

Valley Health Services, Inc.
ADMISSION AGREEMENT

AGREEMENT made this _____ day of _____, 20____,
between Valley Health Services, Inc., 690 West German Street, Herkimer, New
York, 13350 (hereinafter referred to as VHS) and _____
(hereinafter referred to as "Resident"), now or formerly residing at
_____ and _____ (hereinafter
referred to as "Designated Representative") and residing at
_____.

IN CONSIDERATION OF THE MUTUAL COVENANTS HEREIN
CONTAINED, THE PARTIES HERETO HEREBY AGREE AS FOLLOWS:

1. VHS hereby accepts the above named applicant for residence in VHS. The duration of this contract shall be in accord with the terms and conditions herein stated.

PAYMENT FOR CARE

Payment for the care rendered at VHS will usually be made from one of these three sources: (1) Medicaid; (2) Medicare Part A; or (3) your private resources. The next three Sections detail the differences in payment for your stay based on these sources of payment.

BASIC PRIVATE DAILY RATE (Paragraphs 2 through 5)

2. The Basic Private Daily Rate as of the date of this agreement is (See Attachment A), subject to change in accordance with the terms hereinafter set forth. The Resident agrees to pay in advance the monthly Room and Board charge to VHS on or before the 10th day of each month. An interest charge of 1.25% per month (15% per annum) is added on payments received after the payment is due. Late charges will not be assessed on payments made for or on behalf of the Resident by a local, state or federal agency under the Medicare or Medicaid Program.

- I. The Basic Private Daily Rate includes:
- a. Lodging and board;
 - b. 24 hour per day nursing care;
 - c. The use of customarily stocked equipment, medical supplies and modalities, notwithstanding the quantity usually used in

the everyday care of nursing home Residents including but not limited to catheters, hypodermic needles and syringes, irrigation outfits, dressings and pads and so forth.

- d. Fresh linen as required changed at least twice weekly, including sufficient quantities of necessary bed linen or appropriate substitutes changed as often as required for incontinent Residents;
- e. Hospital gowns or pajamas as required by the clinical condition of the Resident, unless the Resident, next of kin or sponsor elects to furnish them, and laundry services for these and other launderable personal clothing items;
- f. General household medicine cabinet supplies, including but not limited to non-prescription medications, materials for routine skin care, oral hygiene, care of hair and so forth, except when specific items are medically indicated and prescribed for exceptional use for a specific Resident;
- g. Assistance and/or supervision, when required, with activities of daily living, including but not limited to toileting, bathing, feeding and ambulation assistance;
- h. Services, in the daily performance of their assigned duties, by members of the VHS staff who are concerned with Residents care;
- i. Use of customarily stocked equipment, including but not limited to crutches, walkers, canes, and wheelchairs and other supportive equipment, including training in their use when necessary, unless such items are prescribed by a physician for regular and sole use by a specific Resident;
- j. Activities program, including but not limited to a planned schedule of recreational, motivational, social and other activities, together with necessary materials and supplies to make the Resident's life more meaningful;
- k. Social services, as needed;
- l. Arrangements for opportunities for religious worship and counseling for Residents requesting such services;
- m. Kosher food or food products prepared in accordance with

the Hebrew Orthodox religion requirements when a Resident, as a manner of religious belief, desire to observe Jewish dietary law;

II.A. The Basic Private Daily Rate does not include:

- a. Ambulance or transportation services;
- b. Physician services and consultation fees;
- c. Prescription Medication;
- d. Physical therapy, occupational therapy, speech therapy, audiology services;
- e. Podiatry and ophthalmology;
- f. Electrocardiograph, X-ray, or laboratory tests or professional fees for same;
- g. Denture, eyeglasses, contact lenses, hearing aides, or similar personal items;
- h. Special nursing or personal care supplies not considered routine;
- i. Supportive equipment such as walkers, canes and wheelchairs when these are prescribed by a physician for the regular and sole use by the specific Resident;
- j. Dental services, including oral hygiene care and routine and twenty-four (24) hour emergency dental care;
- k. Oxygen;
- l. General household medicine cabinet supplies, including but not limited to non-prescription medications, materials for routine skin care, oral hygiene, care of hair, etc. when medically indicated and prescribed for an exception use;
- m. Therapeutic or modified diets, as prescribed by a physician; and
- n. Those items and services listed at Paragraph 14.

