & IIc) 351 d. Cerebral Palsy & Rehab. 352 2. Dental 335			******************************			333
3 Laboratory 4 X-Ray 5 Pharmacy 6 Mental Health 7 Rehab. Therapies 8 Other Health TOTAL (I & IIa) 5 Family Planning 1 Reproductive Health Care 2 Laboratory 3 Pregnancy Counseling 4 Community Service TOTAL (I & IIb) 5 Indical 1 Medical 2 Laboratory 3 Other Surgical & Related Services 4 Intake & Screening TOTAL (I & IIb) 5 Indical 6 Cerebral Palsy & Rehab. 1 Medical 7 Indical 8 Indical 9 Indical	2. Dental					
4 X-Ray 336 5. Pharmacy 337 6. Mental Health 338 7. Rehab. Therapies 339 8. Other Health 340 TOTAL (I & IIa) 341 b. Family Planning 341 1. Reproductive Health Care 3,971,710 878,328 333,436 486,036 342 2. Laboratory 343 344 4. Community Service 345 345 TOTAL (I & IIb) 346 346 346 347 2. Laboratory 348 349 349 349 4. Intake & Screening 350 351 351 d. Cerebral Palsy & Rehab. 352 353 Dental 352 353	3 Laboratory		71111			
5. Pharmacy 6. Mental Health 7. Rehab. Therapies 8. Other Health TOTAL (I & IIa) b. Family Planning 1. Reproductive Health Care 3,971,710 878,328 333,436 486,036 342 2. Laboratory 3. Pregnancy Counseling 4. Community Service TOTAL (I & IIb) 5. Total (I & IIb) 7. Medical 7. Medical 7. Medical 7. Medical 8. Other Surgical & Related Services 9. A Intake & Screening 1. Medical 9. Total (I & IIc) 1. Medical 9. Total (I & IIc) 1. Medical 9. Total (I & IIc) 9. Total (I &	4. X-Ray	1		····		
6. Mental Health 7. Rehab. Therapies 8. Other Health TOTAL (I & IIa) 5. Family Planning 1. Reproductive Health Care 2. Laboratory 3. Pregnancy Counseling 4. Community Service TOTAL (I & IIb) 5. In Medical 6. Mental Health 7. Rehab. Therapies 7. R	5. Pharmacy					
7. Rehab. Therapies 339 8. Other Health 340 TOTAL (I & Ila) 341 b. Family Planning 1. Reproductive Health Care 3,971,710 878,328 333,436 486,036 342 2. Laboratory 343 3. Pregnancy Counseling 344 4. Community Service 345 TOTAL (I & Ilb) 346 c. 1. Medical 347 2. Laboratory 348 3. Other Surgical & Related Services 349 4. Intake & Screening 350 TOTAL (I & Ilc) 351 d. Cerebral Palsy & Rehab. 352 2. Dental 353	6. Mental Health					
8. Other Health TOTAL (! & Ila) b. Family Planning 1. Reproductive Health Care 3,971,710 878,328 333,436 486,036 342 2. Laboratory 343 3. Pregnancy Counseling 344 4. Community Service 345 TOTAL (! & Ilb) 346 c. 1. Medical 347 2. Laboratory 348 3. Other Surgical & Related Services 349 4. Intake & Screening 350 TOTAL (! & Ilc) 351 d. Cerebral Palsy & Rehab. 352 2. Dental 353	7. Rehab. Therapies				1.7.	
## TOTAL (I & IIa) ## B. Family Planning 1. Reproductive Health Care	8. Other Health					-
b. Family Planning 1. Reproductive Health Care 3,971,710 878,328 333,436 486,036 342 2. Laboratory 343 3. Pregnancy Counseling 344 4. Community Service 345 TOTAL (I & IIb) 346 c. 347 2. Laboratory 347 2. Laboratory 348 3. Other Surgical & Related Services 349 4. Intake & Screening 350 TOTAL (I & IIc) 351 d. Cerebral Palsy & Rehab. 352 2. Dental 353	TOTAL (I & IIa)					
1. Reproductive Health Care 3,971,710 878,328 333,436 486,036 342 2. Laboratory 343 3. Pregnancy Counseling 344 4. Community Service 345 TOTAL (I & IIb) 346 c. 1. Medical 347 2. Laboratory 348 3. Other Surgical & Related Services 349 4. Intake & Screening 350 TOTAL (I & IIc) 351 d. Cerebral Palsy & Rehab. 352 2. Dental 353	b. Family Planning					animi.
2. Laboratory 3. Pregnancy Counseling 4. Community Service 5. TOTAL (I & IIb) 6. Total (I & IIb) 7. Laboratory 7. Laboratory 7. Medical 7. Laboratory 7. Lab	Reproductive Health Care	3,971,710	878.3281	333.436	486.036	342
3. Pregnancy Counseling 4. Community Service TOTAL (I & IIb) 5. Medical 5. Laboratory 7. Laboratory	2. Laboratory			333,130	400,030	
4. Community Service TOTAL (I & IIb) c. 1. Medical 2. Laboratory 3. Other Surgical & Related Services 4. Intake & Screening TOTAL (I & IIc) d. Cerebral Palsy & Rehab. 1. Medical 2. Dental 347 348 349 350 350 351 352		-				
TOTAL (I & IIb) C. 1. Medical 2. Laboratory 3. Other Surgical & Related Services 4. Intake & Screening TOTAL (I & IIc) 4. Cerebral Palsy & Rehab. 1. Medical 2. Dental 346 347 348 348 349 350 350 351 351		1				
1. Medical 347 2. Laboratory 348 3. Other Surgical & Related Services 349 4. Intake & Screening 350 TOTAL (I & IIc) 351 d. Cerebral Palsy & Rehab. 352 2. Dental 353					`	
1. Medical 347 2. Laboratory 348 3. Other Surgical & Related Services 349 4. Intake & Screening 350 TOTAL (! & IIc) 351 d. Cerebral Palsy & Rehab. 352 2. Dental 353						
2. Laboratory 3. Other Surgical & Related Services 4. Intake & Screening TOTAL (I & IIc) 351 d. Cerebral Palsy & Rehab. 1. Medical 2. Dental 348 349 349 350 350 351 352	1. Medical				*	247
3. Other Surgical & Related Services 349 4. Intake & Screening 350 TOTAL (! & IIc) d. Cerebral Palsy & Rehab. 1. Medical 352 2. Dental 353					+	
4. Intake & Screening TOTAL (I & IIc) d. Cerebral Palsy & Rehab. 1. Medical 2. Dental 350 351 352		<u> </u>				
TOTAL (I & IIc) d. Cerebral Palsy & Rehab. 1. Medical 2. Dental 351 352		1	-			
d. Cerebral Palsy & Rehab. 1. Medical 2. Dental 352						
1. Medical 352 2. Dental 353						dillilli
2. Dental 353						352
300						
3. Speech & Hearing 1 1 1 1 264 1	3. Speech & Hearing					354

