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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF MEDICAID SERVICES

Lori A. Weaver
Commissioner

Henry D. Lipman
Director

129 PLEASANT STREET, CONCORD, NH 03301
603-271-9422 1-800-852-3345 Ext. 9422
Fax: 603-271-8431 TDD Access: 1-800-735-2964
www.dhhs.nh.gov

September 23, 2024

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Medicaid Services, to enter into a **Sole Source** grant agreement with Pleasant Valley SNF, LLC d/b/a Pleasant Valley Nursing and Rehab Center (VC#512914), Derry, NH, in the amount of $750,000 under the provisions of Chapter Law 211 that makes an appropriation to the Department relative to certain licensed nursing facilities, and creates certain conditions on facilities receiving the appropriated money, effective upon Governor and Council approval through June 30, 2029. 100% General Funds.

Funds are available in the following account for State Fiscal Year 2025, with the authority to adjust budget line items within the price limitation through the Budget Office, if needed and justified.

05-95-47-470010-79370000 Health and Social Services, Dept of Health and Human Svc, HHS: Division of Medicaid, OFC of Medicaid Services, Medicaid Administration 100% General Funds

State Fiscal Year	Class / Account	Class Title	Job Number	Total Amount
2025	074-500585	Grants for Pub Asst and Relief	TBD	$750,000
			Total	**$750,000**

EXPLANATION

This request is **Sole Source** because the Contractor is the only nursing facility that meets the criteria to receive these funds in accordance with House Bill 322, which was signed by the Governor on July 19, 2024 and enacted into law under Chapter Law 211 2024. This funding is to support continued beneficiary access to skilled nursing care for New Hampshire Medicaid beneficiaries, where there was a change in ownership effective July 1, 2022 where the daily Medicaid rate remained below the state average nursing facility for the period from July 1, 2022, through the January 1, 2024 as a facility specific rate and other federal relief was not available.

This request to provide funds to Pleasant Valley SNF, LLC d/b/a Pleasant Valley Nursing and Rehab Center, a skilled nursing facility that underwent a change of ownership effective July

1, 2022, to mitigate the lower rates required under Departments rules related to the transfer of ownership and the unavailability of other federal funding.

The Department will monitor services by requiring the Contractor to submit an annual attestation that all conditions for receiving these funds have continued to be met, including:

- Have at least one individual, who possessed an operating and ownership interest in Pleasant Valley SNF, LLC upon acquisition of Pleasant Valley SNF, LLC in State Fiscal Year 2023, maintain an operating and ownership interested at a level no less than the operating and ownership level such individual had in Pleasant Valley SNF, LLC as of the date of acquisition;
- Comply with all applicable state and federal licensing rules and regulations;
- Ensure the Grantee's skilled nursing facility's operator complies with all applicable state and federal licensing rules and regulations; and
- Continue to accept Medicaid as a payment source at the Grantee and any successor.

Should the Governor and Council not authorize this request, the Department will not be able to mitigate a Medicaid rate that has remained below the state average nursing facility daily rate as enacted into law under Chapter Law 211 2024 (House Bill 322) and support continued access to skilled nursing care for New Hampshire Medicaid beneficiaries served by this provider.

Respectfully submitted,

Lori A. Weaver
Commissioner

Subject: Mitigating Funds for Nursing Facility (SS-2025-DMS-03-NURSI-01)

GRANT AGREEMENT

The State of New Hampshire and the Grantee here mutually agree as follows:

GENERAL PROVISIONS

1. Identification and Definitions.

1.1. State Agency Name New Hampshire Department of Health and Human Services		1.2. State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3. Grantee Name Pleasant Valley SNF, LLC d/b/a Pleasant Valley Nursing and Rehab Center		1.4. Grantee Address 8 Peabody Road Derry, NH, 03038	
1.5 Grantee Phone # 718-569-2709	1.6. Account Number TBD	1.7. Completion Date June 30, 2029	1.8. Grant Limitation $750,000
1.9. Grant Officer for State Agency Robert W. Moore, Director		1.10. State Agency Telephone Number (603) 271-9631	
If Grantee is a municipality or village district: **"By signing this form we certify that we have complied with any public meeting requirement for acceptance of this grant, including if applicable RSA 31:95-b."**			
1.11. Grantee Signature 1 Signed by: Sean Stevenson 2EF8A85E58D9400... 9/24/2024		1.12. Name & Title of Grantee Signor 1 Sean Stevenson Authorized signatory	
Grantee Signature 2		Name & Title of Grantee Signor 2	
Grantee Signature 3		Name & Title of Grantee Signor 3	
1.13 State Agency Signature(s) DocuSigned by: Henry D. Lipman CF5D44D4F70D4E4... 9/25/2024		1.14. Name & Title of State Agency Signor(s) Henry D. Lipman Medicaid Director	
1.15. Approval by Attorney General (Form, Substance and Execution) (if G & C approval required) By: DocuSigned by: Robyn Guarino 748734844941460... Assistant Attorney General, On: 9/27/2024			
1.16. Approval by Governor and Council (if applicable) By:		On:	

