

DETAILED HISTORY OF COMPREHENSIVE CARE MANAGEMENT CORPORATION

Comprehensive Care Management Corporation (CCMC) received approval from the New York State Department of Health to operate a Comprehensive Care Management Program on Grand and Essex Street in Manhattan, and on Allerton Avenue in the Bronx respectively. The Grand Street site is unique in that it is in a naturally occurring retirement community (NORC) which enables CCMC to service the immediate community. The site on Allerton Avenue will enhance Beth Abraham Hospital's ability to provide a continuum of health care service to the Bronx community.

The Grand Street building includes 11,840 square feet of floor area.
The Allerton Avenue site includes 19,572 square feet of floor area.

The intended use of the buildings would involve the following non-residential Beth Abraham Hospital programs and affiliated corporations:

- 1) Beth Abraham Hospital's Long Term Home Health Program
- 2) Beth Abraham Diagnostic and Treatment Center, Inc.
- 3) Comprehensive Care Management Corporation

Each of these is described below:

Comprehensive Care Management

The Comprehensive Care Management (CCM) program would provide a range of services to frail seniors. The participant profile is at least fifty-five years old, medically eligible for a skilled nursing facility (i.e., nursing home). Services would involve social day health, home health care and medical services as described below. Approximately 60- 75 participants per day will be served at each site at year two, and roughly 100-120 participants per day at year three.

The social day health services would include recreational, occupational, physical and speech therapies, with nutritional lunches provided in the building. The medical services would be designed to monitor the health of the Comprehensive Care Management participants who use the facility. A diagnostic and treatment center (DTC) within the building will provide the on-site medical component for the CCM program.

CCM was established in the Bronx in 1984 as a managed care demonstration program to provide Comprehensive long term care services to frail elderly and chronically disabled adults. Because of CCM's success to date, an effort to expand the program was initiated in 1992. In December of the same year, an application was submitted to the Department of Health to expand Beth Abraham's Long Term Health Care Program (LTHHCP) to Manhattan and further into the Bronx. The LTHHCP is the legal entity through which CCM operates in New York State.

To understand the true impact of the DTC, it must be addressed within the context of the entire CCM program. Although the clinic area may be only 10-14% of the facility to be funded, the DTC is the legal vehicle for providing the medical care component critical to CCM. Upon establishment of CCM on Grand Street and Allerton Avenue, the DTC will provide primary medical care to CCM patients and arrange by contact for medical subspecialty and diagnostic services.

Among the other services provided by CCM are home care through Beth Abraham's LTHHCP, day care, hospitalization, nursing home care and housing. Further, intensive case management is central to the program to ensure appropriate use of services and containment of cost. Within CCM's capitated reimbursement structure, CCM will be paid a set amount per patient but be responsible for providing all the required care within that set price. To date, CCM has shown that it can provide a full range of services to nursing home level patients at costs lower than the present system by reducing hospitalizations and institutionalization.

The DTC clinic will be housed in this new building, physically utilizing 10-14% of the square footage but servicing 100% of the building's programs. Its primary clients will be CCM patients, but where appropriate, other individuals on a fee-for-service basis will be served.

Philosophy, Goals and Objectives of the DTC

The philosophy of the DTC must be understood within the context of CCM's philosophy which is:

- To maximize the independence of the frail elderly
- To maintain the frail elderly in their homes and/or in the community if it is medically, socially, and economically feasible.

CCM staff attains these goals by working closely with the patient and family members. Since many patients have multiple chronic and acute health problems, CCM's DTC physicians and the LTHHCP nurses monitor changes, provide timely interventions, and with other multidisciplinary team members, encourage the patients to help themselves. Nursing and nutrition education, physical therapy, occupational therapy and in home training all come into play. CCM may also help modify a patient's home environment to increase safety and convenience.

As part of the Comprehensive Care Management program, home health care services would be provided in the participants' homes to compliment services provided in the center. This service would be accomplished by three nurses each of whom would have an office in the facility and would travel daily from the facility to the homes of the participants.

II. PROJECT INFORMATION (Page 3)

#7 Provide street address, borough or town, for premises which you currently own or lease.....

- 1) 335 Old Tarrytown Road*
Greenburgh, NY

Owner:

Beth Abraham Hospital
612 Allerton Avenue
Bronx, NY 10467

Lessee:

Comprehensive Care Management Corporation (LEASE IS BEING DRAFTED)
2401 White Plains Road
Bronx, NY 10469

* This property is currently vacant and is undergoing rehab. The expected completion date is February 1996.