Columns continue with column 5 on page 1 of this schedule. Lines continue with line 355 on pages 3 and 4 of this schedule.

igspace* Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

NYS DOH/OHSM Certificate of Need Application D&T Center Annual Allocation of Operating Costs

Schedule **6C**

Columns 5 through 9; Lines 328 through 354 🕏

Page 2 of 4

This data is identified as SET NO. 1							
Total Before Donations D	Set	No)	Enter a data S schedule. Enter box for the ap	let Number in the bier the identifying is opropriate year. Year Ended $rac{12}{}$	ox at left (see arroinformation for that	w) on each of the four pages of this at data set in this enclosure. Check
Line No. General Costs Donations Before Distribution Of Facility Costs Distribution (P) (P	<u> </u>	1	,	First Ye	ar Ended	<u>/ — — U II</u>	ird Year Ended/
Line No. General Costs Donations Before Distribution Of Facility Costs Distribution (P) (P						<u>,</u>	
1,945,316	•		1	Before	of Facility Costs	After	
329 267,838	328	1,945,316				9,380,759	
1,028,493 1,028,493 1,028,493							
C. Patient Transportation 332 1,296,331 2,288,654 (948,098) 1,340,556 Subtotal	329	267,838		1,260,161			a. Administration
332 1,296,331 2,288,654 (948,098 1,340,556 Subtotal	330	1,028,493		1,028,493	(1,028,493)		b. Facility
	331						
	332	1,296,331		2,288,654	(948,098)	1,340,556	Subtotal
1. Medical 334 2. Dental Service 335 3. Laboratory 336 4. X-Ray 337 5. Pharmacy 338 6. Mental Health 339 7. Rehab. Therapies 340 8. Other Health 341 TOTAL (I & Ila) 5. Family Planning 1. Reproductive Health Care 2. Laboratory 342 5.18,3.56 6.187,8.66 8.38,6.66 7.026,5.32 1. Reproductive Health Care 2. Laboratory 344 3. Pregnancy Counseling 4. Community Service 345 4. Community Service 346 347 348 2. Laboratory 3. Other Surg. & Related Serv. 350 4. Intake & Screening 351 TOTAL (I & Ilc) 352 353 4. Dental 353 2. Dental 353 353 355 355 356 356 357 3							II. Patient Care Cost Centers
334 2. Dental Service 335 3. Laboratory 3. Penamacy 5. Pharmacy 5. Mental Health 7. Rehab. Therapies 8. Other Health 341 TOTAL (I & IIa) 5. Family Planning 342 5.18,356 6.187,866 8.38,666 7.026,532 1. Reproductive Health Care 343 3. Pregnancy Counseling 344 3. Pregnancy Counseling 345 4. Community Service 346 347 348 2. Laboratory 3. Other Surg. & Related Serv. 350 3. Other Surg. & Related Serv. 350 4. Intake & Screening 351 TOTAL (I & IIc) 352 353 353 354 355 3							a. Multi-service. Child Health
334 2. Dental Service 335 3. Laboratory 3. Penamacy 5. Pharmacy 6. Mental Health 7. Rehab. Therapies 8. Other Health 3. Other Health 3. Pregnancy 6. Family Planning 5. Family Planning 5. Family Planning 5. Family Planning 3. Pregnancy Counseling 3. Pregnancy Counseling 3. Pregnancy Counseling 4. Community Service 3. Other Surg. & Related Serv. 3. Other Sur	333						1. Medical
335 3. Laboratory 336 4. X-Ray 337 5. Pharmacy 5. Pharmacy 6. Mental Health 7. Rehab. Therapies 8. Other Health 10TAL (I & IIa) 8. Other Health 10TAL (I & IIa) 8. Other Health 10TAL (I & IIa) 8. Family Planning 1. Reproductive Health Care 2. Laboratory 1. Reproductive Health Care 2. Laboratory 3. Pregnancy Counseling 4. Community Service 345 3. Pregnancy Counseling 4. Community Service 346 370TAL (I & IIb) 347 348 3. Other Surg. & Related Serv. 350 3. Other Surg. & Related Serv. 350 4. Intake & Screening 351 352 353 353 354 355 35							2. Dental Service