- B. Prescription medications are addressed at Paragraph 13 under the heading "Medicare Part D/Prescription Medications".
 - C. Payment for items listed at Section II (A) for which payment under Medicare Part B or other third party insurance is unavailable is made directly to VHS or the supplier providing the service. Payments to VHS for such items are due to VHS on or before the 21st day of the month following the month incurred. An interest charge of 1.25% per month (15% per annum), is added to the following month if late payment occurs.
 - D. VHS current charges for the above-listed services which are payable to VHS are included in the attached schedule of charges. VHS reserves the right to increase these charges upon notice as may be required by state and federal law.
 - E. To the extent that services listed at Section II (A) are paid under the Medicare Part B program or other third party insurance, such services will be billed to the appropriate third party payor by VHS or the supplier providing the service. Where Medicare Part B coverage is available Residents will be responsible to VHS or the supplier only for any co-insurance or deductible not paid by the third-party and/or insurance carrier. VHS will accept assignment for Medicare Part B Services.
 - F. Medicare Part B coverage for occupational therapy is subject to an annual cap as determined by Medicare. Medicare Part B coverage for speech therapy and physical therapy is subject to a combined annual cap as determined by Medicare. Once the annual Medicare Part B cap has been reached for occupational therapy services or speech and physical therapy services, the Resident shall be responsible to pay VHS private charges for such services.
3. VHS will assess no additional charges, expenses or other financial liabilities in excess of the basic daily rate for services covered by said basic daily rate, except:
- a. Upon express written approval and the authority of the Resident or designated representative;
 - b. Upon express written orders of the Resident's personal, alternate or staff physician stipulating specific services and supplies not included as basic services;
 - c. Upon at least thirty (30) days prior written notice to the Resident or

designated representative of additional charges, expenses or other financial liabilities due to the increased cost of maintenance and/or operation of VHS.

- d. In the event of a health emergency involving the Resident and requiring immediate special services or supplies to be furnished during the period of emergency.

4. The Resident agrees that at the time of admission, the Resident will deposit with VHS the sum equivalent to one month of the current daily rate, such sum representing the Resident's security deposit. Such security deposit shall be held in a separate interest bearing account. VHS shall have the sole discretion as to the type and nature of account in which the security deposit is held. The term separate interest bearing account means an account maintained by VHS separate and distinct from its general or other special accounts. Separate interest bearing account does not mean that VHS is obligated to hold each Resident's security deposit in a separate account for said Resident. VHS maintains the right to use a Resident's security deposit for delinquent payment of the monthly basic charge as required by paragraph 2 herein. If VHS is required to use all or a part of the Resident's security deposit for payment of delinquent charges as required by this paragraph, the Resident agrees to deposit with VHS additional funds to replenish said Resident's security deposit to a sum equivalent to two (2) months of the monthly basic charge at the time payment is made upon written notice to the Resident or responsible party. Pursuant to Section 2805-f of the New York Public Health Law, VHS is entitled to an annual administrative fee of 1% of the amount of the security deposit.

THIS PROVISION DOES NOT APPLY TO RESIDENTS WHO ARE DETERMINED AT THE TIME OF ADMISSION, TO BE MEDICARE OR MEDICAID ELIGIBLE BY A LOCAL AGENCY RESPONSIBLE FOR SUCH DETERMINATIONS.

5. The Resident, other than a Medicare and Medicaid Resident, agrees to pay the designated rate for as long as personal funds will allow. When such Resident becomes eligible for medical assistance, such Resident and/or designated representative agrees to apply immediately for medical assistance. The Resident is obligated to pay the basic daily rate up to the time the Resident is determined eligible for medical assistance by a local, state or federal agency. In the event of retroactive payment by Medicaid, the facility agrees to reimburse the Resident the basic daily rate paid to VHS from the date established for commencement of Medicaid eligibility to the date of the Medicaid determination, less NAMI monies required to be paid to VHS. To the extent the Resident's assets are exhausted or unavailable to pay the full Basic Private Daily Rate pending the processing of the Medicaid application, the Resident agrees to pay his/her monthly income as partial payment of the Basic Private Daily Rate until

Medicaid eligibility is established, subject to the VHS' obligation to refund any excess amounts received based on the Medicaid determination and the establishment of the Resident's NAMI contribution.