- 2) 2401 White Plains Road (15 YEAR LEASE EXPIRES APRIL 30, 2003
Bronx, NY 10467 SEE ATTACHED)

Lessor/Owner:

Howard Camac
1500 Astor Avenue
Bronx, NY 10469

Lessee:

Beth Abraham Hospital
612 Allerton Avenue
Bronx, NY 10467

Sublessee:

Comprehensive Care Management Corporation
2401 White Plains Road
Bronx, NY 10467

II. PROJECT INFORMATION...

6. Will any entity/person other than Applicant use the project facility? Does Applicant intend to lease out a portion of the project facility, and, if so, will there be tenants other than those listed under Question #5? Provide all details.

Yes, the Comprehensive Care Management (CCM) program will be leasing to the Beth Abraham Diagnostic and Treatment Center, Inc. (DTC) within the building that will provide the on-site medical component for the program.

To understand the true impact of the DTC, it must be addressed within the context of the entire CCM program. Although the clinic may be only 10-14% of each facility, the DTC is the legal vehicle for providing the medical care component critical to CCM. Upon establishment of these CCM programs in Manhattan and the Bronx, the DTC will provide primary medical care to CCM patients and arrange by contract for medical subspecialty and diagnostic services.

The DTC will be housed in each site, physically using 10-14% of the square footage but servicing 100% of the program. Although its primary clients will be CCM patients, the clinic may be used by other individuals on a fee-for-service basis.

7. Provide street address, borough or town, for premises which you currently own or lease, even if you don't occupy same. Do you plan to terminate/sell/vacate/remain at such premises? Provide all details. With respect to current leased premises, provide the name and address of the landlord and the expiration date of the lease term.

SEE ATTACHED

8. If any of the present or proposed tenants in this project are related to, or affiliated with the Applicant, please so indicate and list percentage of occupancy

Beth Abraham Hospital is a related corporation providing services to CCM via the Long Term Home Health Care Agency, which represents 82-85% of each proposed site. The Beth Abraham Diagnostic and Treatment Center, Inc. is a subsidiary corporation which represents 10-14% of the total site. Comprehensive Care Management Corporation itself represents approximately 5%.

II. PROJECT INFORMATION...

9. If any of the present or proposed tenants in this project are related to, or affiliated with the seller of the property, please so indicate and list percentage of occupancy.

NO

10. Is there a relationship, by virtue of common control or through related persons, directly or indirectly, between the Applicant and the present owner of the project site? If so, please provide details.

NO

11. Has the Applicant, or any existing or proposed tenant of the project, or any person related to any of the foregoing, received or benefitted from within the past six months, or is contemplating to receive or benefit from within the next six months, tax exempt financing anywhere within the United States? If yes, please provide details.

Yes, Beth Abraham Hospital received tax exempt funding through the Westchester Industrial Development Agency to build a Comprehensive Health Care Management Program in the town of Greenburgh, NY. The Greenburgh facility will house a Comprehensive Care Management program, an Adult Day Health Care Center and a Diagnostic and Treatment Center. The amount of this tax exempt bond financing is \$2,345,000.

In addition, Beth Abraham Hospital refunded its first mortgage, FHA-NYS Medical Care Facilities Finance Agency in the amount of \$13 million.

12. Will a real estate holding company/partnership be formed to own the project premises? Please provide the name and address of same, the kind of entity it is (corporation, partnership, etc.), and its officers/partners/shareholders/percentage ownership, etc.

NO

Required Documentation II.....(page 15)

a) Project Description:

At the Grand Street site, CCMC will be taking over a vacant movie theater within a small retail strip. At the Allerton Avenue site, CCMC will be acquiring three connecting vacant retail stores. We will renovate both buildings to provide each with social day health activities, a Diagnostic and Treatment center and a series of offices, all of which will support CCMC's program of managed care to a frail elderly, Medicaid eligible population. The renovations will provide for a large open recreation room and meeting area, counseling rooms for social workers, office areas for home care nurses, physical therapy and rehabilitation areas, medical treatment areas, a pantry/warming kitchen, storage, related supportive program space and an administrative area. Attached are the floor plans.

b)

We believe the success of the CCM program will have a nationwide impact on the future of health care for the elderly and the disabled. Our objective is to provide service to a low income population which currently is under served. Our goal is to keep participants in our program and out of costly nursing home beds. If the cost savings effected by CCM were projected on a national scale, the Federal Government would save millions of dollars and the benefit to the patients would be any improved quality of life.

c)

CCM will execute a long-term lease with an option to purchase and commence renovation on Allerton Avenue. The owner of this property is seeking a like-kind exchange property. It is anticipated that such a property will be identified within nine months to one year and that shortly thereafter title to the Allerton Avenue property will be ultimately pass to CCM. CCM intend to execute the lease and commence renovation for Grand Street as well. CCM will utilize its own cash reserves for the renovations and intends to be reimbursed for acquisition, renovation cost and all related fees and expenses. CCM understands that capital costs related to the Beth Abraham Diagnostic and Treatment Center, Inc. is not reimbursable under current IDA regulations.