336 4 X-Ray 337 5 Pharmacy 338 6 Mental Health 7 Rehab. Theragies 340 8 Other Health 10TAL (I & IIa) 5 Family Planning 1 Family Planning 5 Family Planning 2 Laboratory 342 518,356 6,187,866 838,666 7,026,532 1 Reproductive Health Care 343 2 Laboratory 344 3 Pregnancy Counseling 345 4 Community Service 346 370							3. Laboratory
Section Sect							
338							
7. Rehab. Therapies 340 8. Other Health TOTAL (I & IIa) b. Family Planning 518,356 6,187,866 838,666 7,026,532 1. Reproductive Health Care 2. Laboratory 344 3. Pregnancy Counseling 4. Community Service 345 4. Community Service 346 7.07AL (I & IIb) C. 347 348 2. Laboratory 3. Other Surg. & Related Serv. 350 4. Intake & Screening 351 TOTAL (I & IIc) d. Cerebral Palsy & Rehab. 352 1. Medical 2. Dental 353 2. Dental 353 365 36							6. Mental Health
340 8. Other Health TOTAL (1 & Ila) 5. Family Planning 342 518,356 6,187,866 838,666 7,026,532 1. Reproductive Health Care 2. Laboratory 344 3. Pregnancy Counseling 345 4. Community Service 346 TOTAL (1 & Ilb) c. 347 2. Laboratory 348 2. Laboratory 349 3. Other Surg. & Related Serv. 350 4. Intake & Screening 351 TOTAL (1 & Ilc) d. Cerebral Palsy & Rehab. 352 1. Medical 2. Dental		1					7. Rehab. Therapies
TOTAL (I & IIa) b. Family Planning 342 518,356 6,187,866 838,666 7,026,532 1. Reproductive Health Care 2. Laboratory 3. Pregnancy Counseling 4. Community Service 345 70TAL (I & IIb) c. 347 2. Laboratory 3. Other Surg. & Related Serv. 350 3. Other Surg. & Related Serv. 350 4. Intake & Screening 351 TOTAL (I & IIc) d. Cerebral Palsy & Rehab. 352 1. Medical 2. Dental 353 2. Dental 353 353 355 356 367 368 370		l					8. Other Health
D. Family Planning 342 518,356 6,187,866 838,666 7,026,532 1. Reproductive Health Care 2. Laboratory 3. Pregnancy Counseling 4. Community Service 345 4. Community Service 346 70TAL (I & IIb) 6. 347 348 2. Laboratory 3. Other Surg. & Related Serv. 350 4. Intake & Screening 351 TOTAL (I & IIc) 6. Cerebral Palsy & Rehab. 352 1. Medical 353 2. Dental 353 2. Dental 353 350 3							
342 518,356 6,187,866 838,666 7,026,532 1. Reproductive Health Care 2. Laboratory 344 3. Pregnancy Counseling 4. Community Service 345 4. Community Service 346 1. Medical 2. Laboratory 348 2. Laboratory 3. Other Surg. & Related Serv. 350 4. Intake & Screening 351 TOTAL (I & IIc) d. Cerebral Paisy & Rehab. 352 1. Medical 2. Dental 353 2. Dental 353 350	dillilli						
343	342	510 356		6 197 866	838 666	7 026 532	
3. Pregnancy Counseling 4. Community Service 345		0,0000		0.107.000	030,000	7.022.1222	
345				· · · · · · · · · · · · · · · · · · ·			
TOTAL (I & IIb)							
C.							
1. Medical							
348	347						
3. Other Surg. & Related Serv. 350 4. Intake & Screening TOTAL (I & IIc) d. Cerebral Palsy & Rehab. 352 1. Medical 2. Dental	240	1					
350 4. Intake & Screening 351 TOTAL (I & IIc) d. Cerebral Palsy & Rehab. 1. Medical 2. Dental		 					
TOTAL (I & IIc) d. Cerebral Palsy & Rehab. 1. Medical 2. Dental							
352 1. Medical 2. Dental							
352 1 1. Medical 2. Dental	11111111						
353 2. Dental	353						
		 					
	354						3. Speech & Hearing

Columns 1 to 4 appear in pages 1 and 3 of this schedule. Lines continue on pages 3 and 4.

^{*}Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

New York State Department of Health Office of Health Systems Management

Certificate of Need Application

For Establishment/Construction Requiring Full Review *

Schedule **6C**

Page 1 of 4

D & T Center Annual Allocation of Operating Costs

This schedule consists of 4 pages (9 columns and lines 328-384) to be completed for the current, first and third year of operation.