2. SCOPE OF WORK: In exchange for grant funds provided by the State of New Hampshire, acting through the Agency identified in block 1.1 (hereinafter referred to as "the State"), the Grantee identified in block 1.3 (hereinafter referred to as "the Grantee"), shall perform that work identified and more particularly described in the scope of work attached hereto as EXHIBIT B (the scope of work being hereinafter referred to as "the Project").

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3. AREA COVERED. Except as otherwise specifically provided for herein, the Grantee shall perform the Project in, and with respect to, the State of New Hampshire.

4. EFFECTIVE DATE; COMPLETION OF PROJECT.

4.1. This Agreement, and all obligations of the parties hereunder, shall become effective on the date on the date of approval of this Agreement by the Governor and Council of the State of New Hampshire if required (block 1.16), or upon signature by the State Agency as shown in block 1.14 ("the Effective Date").

4.2. Except as otherwise specifically provided herein, the Project, including all reports required by this Agreement, shall be completed in ITS entirety prior to the date in block 1.7 (hereinafter referred to as "the Completion Date").

5. GRANT AMOUNT; LIMITATION ON AMOUNT; VOUCHERS; PAYMENT.

5.1. The Grant Amount is identified and more particularly described in EXHIBIT C, attached hereto.

5.2. The manner of, and schedule of payment shall be as set forth in EXHIBIT C.

5.3. In accordance with the provisions set forth in EXHIBIT C, and in consideration of the satisfactory performance of the Project, as determined by the State, and as limited by subparagraph 5.5 of these general provisions, the State shall pay the Grantee the Grant Amount. The State shall withhold from the amount otherwise payable to the Grantee under this subparagraph 5.3 those sums required, or permitted, to be withheld pursuant to N.H. RSA 80:7 through 7-c.

5.4. The payment by the State of the Grant amount shall be the only, and the complete payment to the Grantee for all expenses, of whatever nature, incurred by the Grantee in the performance hereof, and shall be the only, and the complete, compensation to the Grantee for the Project. The State shall have no liabilities to the Grantee other than the Grant Amount.

5.5. Notwithstanding anything in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made, hereunder exceed the Grant limitation set forth in block 1.8 of these general provisions.

6. COMPLIANCE BY GRANTEE WITH LAWS AND REGULATIONS. In connection with the performance of the Project, the Grantee shall comply with all statutes, laws regulations, and orders of federal, state, county, or municipal authorities which shall impose any obligations or duty upon the Grantee, including the acquisition of any and all necessary permits and RSA 31-95-b.

7. RECORDS and ACCOUNTS.

7.1. Between the Effective Date and the date seven (7) years after the Completion Date, unless otherwise required by the grant terms or the Agency, the Grantee shall keep detailed accounts of all expenses incurred in connection with the Project, including, but not limited to, costs of administration, transportation, insurance, telephone calls, and clerical materials and services. Such accounts shall be supported by receipts, invoices, bills and other similar documents.

7.2. Between the Effective Date and the date seven (7) years after the Completion Date, unless otherwise required by the grant terms or the Agency pursuant to subparagraph 7.1, at any time during the Grantee's normal business hours, and as often as the State shall demand, the Grantee shall make available to the State all records pertaining to matters covered by this Agreement. The Grantee shall permit the State to audit, examine, and reproduce such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, data (as that term is hereinafter defined), and other information relating to all matters covered by this Agreement. As used in this paragraph, "Grantee" includes all persons, natural or fictional, affiliated with, controlled by, or under common ownership with, the entity identified as the Grantee in block 1.3 of these provisions.

8. PERSONNEL.

8.1. The Grantee shall, at its own expense, provide all personnel necessary to perform the Project. The Grantee warrants that all personnel engaged in the Project shall be qualified to perform such Project, and shall be properly licensed and authorized to perform such Project under all applicable laws.