III. DUE DILIGENCE

This section asks for more specific information about Applicant's operations. Please complete the following questions using attached Due Diligence Sheets, when necessary.

1. How many employees does Applicant employ in New York City at the time of the date of this Application?

Grand Street	- 60	Grand Street	- 15
Full Time Allerton Ave.	- 85	Part Time Allerton Ave.-	15
(minimum 35 hours per week)		(minimum 20 hours per week)	

2. How many employees does Applicant employ outside of New York City but in New York State at the time of the date of this Application?

Full Time	<u>None</u>	Part Time	<u>None</u>
(minimum 35 hours per week)		(minimum 20 hours per week)	

3. Does Applicant intend to employ new employees at the proposed project site, and/or will Applicant transfer current employees from premises presently being used? Please provide details. Initially, senior management will be transferred. The remainder will be new hires. Additionally, contracts for many health related services will result in employment for at least 500 new people such as home health aides, ambulette drivers, escorts, per diem nursing and rehab professionals and other health service related employees.
4. How many new and additional employees does Applicant plan on hiring each year over the next three years at the proposed project site, assuming Applicant meets its sales projections?

Grand Street - 20	40	60
Allerton Ave.- 28	56	85
Year One	Year Two	Year Three

5. List union affiliation, contact person, phone number and contract expiration date on attached Due Diligence Sheet. (see attached)
6. List bank affiliation, contact person, phone number and account number on attached Due Diligence Sheet. (see attached)
7. List three largest suppliers, their addresses, contact persons and telephone numbers on attached Due Diligence Sheet. (see attached)
8. List three major customers, their addresses, contact persons and telephone numbers on attached Due Diligence Sheet. (see attached)
9. List the principals (owners) of Applicant, their home addresses, titles, percentage of ownership, dates of birth and social security numbers on attached Due Diligence Sheet. (see attached)

III. DUE DILIGENCE...

10. List name(s), address(es), and telephone number(s) of any other entity in which, directly or indirectly, Applicant or any of its shareholders, partners, directors, or officers individually or collectively hold 5% or more of the stock or ownership interest in any such entity (an "Affiliate"). Please include real estate holding companies if applicable.

N/A

11. Has Applicant or any of its Affiliates ever received, or is currently receiving, financial assistance or any other kind of discretionary benefit from any governmental entity or agency, including the New York City Industrial Development Agency ? If so, provide all details.

(See attached)

12. Has Applicant, or any stockholder, partner, officer or director, or any entity with which any of the foregoing individuals have been associated, ever been adjudicated bankrupt or placed in receivership, or otherwise been the subject of a bankruptcy or similar proceedings (prior or current)?

() YES (x) NO If yes, provide all details on attached sheet.

13. Have any of Applicant's stockholders, partners, officers or directors ever been convicted of any criminal proceedings?

() YES (x) NO If yes, provide all details on attached sheet.

14. Is Applicant, or any stockholder, partner, officer or director of Applicant, a plaintiff or defendant in any civil or criminal proceedings?

(x) YES () NO If yes, provide all details on attached sheet. (See attached)

DUE DILIGENCE SHEET

1. Principals

Name (See attached)
Address _____

Social Security # _____
Date of Birth _____
Title _____

Name _____
Address _____

Social Security # _____
Date of Birth _____
Title _____

Name _____
Address _____

Social Security # _____
Date of Birth _____
Title _____

Name _____
Address _____

Social Security # _____
Date of Birth _____
Title _____

2. Major Customers

Name N.Y.S. Department of Health
Address Empire State Plaza
Albany, NY

✓ Phone Number 518-473-5507
Fax No. 518-473-7189
Contact Person Christopher Rush
% of Total Sales 75%

Name HFCA/Medicare
Address Division of Demonstration
Support
7500 Security Blvd.
Baltimore Md. 21244
Phone Number 310-996-6656
Fax No. _____
Contact Person Stephen Miller
% of Total Sales 24%

Name _____
Address _____

Phone Number _____
Fax No. _____
Contact Person _____
% of Total Sales _____

Name _____
Address _____

Phone Number _____
Fax No. _____
Contact Person _____
% of Total Sales _____

DUE DILIGENCE SHEET...

3. Suppliers

Name Community Ambulette
Address 45 Morris Street
Yonkers, NY 10705

Phone Number 914-963-6666
Fax No. 914-963-7896
Contact Person Dean Sloan, President

Name Montefiore Medical Center
Address 111 East 120 Street
Bronx, NY 10467

Phone Number 718-405-4172 ✓
Fax No. 718-365-2385
Contact Person Anthony Rocco

Name Progressive Home Health
Address 2488 Grand Concourse
Bronx, NY 10458

Phone Number 718-365-5400
Fax No. 718-294-4302
Contact Person Elliot Greene, President

Name _____
Address _____

Phone Number _____
Fax No. _____
Contact Person _____

4. Unions

Name N.Y.S. Nurses Association
Address 120 Wall Street - 23rd Floor
New York, NY 10005

Contact Person Glennie Millard
Phone Number 212-785-0157 X 154
Fax No. 212-785 0429
Contract Expiration _____

1199 National Health & Human Service
Name Employees Union
Address 310 West 43rd Street
New York, NY 10036-6407

Contact Person Vinnie Grimes
Phone Number 212-261-2399
Fax No. 212-261-2450
Contract Expiration _____

5. Banks

Bank Name Amalgamated Bank of New York
Contact Person Kenneth Birke, Asst. V.P.
Phone Number 212-246-3906
Fax No. 212-246-4603
Type of Account Checking #01-112795
Account Number Savings #04-754356
Address 1710 Broadway
New York, NY 10019

Bank Name _____
Contact Person _____
Phone Number _____
Fax No. _____
Type of Account _____
Account Number _____
Address _____

#14

DEFENDENT IN THE CAPACITY AS A DIRECTOR OF INTEGRATED
GENETICS LABORATORIES, INC.

CASES:

- 1) Robert J. Bernard
Integrated Genetics Laboratories, Inc. et. al
Delaware Chancery Civil Action #14045
- 2) Lenora Isaacs et. al
Henri A. Termeer et. al
Delaware Chancery Civil Action #14038

No action since March 1995.

Earl M. Collier, Jr.
November 13, 1995

III. DUE DILIGENCE...

15. In what litigation is Applicant, or any of the individuals and entities listed in response to Questions 9 and 10, currently involved, either as plaintiffs or as named defendants? Provide all details on attached sheet.
16. Does Applicant have any contingent liabilities? (*e.g. pending claims; federal, state or local tax liabilities; judgment liens; other liens, etc.*)
☐ YES ☒ NO if yes, provide all details on attached sheet.
17. Has Applicant filed all required tax returns with appropriate governmental jurisdictions entities?
☒ YES ☐ NO

IV. CONFIDENTIALITY

All information contained in this Application will be treated confidentially to the extent permitted by law (see "Certification" section V of this Application). Since under the New York State Freedom of Information Law, information must be disclosed unless such information contains trade secrets (which, if disclosed, would cause irreparable harm), Applicant must, in a letter addressed to the New York City Industrial Development Agency and accompanying this Application, indicate which information provided in this Application it believes to fall into such category and an explanation as to why.

V. CERTIFICATION

I, the undersigned, request on behalf of _____ ("Applicant") that this Application, including financial data and any tax returns submitted herewith, be submitted for review by the Board of Directors of the New York City Industrial Development Agency ("IDA"). I hereby certify that the information contained herein and in the attachments hereto, are, to the best of my knowledge and belief, accurate, true and correct. I understand that any intentional misstatements or misleading information contained herein, or the omission of relevant information, could be cause for rescission of IDA approval and IDA benefits. Further, I fully understand and accept the fees associated with the IDA program, including but not limited to the IDA Closing Fee; and I fully understand and accept the benefit package I am to receive under the IDA program; and I acknowledge receipt from the IDA of a memorandum explaining legal, insurance and various real estate related requirements, all of which will be necessary for the contemplated project.

On behalf of Applicant, I hereby acknowledge and agree that Applicant shall be, and is responsible for, and shall promptly pay all costs incurred by IDA, in connection with document negotiations, closing and, where applicable, bond issuance and sale, whether or not closing occurs and whether or not bond issuance and sale occur in applicable instances. The aforesaid costs, and Applicant's obligation hereunder to pay for same, shall include, but not be limited to, attorney's fees. Applicant's obligations hereunder are absolute and shall in no event be contingent upon closing.

On behalf of myself, all other principals of Applicant, and Applicant, I hereby authorize New York City Industrial Development Agency and the New York City Department of Investigation (DOI) to initiate their background clearance procedure with respect to myself, all other principals of Applicant, and Applicant. I, all other principals of Applicant, and Applicant agree to give DOI permission to secure all necessary personal data from all relevant sources, public and private, and I, all other principals of Applicant, and Applicant further agree to cooperate in all phases of the DOI background and clearance procedure. I, all other principals of Applicant, and the Applicant agree to hold IDA and the City of New York harmless with respect to any claims for injury, damage, loss or expense which may arise should the above mentioned background clearance procedure not be completed satisfactorily.

V. CERTIFICATION...

On behalf of Applicant and its existing and future affiliates, I authorize any private or governmental entity, including but not limited to The New York State Department of Labor ("DOL"), to release to IDA and/or to the New York City Economic Development Corporation ("EDC"), and/or to the successors and assigns of either (collectively, the "Information Recipients"), any and all employment information under its control and pertinent to Applicant and its existing and future affiliates and the employees of same. In addition, upon IDA's request, Applicant shall provide to IDA any employment information in Applicant's possession or in the possession of any of Applicant's existing and future affiliates, which is pertinent to Applicant and Applicant's existing and future affiliates and the employees of same. Information released or provided to Information Recipients by DOL, or by any other governmental entity, or by any private entity, or by Applicant itself (collectively, "Employment Information"), may be disclosed by the Information Recipients in connection with the administration of the programs of the IDA, and/or EDC, and/or the successors and assigns of either, and/or The City of New York, and/or as may be necessary to comply with law; and, without limiting the foregoing, the Employment Information may be included in (x) reports prepared by the Information Recipients pursuant to New York City Local Law 69 of 1993, (y) other reports required of IDA, and (z) any other reports required by law. If IDA approves this Application and the IDA Board of Directors approves the financing project which is the subject of this Application, this authorization shall remain in effect through the term of the financing lease which the Applicant and IDA will enter into at closing. If IDA does not approve this Application, and/or the IDA Board of Directors does not approve the financing project which is the subject of this Application, this authorization shall remain in effect through the earlier to occur of the aforesaid decisions not to approve.

I, all other principals of Applicant, and Applicant, understand that IDA may be requested to disclose the information contained in this Application and the attachments hereto, under applicable disclosure laws, or at the request of investigative law enforcement or other governmental bodies. ^(insert A) On behalf of myself, all other principals of Applicant, and Applicant, I authorize IDA to disclose any such information, under such law or where so requested, and I, all other principals of Applicant and the Applicant release IDA from any liability to the Applicant, all other principals, and/or myself for such disclosure. I also authorize IDA at its discretion to transmit this Application, including any financial data or tax returns submitted herewith, to prospective lenders, ^(insert B) such as banks or insurance companies, and to IDA's financial advisors.

On behalf of Applicant, I acknowledge and agree that IDA reserves the right to require Applicant to submit at Applicant's sole expense, such other documentation as IDA may require in addition to the documentation required hereunder, and that all such documentation, whether requested hereunder or hereafter, shall be provided at Applicant's sole cost and expenses, and shall be in form and substance satisfactory to IDA.

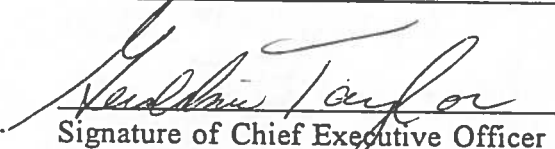
- A) All of whom shall agree to hold this application confidential to the extent set forth herein.
- B) as approved by Applicant in advance,

V. CERTIFICATION...

Approval of this Application may only be granted by IDA's Board of Directors through the Board's adoption of an inducement or authorizing resolution for the project described in this Application. Additionally, it is understood and agreed that the \$2,500 Application fee accompanying this Application is non-refundable, regardless of whether or not this Application is so approved. Applicant acknowledges and accepts that: the \$2,500 Application fee will accrue toward payment of the IDA Closing Fee should closing occur; and if and when the IDA's Board of Directors approves this Application, Applicant shall additionally pay at such time an amount equal to 10 basic points of the bond/project amount (as applicable), which payment shall also accrue toward payment of the IDA Closing Fee should closing occur.

Date:

Certification By:


Signature of Chief Executive Officer


Printed Name

Attested By:


Chief Financial Officer/Secretary


Printed Name