Set No:

See Page 2 of this schedule

Assumes 8% growth at end of 1999.

	Salary and Wages	Employee Benefits [2]	Purchased Contract & Services	Supplies [4]	Line No.
TOTAL ADJUSTED COSTS	5,508,312			768,850	328
I. Core Cost Centers					
a. Administration	813,512		163,533	94,663	329
b. Facility				34,000	330
c. Patient Transportation					331
Subtotal	813,512		163,533	94,663	332
II. Patient Care Cost Centers					HIIII
a. Multi-service, Child Health					
1. Medical					333
2. Dental					334
3 Laboratory					335
4 X-Ray			1		336
5. Pharmacy					337
6. Mental Health					338
7. Rehab. Therapies	<u> </u>				339
8. Other Health					340
TOTAL (I & IIa)					341
b. Family Planning					
1. Reproductive Health Care	4,289,447	948,594	360,111	524,918	342
2. Laboratory					343
3. Pregnancy Counseling					344
4. Community Service					345
TOTAL (! & IIb)					346
C.					
1. Medical				Ĩ	347
2. Laboratory					348
3. Other Surgical & Related Services					349
4. Intake & Screening					350
TOTAL (I & IIc)					351
d. Cerebral Palsy & Rehab.					
1. Medical					352
2. Dental					353
3. Speech & Hearing					354

Columns continue with column 5 on page 1 of this schedule. Lines continue with line 355 on pages 3 and 4 of this schedule.

igspace* Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

NYS DOH/OHSM Certificate of Need Application D&T Center Annual Allocation of Operating Costs

Schedule **6C**

Columns 5 through 9; Lines 328 through 354 *

Page 2 of 4

<u></u>		`	Enter a data S schedule. Ent box for the ap	et Humber in the b	ox at left (see arro information for th	ET NO. 3 w) on each of the four pages of this at data set in this enclosure. Chack
Set	No:3)	√ ▼ First Ye	ar Ended	/ D TI	nird Year Ended 12 / 99
	- <u> </u>					
	-		Total	Distribution	Total	
Line	General		Before	of Facility	After	
No.	Costs	Donations	Distribution	Costs	Distribution	
ļ	<u> </u>	[6]	<u> </u>	(8)	[9] ——	
328	2100941		10131218	, -,	10131218	TOTAL ADJUSTED COSTS
						I. Core Cost Centers
329	289265		1360973	86827	1447800	a. Administration
330	1110772		1110772	(1110772)		b. Facility
331					L	c. Patient Transportation
332	1400037		2471745	(1023945)	1447800	Subtotal
						II. Patient Care Cost Centers
						a. Multi-service, Child Health
333						1. Medical
334						Dental Service
335						Laboratory
336						4. X-Ray
337		:			-	5. Pharmacy
338						Mental Health
339						7. Rehab. Therapies
340						8. Other Health
341						TOTAL (! & IIa)
						b. Family Planning
342	559825		6682895	905759	7588654	1. Reproductive Health Care
343						2. Laboratory
344						3. Pregnancy Counseling
345						4. Community Service
346						TOTAL (I & IIb)
	Mhumuma					C.
347						. 1. Medical
348						2. Laboratory
349						Other Surg. & Related Serv.
350						4. Intake & Screening
351						TOTAL (I & IIc)
						d. Cerebral Palsy & Rehab.
352						1. Medical
353						2. Dental
354						3. Speech & Hearing

Columns 1 to 4 appear in pages 1 and 3 of this schedule. Lines continue on pages 3 and 4.

^{*}Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

NYS DOH/OHSM Certificate of Need Application D&T Center Annual Allocation of Operating Costs Columns 1 through 4; Lines 355 to 384 *

Schedule **6C**

Page 3 of 4

Set No:

See Page 2 of this schedule

	Salary and Wages	Employee Benefits [2]	Purchased Contract & Services	Supplies	Line No.
d. Cerebral Palsy & Rehab. (continued)			(3)		unun
Physical Therapy					355
5. Occupational Therapy					356
6. Other Therapies					357
7. Mental Health					358
Medical Social Services					359
TOTAL (I & IId)					360
e Methadone Maint. Treatment Program					
1. Medical		•			361
2. Mental Health					362
3. Dispensing			-		363
TOTAL (I & Ile)					364
f. Hemodialysis					
1. Medical			***************************************		365
2. Chronic Dialysis	ĺ				366
3. Home Dialysis					367
4. Peritoneal Dialysis					368
TOTAL (I & III)					369
g. Dental					
 Dental Services 					370
2. Dental Laboratory					371
TOTAL (I & IIg)					372
h. Speech & Hearing					
1.				***************************************	373
2.					374
3.			·····	"	375
TOTAL (I & IIh)					376
i. Drug Free					
1.	Ī				377
2.				-	378
3.					379
TOTAL (I & III)					380
1.					381
2.					382
3.					384
TOTAL (I & IIi)	 				389

Columns 5 to 9 continue on pages 2 and 4. Line 389 is the last line.