8.2. The Grantee shall not hire, and it shall not permit any subcontractor, subgrantee, or other person, firm or corporation with whom it is engaged in a combined effort to perform the Project, to hire any person who has a contractual relationship with the State, or who is a State officer or employee, elected or appointed.

8.3. The Grant Officer shall be the representative of the State hereunder. In the event of any dispute hereunder, the interpretation of this Agreement by the Grant Officer, and his/her decision on any dispute, shall be final.

9. DATA; RETENTION OF DATA; ACCESS.

9.1. As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, paper, and documents, all whether finished or unfinished.

9.2. Between the Effective Date and the Completion Date the Grantee shall grant to the State, or any person designated by it, unrestricted access to all data for examination, duplication, publication, translation, sale, disposal, or for any other purpose whatsoever.

9.3. No data shall be subject to copyright in the United States or any other country by anyone other than the State.

9.4. On and after the Effective Date all data, and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason, whichever shall first occur.

9.5. The State, and anyone it shall designate, shall have unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, all data.

10. CONDITIONAL NATURE OR AGREEMENT. Notwithstanding anything in this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability or continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available or appropriated funds. In the event of a reduction or termination of those funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Grantee notice of such termination.

11. EVENT OF DEFAULT; REMEDIES.

11.1. Any one or more of the following acts or omissions of the Grantee shall constitute an event of default hereunder (hereinafter referred to as "Events of Default"):

11.1.1 Failure to perform the Project satisfactorily or on schedule; or

11.1.2 Failure to submit any report required hereunder; or

11.1.3 Failure to maintain, or permit access to, the records required hereunder; or

11.1.4 Failure to perform any of the other covenants and conditions of this Agreement.

11.2. Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

11.2.1 Give the Grantee a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Grantee notice of termination; and

11.2.2 Give the Grantee a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the Grant Amount which would otherwise accrue to the Grantee during the period from the date of such notice until such time as the State determines that the Grantee has cured the Event of Default shall never be paid to the Grantee; and

11.2.3 Set off against any other obligation the State may owe to the Grantee any damages the State suffers by reason of any Event of Default; and

11.2.4 Treat the agreement as breached and pursue any of its remedies at law or in equity, or both.

12. TERMINATION.

12.1. In the event of any early termination of this Agreement for any reason other than the completion of the Project, the Grantee shall deliver to the Grant Officer, not later than fifteen (15) days after the date of termination, a report (hereinafter referred to as the "Termination Report") describing in detail all Project Work performed, and the Grant Amount earned, to and including the date of termination.

12.2. In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a Termination Report by the State shall entitle the Grantee to receive that portion of the Grant amount earned to and including the date of termination.

12.3. In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a Termination Report by the State shall in no event relieve the Grantee from any and all liability for damages sustained or incurred by the State as a result of the Grantee's breach of its obligations hereunder.

12.4. Notwithstanding anything in this Agreement to the contrary, either the State or, except where notice default has been given to the Grantee hereunder, the Grantee, may terminate this Agreement without cause upon thirty (30) days written notice.

13. CONFLICT OF INTEREST. No officer, member of employee of the Grantee, and no representative, officer or employee of the State of New Hampshire or of the governing body of the locality or localities in which the Project is to be performed, who exercises any functions or responsibilities in the review or

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approval of the undertaking or carrying out of such Project, shall participate in any decision relating to this Agreement which affects his or her personal interest or the interest of any corporation, partnership, or association in which he or she is directly or indirectly interested, nor shall he or she have any personal or pecuniary interest, direct or indirect, in this Agreement or the proceeds thereof.

14. GRANTEE'S RELATION TO THE STATE. In the performance of this Agreement the Grantee, its employees, and any subcontractor or subgrantee of the Grantee are in all respects independent contractors, and are neither agents nor employees of the State. Neither the Grantee nor any of its officers, employees, agents, members, subcontractors or subgrantees, shall have authority to bind the State nor are they entitled to any of the benefits, workmen's compensation or emoluments provided by the State to its employees.

15. ASSIGNMENT AND SUBCONTRACTS. The Grantee shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the State. None of the Project Work shall be subcontracted or subgranted by the Grantee other than as set forth in Exhibit B without the prior written consent of the State.

16. INDEMNIFICATION. The Grantee shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based on, resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Grantee or subcontractor, or subgrantee or other agent of the Grantee. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant shall survive the termination of this agreement.