MEDICARE PART A (Paragraphs 6 and 7)

6. If you meet the criteria for coverage under Medicare Part A, payment for basic services will be made by the federal Medicare program, less any co-insurance or deductible obligations.

- I. VHS accepts Medicare Part A benefits and applicable co-insurance as payment in full: (1) for all the items listed under Paragraph 2 Subsection 1 of this Agreement; (2) except as set forth in Section II of this Paragraph 6, those items listed in Paragraph 2 Subsection IIA; and (3) any other item or service required by the Resident's Care Plan excluding those items or services set forth at Paragraph 13.
- II. Items not covered or paid by Medicare Part A are:
 - (a) the professional component of physician services;
 - (b) services of a physician's assistant working under a physician's supervision;
 - (c) services of nurse practitioners and clinical nurse specialists working in collaboration with a physician;
 - (d) services of a qualified psychologist;
 - (e) hospice services provided by a certified hospice pursuant to a contract with VHS;
 - (f) home dialysis supplies and equipment, self-care home dialysis support services and institutional dialysis services and supplies;
 - (g) erythropoietin;
 - (h) ambulance services not provided in conjunction with the Resident's stay at VHS, i.e., ambulance trips that occur at either the beginning or end of the Resident's stay;
 - (i) the following drugs and biologicals;
 - (1) vaccinations for pneumococcal pneumonia;
 - (2) vaccinations for hepatitis B;
 - (3) vaccinations for influenza;
 - (j) dental services.

Effective April 2, 2000, the following additional services will not be covered or paid under Medicare Part A:

- (a) ambulance services furnished in conjunction with renal dialysis services;
- (b) certain chemotherapy items and chemotherapy administration services;
- (c) certain radioisotope services;
- (d) certain customized prosthetic devices;

Descriptions of these services will be provided upon request.

- III. Items listed under Paragraph 2 Subsection II which are not covered under the Medicare Part A benefit will be charged to the Resident or billed to Medicare Part B or other third-party insurance if such items are covered under the Medicare Part B program or other third –party insurance and such coverage is available to the Resident. To the extent applicable, Paragraph 2 subsections II (C), II (D) and II (E) are incorporated herein.
- IV. Medicare Part A payment coverage is generally limited to the first 100 days of your stay at VHS. The Medicare Part A program imposes a co-insurance and/or deductible obligation upon you. You are responsible for payment to VHS of any co-insurance and/or deductible obligation on a monthly basis and you will be responsible to pay such invoice within ten (10) days.

7. When your Medicare Part A coverage expires, unless you are eligible for Medicaid coverage, you will be responsible for payment of VHS' Basic Private Daily Rate and you will be responsible for those obligations set forth at Paragraphs 2 through 5 of this Agreement, including the establishment of a security deposit account with VHS.

MEDICAID RATE (Paragraph 8)

8. The State Medicaid program pays for most services which will be provided to you at VHS. The next three subparagraphs will describe such services and will outline your personal payment responsibilities:

- I. VHS accepts Medicaid as payment in full for the following services:
 - a. Lodging, board, including therapeutic or modified diets, as prescribed by a physician;
 - b. 24 hour per day nursing care;
 - c. The use of all equipment, medical supplies and modalities,

notwithstanding the quantity usually used in the everyday care of nursing home Residents including but not limited to catheters, hypodermic needles and syringes, irrigation outfits, dressings and pads and so forth;

- d. Fresh linen as required changed at least twice weekly, including sufficient quantities of necessary bed linen or appropriate substitutes changed as often as required for incontinent Residents;
- e. Hospital gowns or pajamas as required by the clinical condition of the Resident, unless the Resident, next of kin or sponsor elects to furnish them, and laundry services for these and other launderable personal clothing items;
- f. General household medicine cabinet supplies, including but not limited to non-prescription medications, materials for routine skin care, oral hygiene, care of hair and so forth;
- g. Assistance and/or supervision, when required, with activities of daily living, including but not limited to toileting, bathing, feeding and ambulation assistance;
- h. Services, in the daily performance of their assigned duties, by members of the VHS staff who are concerned with Residents care;
- i. Use of customarily stocked equipment, including but not limited to crutches, walkers, canes, and wheelchairs and other supportive equipment, including training in their use when necessary, unless such items are prescribed by a physician and are custom made for regular and sole use by a specific Resident;
- j. Activities program, including but not limited to a planned schedule of recreational, motivational, social and other activities, together with necessary materials and supplies to make the Resident's life more meaningful;
- k. Social services, as needed;
- l. Arrangements for opportunities for religious worship and counseling for Residents requesting such services;
- m. Kosher food or food products prepared in accordance with