^{*} Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

NYS DOH/OHSM Certificate of Need Application D&T Center Annual Allocation of Operating Costs Columns 5 through 9; Lines 355 to 384

Schedule **6C**

Page 4 of 4

Set No:

See Page 2 of this schedule

			Total	Distribution	Total	
Line	General		Before	of Facility	After	
No.	Costs	Donations	Distribution	Costs	Distribution	
'**	(5)	(6)		(8)	ļ.	
			[7]		[9]	Corobral Paley & Robab (cont.)
355						Cerebral Palsy & Rehab. (cont.) 4. Physical Therapy
356						5. Occupational Therapy
357						6. Other Therapies
358						7. Mental Health
359						
360						8. Medical Social Services
360	mmmmmmm		annananananananananananananananananana	ammannana.		TOTAL (I & IId)
						e. Methadone Maint, Treat, Prog.
361						1. Medical
362						2. Mental Health
363				····		3. Dispensing
364				mmmmmmmmmm	carrane carrane carrane	TOTAL (I & IIe)
						f Hemodialysis
365						1. Medical
366						2. Chronic Dialysis
367						3. Home Dialysis
368						4. Peritoneal Dialysis
369						TOTAL (I & III)
						g Dental
370	·					Dental Services
371						2. Dental Laboratory -
372						TOTAL (I & ilg)
						h. Speech & Hearing
373						1.
374						2.
375						3.
376						TOTAL (I & IIh)
THIN:						i. Drug Free
377			***************************************	***************************************	***************************************	1,
378						2.
379						3.
380						TOTAL (I & III)
dillille						Hemophilia
381						1.
382						2.
384						3.
						TOTAL (I & III)
389		<u> </u>				TOTAL D & JULY

End of Schedule

^{*} Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

Certificate of Need Application For Establishment/Construction Requiring Full Review*

Schedule **7C**

Diagnostic & Treatment Center Statement of Revenue

	a. Medicaid	2,129,838	
1. Patient Revenue	b. Medicare		
	c. Blue Cross]
	d. Self Pay	2,874,791]
	e. Private Insurance	8,055	
	f. Capitation Plan Revenue	736]
	g. Ordered Ambulatory Services		
	h. Other (specify) American Cancer Socie	tly 6,224]
	TOTAL	5,019,644	
	a. Sale of Literature		
II. Other Operating	b. Sale of X-Ray Silver]
Revenue	c. Sale of Supplies to Other than Patients		
	d. Telephone		
	e. Other	312,493	*1
	TOTAL		
111 N O	a. Gifts, Legacies, and Bequests]
III. Non Operating	b. Grants:		
Revenue	Community Health Center (Section 330)		
	Maternal and Child Health (Title V)	244,654	
	WIC Administrative Funds		
	Primary Ambulatory Care Program		ا
	Local Health Assistance Funds		
	Family Planning	2,414,256	
	Other Grants (Specify)	92,200	* 2
	c. Other Non-Operating Revenue	57,230	
	TOTAL	5,157,093	1
	TOTAL REVENUE (I. II and III)	10,489,230)

F. Charges		Total Charges	Adjustments
	1. MEDICAID	2,326,551	
	2. MEDICARE		
	3. BLUE CROSS		
	4. SELF PAY	3,007,487	
	5. PRIVATE INSURANCE	20,679	
	6. OTHER	10,665	
	TOTAL	5,365,382	

^{*} Do not use the master copy. Photocopy master and then complete copy if this schedule is required.

Certificate of Need Application

Schedule 7C Attachment

Diagnostic & Treatment Center Statement of Revenue

Notes:

1.

II. Other Operating Revenue

e. Other

Investment Income 287,273 Education/Training 22,789 Advocacy 2,431 TOTAL 312,493

2.

III. Non Operating Revenue b. Other Grants

Yonkers APPSP Mt. Vernon APPSP County Grant

18,294

37,579

16,521

TOTAL

Monthly Cash Flow														
July 1, 1997 - June 30, 1991	3		<u> </u>						VVIAIO.					\$r
Patient Revenue	Month	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL
Medicaid		188,976	202,773	178,334	182,896	175,197	201,409	346,403	248,419	229,591	212,494	205,528	129,248	2,501,26
Self Pay		269,356	232,898	254,613	248,142	245,766	251,544	245,583	259,324	235,062	254,581	237,113	209,359	2,943,34
Commercial	**************************************	0	600	73	600	756	1,096	2,042	21	o i	416	416	1,010	7,030
Capitation Plan Revenue		260	325	390	455	520	585	650	715	780	3,130	2,947	1,357	12,11
Non-Operating Revenue							· · · · · · · · · · · · · · · · · · ·							
Gifts, Legacies and Bequests		223,701	39,844	72,047	113,342	156,073	118,621	71,249	72,750	44,424	162,344	199,047	355,438	1,628-88
Grants		166,155	90,508	422,436	121,777	201,143	144,722	36,455	576,622	25,098	297,425	321,627	76,354	2,480,322
Other Non-Operating Reve	nue	14,020	3,493	36,775	4,968	12,707	35,840	26,818	26,756	13,578	8,752	7,081	5,306	196,09-
TOTAL		862,468	570,441	964,668	672,180	792,162	753,817	729,200	1,184,607	548,533	939,142	973,759	778,072	9,769,049