17. INSURANCE.

17.1 The Grantee shall, at its own expense, obtain and maintain in force, or shall require any subcontractor, subgrantee or assignee performing Project work to obtain and maintain in force, both for the benefit of the State, the following insurance:

17.1.1 Statutory workers' compensation and employees liability insurance for all employees engaged in the performance of the Project, and

17.1.2 General liability insurance against all claims of bodily injuries, death or property damage, in amounts not less than $1,000,000 per occurrence and $2,000,000 aggregate for bodily injury or death any one incident, and $500,000 for property damage in any one incident; and

17.2. The policies described in subparagraph 17.1 of this paragraph shall be the standard form employed in the State of New Hampshire, issued by underwriters acceptable to the State, and authorized to do business in the State of New Hampshire. Grantee shall furnish to the State, certificates of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy.

18. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event, or any subsequent Event. No express waiver of any Event of Default shall be deemed a waiver of any provisions hereof. No such failure of waiver shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other default on the part of the Grantee.

19. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses first above given.

20. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Council of the State of New Hampshire, if required or by the signing State Agency.

21. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be construed in accordance with the law of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assignees. The captions and contents of the "subject" blank are used only as a matter of convenience, and are not to be considered a part of this Agreement or to be used in determining the intend of the parties hereto.

22. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

23. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings relating hereto.

24. SPECIAL PROVISIONS. The additional or modifying provisions set forth in Exhibit A hereto are incorporated as part of this agreement.

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Date 9/24/2024

New Hampshire Department of Health and Human Services
Mitigating Funds For Nursing Facility

EXHIBIT A

Revisions to Standard Grant Agreement Provisions

1.1. Paragraph 11, Event of Default: Remedies, subparagraph 11.2.2, is amended as follows:

11.2.2 Give the Grantee a written notice specifying the Event of Default and suspending payments, in whole or in part, to be made under this Agreement, until the State determines the Event of Default is cured.

1.4 Paragraph 12, Termination, subparagraph 12.4 is amended as follows:

12.4 Notwithstanding anything in this Agreement to the contrary, the State may terminate this Agreement without cause upon thirty (30) days written notice to the Grantee.

1.5 Paragraph 15, Assignment and Subcontracts, is amended by adding subparagraph 15.1 as follows:

15.1. Subcontractors are subject to the same contractual conditions as the Grantee and the Grantee is responsible to ensure subcontractor compliance with those conditions. The Grantee shall have written agreements with all subcontractors, specifying the work to be performed, and if applicable, a Business Associate Agreement in accordance with the Health Insurance Portability and Accountability Act. Written agreements shall specify how corrective action shall be managed. The Grantee shall manage the subcontractor's performance on an ongoing basis and take corrective action as necessary. The Grantee shall annually provide the State with a list of all subcontractors provided for under this Agreement and notify the State of any inadequate subcontractor performance.

New Hampshire Department of Health and Human Services
Mitigating Funds For Nursing Facility

EXHIBIT B

WHEREAS, pursuant to House Bill 322, relative to establishing a committee to study the New Hampshire board of medicine and making an appropriation to the Department of Health and Human Services ("Department") and signed into law by the Governor on July 19, 2024 ("HB322"), the Department seeks to provide funds to Pleasant Valley SNF, LLC d/b/a Pleasant Valley Nursing and Rehab Center ("Grantee"), a skilled nursing facility that underwent a change of ownership in State Fiscal Year 2023, to mitigate operating losses resulting from a Medicaid rate that has remained below the state average nursing facility daily rate as calculated by the Department for the period from July 1, 2022, through January 1, 2024; and

WHEREAS, the Department and the Grantee seek to support continued access to skilled nursing care for New Hampshire Medicaid beneficiaries.

NOW THEREFORE, in consideration of the foregoing and the mutual covenants, conditions, and payments set forth herein, the Department and the Grantee have entered into this Agreement on the terms and conditions as set forth below.

1. Grant Terms

1.1. As a condition of receiving the grant funds under this Agreement, the Grantee must:

1.1.1. Have at least one individual, who possessed an operating and ownership interest in Pleasant Valley SNF, LLC upon acquisition of Pleasant Valley SNF, LLC in State Fiscal Year 2023, maintain an operating and ownership interested at a level no less than the operating and ownership level such individual had in Pleasant Valley SNF, LLC as of the date of acquisition;

1.1.2. Comply with all applicable state and federal licensing rules and regulations;

1.1.3. Ensure the Grantee's skilled nursing facility's operator complies with all applicable state and federal licensing rules and regulations; and

1.1.4. Continue to accept Medicaid as a payment source at the Grantee and any successor.

1.2. In addition to Paragraph 11, Event of Default: Remedies, of the Form G-1, in the event the Grantee or its operators do not comply with any of the conditions set forth in Section 1.1 of this Agreement during the period of July 1, 2024, through June 30, 2029, the Department shall have the right to recover one-fifth (1/5th) of the payment made to the Grantee for each year during which any of the conditions in Section 1.1 are not met, as specified in Exhibit C, Payment Terms, Subsection 5.1.