the Hebrew orthodox religion requirements when the Resident, as a manner of religious belief, desire to observe Jewish dietary law;

- n. Oral hygiene care and routine and twenty-four (24) hour emergency dental care;
- o. Pharmaceutical services, except for prescription medications which are addressed at Section 10 entitled "Medicare Part D/ Prescription Medications";
- p. Physical therapy services, as prescribed by a physician, administered by or under the direct supervision of a qualified physical therapist;
- q. Occupational therapy services, as prescribed by a physician, administered by or under the supervision of a qualified occupational therapist;
- r. Speech-language pathology services, as prescribed by a physician and administered by a qualified speech-language pathologist.

II. The Medicaid Resident and designated representative agree that any monies or funds that are listed in the County Department of Social Services, or City of New York Human Resources Administration's budget letter (NAMI Monies) required to be turned over to VHS for payment to VHS, for care rendered to the Resident will be promptly paid over to VHS. The Resident and designated representative hereby acknowledge that these funds are to be used to pay for the care of the Resident at VHS, and that VHS is entitled to the prompt payment of said money or funds. The Resident agrees to be personally liable to VHS if at any time he/she fails to turn over the money or funds at VHS. An interest charge of 1.25% per month (15% per annum) is added on payments of NAMI monies if received after the 21st of the month said monies are due to VHS.

III. Medicare Part B covered items to the extent not covered in the Medicaid rate will be billed to the third payor or insurance carrier by VHS or the vendor providing the service.

9. VHS will not charge a Medicare or Medicaid Resident during a Medicare Part A or Medicaid covered stay for the following items and services:

- a. Nursing and related services, excluding private duty nursing care;
- b. Food and Nutrition services;
- c. Activities program;
- d. Room/bed maintenance services;
- e. Medically related social services;
- f. Routine personal hygiene items and services, to the extent covered by Medicare or Medicaid; and
- g. Hospice services elected by the Resident and paid for under the Medicare Hospice Benefit or paid for by Medicaid.

With respect to Medicare Part A and Medicaid Residents, VHS shall not impose a charge against the Resident's personal funds for any item or service for which payment is made under Medicare and Medicaid (except for applicable deductible, co-insurance and/or NAMI amounts.)

MEDICAID APPLICATIONS/RECERTIFICATIONS (Paragraphs 10 through 12)

10. The Resident and the Designated Representative agree to fully cooperate with the County Department of Social Services in the Medicaid application/recertification process. The Resident and the Designated Representative agree to provide complete information and documentation to the appropriate County Department of Social Services as necessary to complete the Medicaid application or Medicaid recertification or as otherwise requested by the County Department of Social Services, including, but not limited to the disclosure of a description of any interest that the Resident or the Resident's spouse has in an annuity. All such information, documentation and disclosures are to be provided within the time frames requested by the County Department of Social Services.

11. In the event the Medicaid application or Medicaid recertification is denied due to a transfer of assets within the applicable Medicaid "look-back" period or due to an equity interest in the Resident's home that exceeds the current equity interest limitation, the Resident and the Designated Representative agree to take one or more of the following actions, as appropriate, to qualify for or to continue eligibility for Medicaid:

- a. undertake, to the Resident's and/or the Designated Representative's best efforts, all reasonable actions

necessary to have the transferred assets returned to the Resident or to obtain the fair market value for the assets transferred;

- b. designate the state in any annuity purchased by or on behalf of the Resident or the Resident's spouse as the remainder beneficiary in either the first or second position, as appropriate, under applicable Medicaid laws and regulations and restructure any such annuity as necessary, including, but not limited to, the removal or elimination of any deferral or balloon payments, the provision for payments in equal amounts during the term of the annuity, ensuring that the annuity is actuarially sound, ensuring the annuity is irrevocable and non-assignable; or
- c. with respect to home equity interest in excess of the Medicaid limit, sell the home at fair market value or secure a reverse mortgage or home equity loan to reduce the equity interest in the home to below the Medicaid limit.

In addition, the Resident and the Designated Representative agree to forego the purchase of a promissory note, loan, mortgage or life estate, unless such purchase will not adversely affect the Resident's eligibility or continued eligibility for Medicaid.

12. If due to a transfer of assets or due to an equity interest in the Resident's home in excess of the Medicaid limit, the Resident's Medicaid application or Medicaid recertification is denied, the Resident and/or the Designated Representative hereby agree to timely request and prosecute a hardship waiver application with the appropriate County Department of Social Services. Alternatively, the Resident and the Designated Representative agree to consent to the Facility requesting and prosecuting a hardship waiver application and will agree to sign an appropriate authorization when and if the need arises.

MEDICARE PART D/PRESCRIPTION MEDICATIONS (Paragraph 13)

13. VHS arranges for prescription medications for all residents through a specific vendor pharmacy. This paragraph addresses prescription medication costs under Medicare Part D.

- I. Part D Eligible Residents. A Resident eligible for Medicare Part D coverage agrees to enroll in a Medicare Part D prescription drug

plan which has a contract with VHS' vendor pharmacy ("Pharmacy PDP") as follows:

- a. at or prior to the date of admission, if eligible at such time: or
- b. during the month the Resident first becomes eligible for Medicare Part D coverage, if such eligibility occurs after the date of admission.

The Resident and/or the Resident's designated representative agree to fully cooperate in the enrollment process including, but not limited to, disenrolling from the Medicare Part D prescription drug plan with which the Resident is enrolled at the time of admission, to the extent such Medicare Part D prescription drug plan is not a Pharmacy PDP, requesting any required disenrollment/enrollment forms from a Medicare Part D prescription drug plan and timely completing and submitting an enrollment form with a Pharmacy PDP. To the extent permitted by applicable law, VHS will provide assistance to the Resident and/or the designated representative in the Medicare Part D enrollment process. The Resident and/or the designated representative will ensure that the Resident maintains continuous coverage under Medicare Part D with a Pharmacy PDP for the duration of the Resident's stay at VHS, including, but not limited to, payment of any required Medicare Part D premium.

- II. Private Pay Resident Eligible for Medicare Part D Coverage. The Resident and/or the designated representative is liable and responsible for all required prescription medications costs and payments under the Medicare Part D Program, including, but not limited to, co-payments, deductibles and prescription medication costs that standard beneficiaries are required to pay once the initial coverage limit of \$2,250.00 is reached. The Resident and/or designated representative is liable and responsible for the cost of any and all prescription medications not covered by the Resident's Pharmacy PDP, to the extent not otherwise covered under the Medicare Part D program. If a Resident fails to enroll in a Pharmacy PDP or disenrolls or is disenrolled from a Pharmacy PDP, the Resident will be liable and responsible for prescription medication costs to the same extent as a Private Pay Resident without Medicare Part D coverage (See subsection III below). VHS has no financial liability for prescription medication costs incurred on behalf of the Resident and, to the extent VHS incurs financial liability for such costs, the Resident and/or designated representative agree to reimburse and indemnify VHS for all such

costs.

- III. Private Pay Resident without Medicare Part D Coverage. The Resident and/or the designated representative is fully liable and responsible for all prescription medication costs incurred on behalf of the Resident, including, but not limited to, any required third-party insurance co-payments, deductibles, or co-insurance amounts. VHS has no financial liability for prescription medication costs incurred on behalf of the Resident and, to the extent VHS incurs financial liability for such costs, the Resident and/or designated representative agree to reimburse and indemnify VHS for all such costs.
- IV. Medicare Part A Resident. Prescription medication costs are included in VHS' Medicare Part A rate. When Medicare Part A coverage ceases, the Resident and/or designated representative will be responsible for prescription medication costs to the extent required by the Resident's status under subsections II, III, V or VI.
- V. Medicaid Only Resident. A Medicaid only Resident is a Resident who is eligible for Medicaid but not eligible for Medicare Part D coverage. Prescription medication costs incurred on behalf of the Resident are not included in VHS' Medicaid rate. Prescription medication costs are billed directly by the vendor pharmacy to Medicaid and are paid for by Medicaid.
- VI. Medicaid Resident Eligible for Medicare Part D Coverage. Prescription medication costs covered by the Resident's Pharmacy PDP are fully covered under the Medicare Part D program, VHS has no financial liability for prescription medication costs covered by the Resident's Pharmacy PDP. The Resident and/or designated representative are liable and responsible for the costs of prescription medications not covered by the Resident's Pharmacy PDP, to the extent not otherwise paid for by Medicaid.