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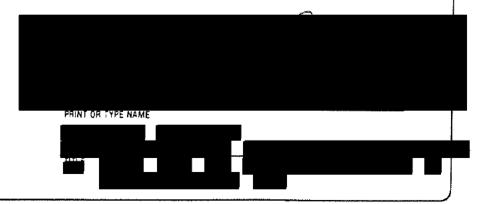
Certificate of Need Application (

Schedule 16

For Establishment/Construction Requiring Full Review *

Assurances

- (A) The applicant has or will have a fee simple or such other estate or interest in the site, including necessary easements and rights-of way sufficient to assure use and possession for the purpose of the construction and operation of the facility;
- (B) The applicant will obtain the approval of the commissioner of all required submissions, which shall conform to the standards of construction and equipment pursuant to 10 NYCRR.
- (C) The applicant will assure to the commissioner that final contract documents and specifications are consistent with all previous approvals and shall conform to the standards of construction and equipment of 10 NYCRR, prior to contracting for construction, unless otherwise provided for in section 710.7 of 10 NYCRR;
- (D) The applicant will cause the project to be completed in accordance with the application and approved plans and specifications.
- (E) The applicant will provide and maintain competent and adequate architectural or engineering supervision and inspection at the construction site to insure that the completed work conforms with the approved plans and specifications:
- (F) If the project is an addition to a facility already in existence, upon completion of construction all patients shall be removed from areas of the facility which are not in compliance with 10 NYCRR Section 711.4 through 711.8 of this Title, or other pertinent provisions of 10 NYCRR Chapter 5 Subchapter C, unless a waiver is granted to specific provisions by the commissioner, under 10 NYCRR Section 711.9;
- (G) The facility will be operated and maintained in accordance with the standards prescribed by law; and
- (H) The applicant will comply with the provisions of the Public Health Law and the applicable provisions of 10 NYCRR with respect to the operation of all established, existing medical facilities in which the applicant has a controlling interest.



*Do not use the master copy. Photocopy master and then complete copy.

Describe all business associations and all sources of income you may have in dealing directly r indirectly with and or any other health care facility, without presenting any specific ollar amount.	
Board Number -	
Board Number -	
Date Date	

1/97

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Signature	 Date 1/24/97

New York State Department of Health/Office of Health Systems Management Certificate of Need Application.

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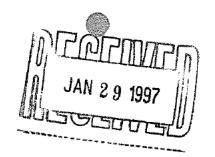
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New York State Department of Health/Office of Health Systems Management Certificate of Need Application.

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New York State Department of Health Office of Health Systems Management

DOR 114 -4 86c

Certificate of Need Application For Establishment/Construction Requiring Full Review*

Schedule **22**

Corporation, Bank, or Savings & Loan Association

With a Real Property Interest in the Facility					
Facility Name				0PERATING CERTIFICATE NO 5 9 0 2 2 0 1 R	
I Description of Organiz	zatio	n and I	nterest in Fac		
Organization Type. Check One Privately held Publicly Training Corporation Savings and Rank Loan Assn Not-for-Profit	ded	Organizati Bank 123 M	on Name and Address of New York ain Street Plains, New		
Land			lding	Equipment	
Orectly Indirectly: (Lessee in a Lease Sublease) of the LAND on which the Facility is Located Orectly Indirectly: Lesser in a Lease Sublease; of the LAND on which the Facility is Located Orectly Indirectly: in the LAND on which the Facility is Located Orectly Indirectly: in a Mortgage Note, Deed of Trust or other Obligation secured in whole or in part by the LAND on which the Facility is Located		iLease Sub- in which the iDirectly Ind- in which the iDirectly Ind- in which the iDirectly Ind- Note, Deed of gation secur by the BUILL Facility is Li		Directly Indirectly: in a Mortgage Note Deed of Trust or other Obi- gation secured in whole or in Part by the EQUIPMENT used in the Facility	
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Address			Descriptive	Attachment #	
Name Last, First, M.I./Nature of Interest Address			Descriptive	Attachment #	
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Name, Last, First, M.I.	- T		Descriptive	Attachment #	
★ Do not use the master copy. Photo then complete copy of this schedu	ocopy m	naster and	V Certificati The undersigned he that the information a	ON reby certifies, under penalty of perjury contained herein and attached hereto i	

New York State Department of Health Office of Health Systems Management

100H 114 -31 866

Certificate of Need Application For Establishment/Construction Requiring Full Review*

Schedule **22**

Corporation, Bank, or Savings & Loan Association

With a Real Property Interest in the Facility					
Facility Name				0PERATING CERTIFICATE NO 5 1 5 3 2 0 1 R	
I Description of Organiz	atio	n and I	nterest in Fac		
Organization Type. Check One Privately held Publicly Trai Corporation Corporation Savings and X Bank Loan Assn Not-for-Profit	ded	Organizati Bank o One Ea	on Name and Address of Smithtown ast Main Streetown, New York	e t	
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Directly Indirectly: (Lessee in a Lease: Sublease) of the LAND on which the Facility is Located		iLease Subi	directly: Lessee in a lease: of the BUILDING e Facility is Located	Directly, Indirectly) Lessee in a Lease/Sublease) of the EQUIP-MENT used in the Facility	
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O rect, Indirectly) in the LAND on which the Facility is Located		Directly Indian the	irectlys in the BUILDING Facility is Located	Orectly Indirectly in the EQUIPMENT used in the Facility	
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II Persons with an Intere	st	1\		ctions - Persons/Facility	
Name Last, First, M.I./ Nature of Interest			Name: Last, First, M	l.I.	
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Name Last, First, M.I./Nature of Interest	· 1.		Name: Last, First, M	.1.	
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PLAN OF MERGER OF

AND , INC. INTO PLANNED PARENTHOOD HUDSON PECONIC, INC.

ARTICLE I

Names of Constituent Corporations and of Surviving Corporation

The names of the constituent corporations are
and Inc. and
c. was formed under the name
. The name of the surviving corporation is Planned
Parenthood Hudson Peconic, Inc.
ARTICLE II
Membership
The membership of each constituent corporation are described as follows:
The members of the board of directors of such corporation. The members of the board of directors of are the officers and members of the board of directors of
such corporation.

ARTICLE III

Terms and Conditions of Proposed Merger

In accordance with a memorandum of understanding between the constituent corporations:

1. The surviving corporation will have no members.

- 2. Initially, the board of directors of the surviving corporation will be divided into two equal groups, one group nominated by each of the constituent corporations.
- 3. After the initial election of directors, the board of directors of the surviving corporation will elect directors in accordance with bylaws adopted by the board of directors of the surviving corporation.

ARTICLE IV

Amendments or Changes in Certificate of Incorporation of Surviving Corporation

The amendments or changes in the certificate of incorporation of the surviving corporation to be effected by the merger are as follows:

- 1. Paragraph 1 of the Restated Certificate of Incorporation of , Inc. is amended in order to change the name of the corporation to read in its entirety as follows:
 - "1. The name of the Corporation is PLANNED PARENTHOOD HUDSON PECONIC, INC."
- 2. Paragraph 2 of such Restated Certificate is amended in order to change the type of the corporation to read in its entirety as follows:
 - "2. The Corporation is a corporation as defined in Subparagraph (a)(5) of Section 102 of the Not-for-Profit Corporation Law. The Corporation is a Type B corporation within the meaning of Section 201 of the Not-for-Profit Corporation Law. The Corporation shall not have members."
- 3. Paragraph 4 of such Restated Certificate is amended in order to change the area of operations of the corporation to read in its entirety as follows:
 - "4. The operations of the Corporation are to be conducted principally in the Counties of Suffolk, and and in the State of New York."

4. Paragraph 5 of such Restated Certificate is amended in order to change the location of the office of the corporation to read in its entirety as follows:

"5. The office of the C	Corporation shall be located in
County of	in the State of New York. The books and
records of account of the	he Corporation shall be kept at
	, »

- 5. Paragraph 6 of such Restated Certificate is amended in order to change the address for service on the corporation to read in its entirety as follows:
 - "6. The Secretary of State is designated as agent of the Corporation upon whom process against it may be served. The post office address to which the Secretary of State shall mail a copy of any process against the Corporation served upon him is:

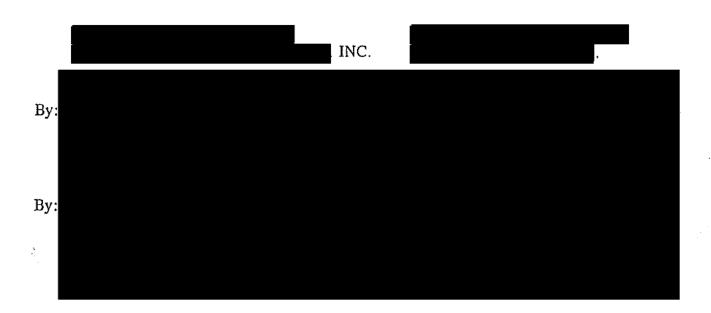
ARTICLE V

Miscellaneous Provisions

- 1. Effective Date of Merger. The proposed merger shall become effective upon the filing of the certificate of merger by the Secretary of State and the certificate of merger shall not contain any provision to the contrary.
- 2. Abandonment of Plan. Notwithstanding authorization of this plan by the members of the constituent corporations, if at any time prior to the filing of the certificate of merger by the Department of State it becomes the opinion of the board of directors of either of the constituent corporations that events or circumstances have occurred which render it inadvisable to consummate the merger, this plan of merger may be abandoned. The filing of the certificate of merger by the Department of State shall conclusively establish that this plan has not been abandoned.
- 3. Expenses of Merger. The constituent corporations shall share all the expenses of carrying this plan into effect and accomplishing the merger.

4. Counterparts. For the convenience of the parties and to facilitate approval of this plan, any number of counterparts of this plan may be executed and each such executed counterpart shall be deemed to be an original instrument.

IN WITNESS WHEREOF, this plan of merger has been subscribed on behalf of Inc. on November 19, 1996, and on behalf of Inc. on November 26, 1996, by the undersigned duly authorized officers of those corporations, the plan having been duly adopted by the board of directors and the members of ... on November 26, 1996 and Planned Parenthood of ... and ... Inc. on November 19, 1996.