1.3. Grantee Reporting

1.3.1. Upon request from the Department, the Grantee may be re[illegible] to

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provide key data and metrics to the Department in a format specified by the Department.

1.4. In connection with this Agreement, the Parties shall not exchange any confidential information of any type, including but not limited to protected health information as defined in Health Insurance Portability and Accountability Act (HIPAA), personally identifiable information, or any type of information that may be used to determine, distinguish, or trace an individual's identity.

2. Grantee Additional Terms

2.1. Impacts Resulting from Court Orders or Legislative Changes

2.1.1. The Grantee agrees that, to the extent future state or federal legislation or court orders may have an impact on the Services described herein, the State has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.

3. Grantee Records

3.1. The Grantee must keep records for five (5) years after the Completion Date of the Agreement that include, but are not limited to:

3.1.1. Books, records, documents and other electronic or physical data evidencing and reflecting all costs and other expenses incurred by the Grantee in the performance of the Contract, and all income received or collected by the Grantee.

3.1.2. All records must be maintained in accordance with accounting procedures and practices, which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.

3.2. During the term of this Agreement and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives must have access to all reports and records maintained pursuant to the Agreement for purposes of audit, examination, excerpts and transcripts.

3.3. If, upon final review of expenditures, the Department must disallow any expenses claimed by the Grantee as costs hereunder, the Department retains the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Grantee.

New Hampshire Department of Health and Human Services
Mitigating Funds For Nursing Facility

EXHIBIT C

Payment Terms

1. This Agreement is funded by:
   1.1. 100% General funds.
2. For the purposes of this Agreement the Department has identified:
   2.1. The Grantee as a Beneficiary, in accordance with 2 CFR 200.331.
   2.2. The Agreement as NON-R&D, in accordance with 2 CFR §200.332.
3. The Grantee shall attest, annually, that Grantee and its operators meet all conditions set forth in Section 1.1 of Exhibit B of this Agreement. Such attestation must be submitted by Grantee to the Department's Medicaid Director or designee. Upon request by the Department, the Grantee must submit supporting documentation to verify required conditions have been met.
   3.1. The attestation for Year 1 must be submitted within thirty (30) days of the Effective Date of this Agreement. Annual attestations for Years 2-5 must be submitted within thirty (30) days of the end of each State Fiscal Year (July 1 – June 30).
4. Payment shall be made to compensate the Grantee's operating losses resulting from a change of ownership Medicaid rate that has remained below the state average nursing facility daily rate as calculated by the Department for the period from July 1, 2022, through January 1, 2024, not to exceed the grant limitation specified on Form G-1, Block 1.8., Grant Limitation.
5. The Department shall make a one-time lump sum payment to the Grantee within thirty (30) days of receipt of the attestation for Year 1 in Section 3 above. The one-time payment shall not exceed the grant limitation specified on Form G-1, Block 1.8., Grant Limitation, in the form of a check payable directly to the Grantee.
   5.1. In addition to Paragraph 11, Event of Default: Remedies, of the Form G-1, in the event the Grantee, or its operators do not comply with any of the conditions set forth in Section 1.1 of this Agreement, the Department shall have the right to recover one-fifth ($1/5^{th}$) of the payment made to the Grantee for each year during which any of the conditions in Section 1.1 are not met, as follows:

Number of years during which any conditions not met	Payment to be recovered from the Grantee by the Department
One (1) Year	$150,000
Two (2) Years	$300,000
Three (3) Years	$450,000

Four (4) Years	$600,000
Five (5) Years	$750,000

6. Audits

6.1. The Grantee must email an annual audit to dhhs.act@dhhs.nh.gov if any of the following conditions exist:

6.1.1. Condition A - The Grantee expended $750,000 or more in federal funds received as a subrecipient pursuant to 2 CFR Part 200, during the most recently completed fiscal year.

6.1.2. Condition B - The Grantee is subject to audit pursuant to the requirements of NH RSA 7:28, III-b.

6.1.3. Condition C - The Grantee is a public company and required by Security and Exchange Commission (SEC) regulations to submit an annual financial audit.