SUPPLEMENTAL SERVICES (Paragraph 14)

14. Medicare and Medicaid do not cover certain items and services, unless they are ordered by a physician and are required, by the Resident's care plan, to achieve the goals stated therein. If the Resident, during a Medicare Part A or Medicaid covered stay requests such items and services, the Resident will be responsible for payment for these items and services, unless they are ordered by a physician and are required, by the Resident's care plan, to achieve the goals stated therein. . These specific items and services for which VHS may

charge the Resident during a Medicare Part A or Medicaid stay, include but are not limited to the following:

- a. Telephone, including cellular phone;
- b. Television/Radio, personal computer or other electronic devise for personal use, including cable services;
- c. Personal comfort items including , notions and novelties, and confections;
- d. Cosmetic and grooming items and services, in excess of those for which payment is made by Medicare or Medicaid;
- e. Personal clothing;
- f. Personal reading matter;
- g. Gifts purchased on behalf of the Resident;
- h. Flowers and plants;
- i. Costs to participate in social events and entertainment offered off the premises and outside the scope of the activities program required under applicable Department of Health Regulations.
- j. Non-covered special care services such as private duty nurses and/or aides;
- k. Personal dry cleaning;
- l. Newspapers;
- m. Beauty/Barber ;
- n. Private room, except when therapeutically required (for example, isolation for infection control);
- o. Specifically prepared or alternate food requested instead of the food generally prepared by VHS and the requested food costs more than the food prepared for other residents, except, (i) for Medicare and Medicaid residents only, special foods and meals, including medically prescribed dietary supplements, ordered

by the Resident's attending physician or nurse practitioner and (ii) menu items that reflect the religious, ethnic and cultural population at VHS, such as Kosher foods.

GENERAL PROVISIONS

15. The Resident, or his/her designated representative, agree in accordance with the regulations of the Department of Health to permit VHS to conduct a comprehensive assessment of the Resident no later than fourteen calendar days after the date of admission, promptly after a significant change in the Resident's physical, mental or psychosocial status and no less often than twelve (12) months thereafter. The Resident or his/her designated representative agree in accordance with the regulations of the Department of Health to permit VHS to conduct an initial screening of the oral health status of the Resident within forty-eight (48) hours of admission and shall further permit VHS to conduct an oral examination of the Resident by a dentist or dental hygienist within seven (7) calendar days following the initial comprehensive assessment required pursuant to this paragraph 15 and no less often than annually thereafter.

16. The Resident, or his/her designated representative, agree in accordance with the regulations of the Department of Health to have a physician visit the Resident whenever the Resident's medical condition warrants medical attention and at regular intervals no less often than once every thirty days for the first ninety days after admission, and at least once every sixty days thereafter. The Resident or his/her designated representative further agree, at the option of the physician and VHS that scheduled physician visits after the initial visit may alternate between the attending physician and a registered physician's assistant or nurse practitioner. VHS is authorized by the Resident or his designated representative to assign a physician to conduct such Resident visits in order to meet Valley Health Services requirement under the Regulations of the Department of Health when the Resident's attending physician or his designee is unavailable.

17. The Resident may use the services of medical physicians engaged by VHS or may, at the Resident's personal expense, retain his/her own physician, provided the latter (or his designee, in the absence of said physician) meets the requirements of VHS medical staff and agrees to abide by the rules and regulations of VHS medical staff, and agrees to abide by all federal and State laws and regulations regarding the provision of physician services to residents of nursing facilities.

18. In the event that a private pay or Medicare Resident is absent from VHS for a period of time by reason of illness or other cause, the Resident's accommodations will be held available provided the Resident continues to pay

the scheduled rate for said accommodations . If the Resident is receiving Medicaid, said Resident's room will be held in accordance with State and Federal laws and regulations. If a Medicaid Resident's hospitalizations or therapeutic leaves exceed the bed hold period prescribed by State and Federal law, VHS shall re-admit the Resident to VHS to the Resident's previous room, if available, or immediately upon the first availability of a bed in a semi-private room if the Resident:

- a. Requires the services provided by VHS; and
- b. Is eligible for Medicare skilled nursing care or Medicaid nursing services.

If a Resident has resided at VHS, for more than thirty (30) days and is hospitalized or on therapeutic leave without a bedhold, VHS, shall re-admit the Resident to VHS to the Resident's previous room, if available, or immediately upon the first availability of a bed in a semi-private room if, the Resident:

- a. Requires the services of VHS; and
- b. If eligible for Medicare skilled nursing services or Medicaid nursing home services.

19. If the Resident dies, or is discharged, or is hospitalized or is transferred and does not return to VHS, VHS will refund to the Resident, his/her designated representative or estate, as applicable, any deposit, personal fund account balance or charge already paid to VHS, less VHS' per diem rate, for the days the Resident actually resided or reserved or retained a bed at VHS. Except in the event of death, such refund will be made within 30 days from the date of discharge from VHS. In the event of death, such refund will be made to the individual or probate jurisdiction administering the Resident's estate..

20. In the event the Resident dies, VHS will endeavor to notify a member or members of his/her family and/or the designated representative, and it is expected that the family will promptly provide for and bear the expense of the Resident's burial.

21. VHS shall have the right to transfer or discharge the Resident when the Resident's interdisciplinary care team in consultation with the Resident and designated representative, determine that:

- a. The transfer or discharge is necessary for the Resident's welfare and the Resident's needs cannot be met after reasonable attempts at accommodation in the facility;

- b. Transfer or discharge is appropriate because the Resident's health has improved sufficiently so the Resident no longer needs the services provided by the facility;
- c. The health of individuals in the facility would otherwise be endangered;
- d. The safety of individuals in the facility is endangered due to the clinical or behavioral status of the Resident and the risk to others is more than theoretical and all reasonable alternatives to transfer or discharge have been explored and have failed to safely address the problem; or
- e. VHS ceases to operate.

22. VHS shall also have the right to transfer or discharge the Resident when the Resident has failed, after reasonable and appropriate notice, to pay for (or to have paid under Medicare, Medicaid or third party insurance) a stay at the facility, provided the charge in question is not in dispute, no appeal or denial of benefits is pending or funds for payment are actually available and the resident refuses to cooperate with the facility in obtaining those funds. Non-payment applies if the Resident or designated representative does not submit the necessary paperwork for third party payment or after the third party, including Medicare or Medicaid, denies the claim and the resident refuses to pay for his or her stay.

23. VHS shall provide the Resident and his/her designated representative, at least thirty days prior written notice of a transfer or discharge, except that such notice shall be given as soon as practicable before transfer or discharge under the following circumstances:

- a. The safety of individuals in the facility would be endangered;
- b. The health of individuals in the facility would be endangered;
- c. The Resident's health has improved sufficiently to allow a more immediate transfer or discharge;
- d. An immediate transfer or discharge is required by the Resident's urgent medical needs, provided where such urgent medical needs are the result of a medical emergency, a transfer to a hospital may be made without prior notice;
- e. The transfer or discharge is being made in compliance with

a request by the Resident and/or designated representative;
or

- f. The Resident has not resided in the facility for 30 days.

24. VHS may not transfer or discharge a resident while an appeal of the transfer or discharge notice is pending, except where the failure to transfer or discharge the resident would endanger the health or safety of residents or other individuals in the facility.

25. If the Resident, during an annual assessment, is screened as having a mental disorder or intellectual disability and the Commissioner of Health or his/her designee determines that the Resident is no longer suitable for nursing home services, the Resident shall be transferred or discharged to an appropriate facility. VHS will provide notice of such transfer or discharge in accordance with the notice provisions contained in the preceding paragraph.

26. Notwithstanding the terms and conditions of paragraphs 13 through 16 therein, in the event the Resident shall be infected with a communicable disease, unless the Resident's attending physician certifies in writing that ability to transmit such disease is negligible and poses no danger to other Residents of VHS or VHS is staffed and equipped to manage such disease without endangering the health of other Residents, the Resident shall be discharged and transferred from VHS to an appropriate facility. VHS will provide to the Resident and his/her designated representative, notice as provided for herein. In any event, VHS shall have no liability of any kind arising from such transfer or discharge.

27. VHS may, upon prior written notice to the Resident and his/her designated representative, which shall include a reason for the change, and consultation with the Resident and/or designated representative, transfer the Resident to another room within VHS. Such notice and consultation will not be required under the following circumstances:

- a. The Resident has requested the change;
- b. The medical condition of the Resident requires a more immediate change; or,
- c. An emergency situation develops.

Under such circumstances, VHS will endeavor to give the Resident and designated representative prior notice of such room change. No room change may be made for the reason of staff convenience. In the event of a change in roommate assignment, VHS will provide prior written notice to the Residents

involved and their designated representatives which shall include the reason for the change.

28. In the event the Resident requires medical or surgical care which VHS is unable to provide, the Resident agrees to be transferred to a general or special hospital for such surgical or medical care at the expense of the Resident and or responsible party. VHS will endeavor to give prior notice of such transfer to the Resident's next of kin or responsible party when feasible, but such transfer may be without notice, in cases of emergency.

29. The Resident and designated representative are given personal copies of VHS Resident's bill of rights and VHS Resident's handbook. These publications explain the Resident's bill of rights and responsibilities and serve as guidelines for residing at VHS. The Resident agrees to adhere to the rules and regulations of VHS.

30. The Resident has been duly advised that it is the policy of VHS to admit and treat all Residents and to provide service and make available all facilities of VHS without regard to race, creed, color, disability, blindness, national origin, sex, sexual preference, marital status or sponsorship.

31. VHS has a Grievance Complaint Procedure in the event that a Resident, family member or designated representative wishes to file a grievance about care and treatment which has been furnished as well as that which has not been furnished, the behavior of staff and of other residents and any other concern regarding the Resident's stay at VHS.. This procedure has been developed in order to help Residents, family members and/or designated representative bring a problem to the attention of VHS so that the grievance can be resolved in an appropriate and prompt manner and without discrimination or reprisal. VHS' Grievance Complaint Procedure is available upon request.

32. VHS assumes no financial obligations arising out of the death of a Resident. All funeral expenses are to be paid from the estate of the Resident or by relatives legally responsible therefore or by funds made available by law, unless the Resident has made specific prior arrangements with VHS.

33. The Resident authorizes funeral arrangements to be made by VHS on his/her behalf if there is no family or next of kin, or if no funeral arrangements are made within 24 hours of death. The expenses for same shall be paid by the estate of the Resident or from funds made available by law for that purpose, without any further liability by VHS for the exercise of such authority.

34. When so requested in writing, VHS shall provide a service of holding monies for incidental expenses. Resident may obtain these funds from the business office of VHS during designated hours.

35. VHS shall not be liable or responsible for injuries to the Residents unless such injury is caused by the negligence of VHS or a violation of the Public Health Law by VHS.

36. In the event VHS is required to engage legal counsel to collect the basic daily charge, NAMI Monies or other charges imposed herein from the Resident, the Resident agrees to pay VHS attorneys fees, together with any and all costs incurred in the institution of any legal action to collect such charges.

37. This contract is the entire Agreement between the parties, and it may not be changed or modified orally. This Agreement shall be binding on heirs, executors, administrators, distributes, successors and assigns of the parties hereto.

38. VHS reserves the right to amend this Agreement from time to time as may become necessary. Except as otherwise required by law or by the provisions of the Admission Agreement, any such amendment shall be made upon prior written notice to you and, if applicable and required by law, your designated representative. Notice to your designated representative, if required, shall be effective upon mailing such notice by first class mail to the last known address of your designated representative on file with VHS.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date written below.

Valley Health Services, Inc.

WITNESS

By:_____

Name:_____

Resident:_____

Address:_____

_____ Designated Representative:_____

Name:_____

Address:_____

Name:_____

Address:_____

The Resident or Designated Representative acknowledges receipt of an executed copy of this Agreement.

Resident or Designated Representative

Date

Designated Representative

Telephone

Date