CERTIFICATE OF MERGER OF

AND

INTO

PLANNED PARENTHOOD HUDSON PECONIC, INC.

UNDER SECTION 904 OF THE NOT-FOR-PROFIT CORPORATION LAW

Filed by:

Nixon, Hargrave, Devans & Doyle LLP One KeyCorp Plaza Albany, New York 12207

CERTIFICATE OF MERGER OF

AND INTO PLANNED PARENTHOOD HUDSON PECONIC, INC.

UNDER SECTION 904 OF THE NOT-FOR-PROFIT CORPORATION LAW
The undersigned, and Inc.,
(1) The names of the constituent corporations are and Inc. and . was formed under the name of . The name of the surviving corporation is Planned Parenthood Hudson Peconic, Inc.
(2) The membership and holders of certificates evidencing capital contributions and subventions, including their number, classification, and voting rights, as t each constituent corporation, are described as follows:
The members of the board of directors of such corporation. The members of the board of directors of such corporation.
(3) The amendments or changes in the certificate of incorporation of the surviving corporation which are to be effected by the merger are as follows:
1. Paragraph 1 of the Restated Certificate of Incorporation of is amended in order to change the name of the corporation to read its entirety as follows:
"1. The name of the Corporation is PLANNED PARENTHOOD HUDSON PECONIC, INC."

2. Paragraph 2 of such Restated Certificate is amended in order to change the type of the corporation to read in its entirety as follows:

- "2. The Corporation is a corporation as defined in Subparagraph (a)(5) of Section 102 of the Not-for-Profit Corporation Law. The Corporation is a Type B corporation within the meaning of Section 201 of the Not-for-Profit Corporation Law. The Corporation shall not have members."
- 3. Paragraph 4 of such Restated Certificate is amended in order to change the area of operations of the corporation to read in its entirety as follows:
 - "4. The operations of the Corporation are to be conducted principally in the Counties of Suffolk, and in the State of New York."
- 4. Paragraph 5 of such Restated Certificate is amended in order to change the location of the office of the corporation to read in its entirety as follows:
 - "5. The office of the Corporation shall be located in County of in the State of New York. The books and records of account of the Corporation shall be kept at
- 5. Paragraph 6 of such Restated Certificate is amended in order to change the address for service on the corporation to read in its entirety as follows:
 - "6. The Secretary of State is designated as agent of the Corporation upon whom process against it may be served. The post office address to which the Secretary of State shall mail a copy of any process against the Corporation served upon him is:
- (4) The certificate of incorporation of Inc. was filed under the name Inc. by the Department of State on June 11, 1968. The certificate of incorporation of Planned was filed by the Department of State on June 20, 1973.
 - (5) The merger was authorized with respect to and Inc. in the following manner:

A plan of merger was adopted by the board of and Inc. at a meeting on November 19, 1996, by vote of a majority of the directors present at the time of the vote, a quorum being present at the time. The board submitted the plan to a vote of the members. Notice of meeting was given to each member whether or not entitled to vote. A copy of the plan of merger accompanied the notice. The plan was approved at a meeting of the members on November 19, 1996, by two thirds of the votes cast at the meeting, the affirmative votes cast in favor of the plan being

at least equal to the quorum, blank votes and abstentions not being counted in the number of votes cast.

(6) The merger was authorized with respect to in the following manner:

IN WITNESS WHEREOF, the undersigned have, on behalf of each constituent corporation, signed this certificate and hereby affirm it as true under the penalties of perjury this 362 day of November, 1996



STATE OF NEW YORK)
COUNTY OF)ss.

who executed the foregoing Certificate, that she has read the same and knows the contents thereof, and that the statements contained therein are true.

Sworn to before me this ∂6day of NOVEMEE, 1996

Notary Public

JOAN G. KALINOUSKY
Notary Public, State of New York
No. 01 KA 4938529
Qualified in Suffolk County
Commission Expires Aug. 1, 1995

, being sworn, deposes and says that she is one of the persons described in and who executed the foregoing Certificate, that she has read the same and knows the contents thereof, and that the statements contained therein are true.

Sworn to before me this 26 day of NOEMBER, 1996

en & Kalenauck Notary Public

JOAN G. KALINOUSKY
Notary Public, State of New York
No. 01 KA 4938529
Qualified in Suffolk County
Commission Expires Aug. 1, 1998

STATE OF NEW YORK) COUNTY OF SUFFOLK)ss.:

and who executed the foregoing Certificate, that she has read the same and knows the contents thereof, and that the statements contained therein are true.

Sworn to before me this & 4 day of NOVEMBEE

. 1996

Notary Public

JOAN G. KALINOUSKY
Notary Public, State of New York
No. 01 KA 4938529
Qualified in Suffolk County
Commission Evolves Ave. 1, 1998

who executed the foregoing Certificate, that he has read the same and knows the contents thereof, and that the statements contained therein are true.

Sworn to before me

this 3th day of Decimber 1996

Notary Public

ANITA MATOS
Notary Public, State of New York

No. 0/M A No. 52-4705652
Qualified in Suffolk County
Commission Expires 6/30/9/1