6.2. If Condition A exists, the Grantee shall submit an annual Single Audit performed by an independent Certified Public Accountant (CPA) to dhhs.act@dhhs.nh.gov within 120 days after the close of the Grantee's fiscal year, conducted in accordance with the requirements of 2 CFR Part 200, Subpart F of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards.

6.2.1. The Grantee shall submit a copy of any Single Audit findings and any associated corrective action plans. The Grantee shall submit quarterly progress reports on the status of implementation of the corrective action plan.

6.3. If Condition B or Condition C exists, the Grantee shall submit an annual financial audit performed by an independent CPA within 120 days after the close of the Grantee's fiscal year.

6.4. Any Grantee that receives an amount equal to or greater than $250,000 from the Department during a single fiscal year, regardless of the funding source, may be required, at a minimum, to submit annual financial audits performed by an independent CPA upon request.

6.5. In addition to, and not in any way in limitation of obligations of the Agreement, it is understood and agreed by the Grantee that the Grantee shall be held liable for any state or federal audit exceptions and shall return to the Department all payments made under the Agreement to which exception has been taken, or which have been disallowed because of such an exception.

State of New Hampshire

Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that PLEASANT VALLEY SNF LLC is a New Hampshire Limited Liability Company registered to transact business in New Hampshire on May 16, 2022. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: **901692**

Certificate Number: **0006781505**

IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 23rd day of September A.D. 2024.

David M. Scanlan

Secretary of State

State of New Hampshire

Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that PLEASANT VALLEY NURSING AND REHAB CENTER is a New Hampshire Trade Name registered to transact business in New Hampshire on July 25, 2022. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: **907216**

Certificate Number: **0006781506**

IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 23rd day of September A.D. 2024.

David M. Scanlan

Secretary of State

CERTIFICATE OF AUTHORITY

I, Moss Ellenbogen, hereby certify that:

1. I am a duly elected Officer of Pleasant Valley SNF LLC d/b/a Pleasant Valley Nursing and Rehab Center.

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on September 24, 2024, at which a quorum of the Directors/shareholders were present and voting.

VOTED: That Sean Stevenson is duly authorized on behalf of Pleasant Valley SNF LLC d/b/a Pleasant Valley Nursing and Rehab Center to enter into contracts or agreements with the State of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority was **valid thirty (30) days prior to and remains valid for thirty (30)** days from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: 9/24/2024

Signature of Elected Officer
Name: Moss Ellenbogen
Title: Authorized Signatory

Docusign Envelope ID: 0826B014-B854-4055-900A-9A582EA17868

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 09/24/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER GemRock Agency LLC 5702 Ave N Brooklyn NY 11234	**CONTACT NAME:** Nechama Rabinowitz **PHONE (A/C, No, Ext):** (212) 970-7625 **FAX (A/C, No):** **E-MAIL ADDRESS:** nechama@gemrockins.com
INSURED Pleasant Valley SNF LLC; Pleasant Valley Nursing and Rehab Center 8 Peabody Rd. Derry NH 03038	**INSURER(S) AFFORDING COVERAGE** — **NAIC #** INSURER A : Starstone Insurance Co. INSURER B : Wesco Insurance Co — 25011 INSURER C : INSURER D : INSURER E : INSURER F :

COVERAGES **CERTIFICATE NUMBER:** CL2471903509 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	[X] COMMERCIAL GENERAL LIABILITY [ ] [X] CLAIMS-MADE [ ] OCCUR [X] Deducctible: $25,000 [X] Professional Liability GEN'L AGGREGATE LIMIT APPLIES PER: [ ] POLICY [ ] PRO-JECT [ ] LOC [ ] OTHER:			LTP-01900-24-00	07/01/2024	07/01/2025	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG PL Limits	$ 1,000,000 $ 50,000 $ 25,000 $ 1,000,000 $ 3,000,000 $ 3,000,000 $ 1M/3M
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ $ $ $
	[ ] UMBRELLA LIAB [ ] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [ ] RETENTION $						EACH OCCURRENCE AGGREGATE	$ $
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N [ ] (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		WWC3724285	07/01/2024	07/01/2025	[X] PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 1,000,000 $ 1,000,000 $ 1,000,000
							Limit	$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Retro Date for General and Professional Liability: 7/1/2022

Certificate holder listed as additional insured.

30 day notice of cancellation. 10 day notice of cancellation for non-payment of premium

CERTIFICATE HOLDER

State of NH
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301-3857

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE