

BAKER DONELSON

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June 14, 2017

VIA ELECTRONIC MAIL AND FEDERAL EXPRESS

Kevin McDonald
Chief, Certificate of Need
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, MD 21215

RE: **P-B Home Health**
Docket No. 16-16-2385
CON Application Modification

Dear Ms. McDonald:

Our firm is representing P-B Health Home Health Care Agency, Inc. ("P-B Health"), an applicant in the comparative review to initiate hospice services in Prince George's County. We appreciate the other applicants having agreed to an extension of time to submit response to comments filed concerning the P-B Health application by two of the other applicants. We will be responding to those comments under separate cover.

In the meantime, we wish to provide this CON application modification pursuant to COMAR 10.24.01.08E(2). The application is being modified in several respects as follows:

1. We are attaching a revised project budget. See Exhibit 1. The project budget includes additional costs to be taken into account to respond to the comments of other applicants, and the involvement of our firm and further involvement of the consultant on the project. It makes clear that the costs will be funded by cash from P-B Health and its owners although there is also documented access to working capital funds.

2. The staffing tables and operating projections, Tables 2b, 4 and 5 have been updated. See Exhibit 2. This takes into account a closer review of information gathered

Kevin McDonald
Chief, Certificate of Need
June 14, 2017
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by P-B Health and discussed by the project team with respect to average length of stay, visits, staffing and related information.

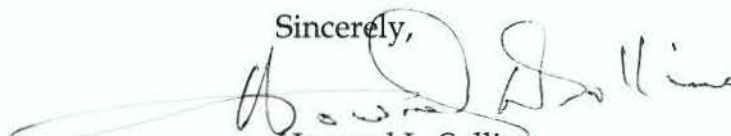
3. We are also providing revised financial information. Exhibit 3 includes more current financial statements for fiscal year 2016 since those are now available. A corrected 2015 financial statement is also provided. The 2016 financial statement shows a relatively small loss. However, the 2015 financial statement, as reviewed more closely and revised by the accountants, documents that there was a net income of \$554,271 in 2015.

4. In documenting the financial strength of P-B Health as a 30-year provider of home health care services, we are providing a letter of interest from M&T Bank expressing interest in providing short term financing to P-B Health. In addition, we are providing information from a company, Englare, Inc. which is willing to extend accounts receivable financing as well up to \$500,000. See Exhibit 4.

5. In further support of the financial bona fides of P-B Health, Exhibit 5 contains a letter from the real estate firm of Ted Payton Realty identifying Bailey & Associates as the real estate entity, with the same owners as P-B Health, which owns the property in which P-B Health operates. That property has substantial value and there is significant equity of \$421,299.86 in the property. This further demonstrates the financial strength of the applicant and the owners who are committed to the project and the use of this equity as appropriate.

Other issues more appropriately addressed in a response to comments will be addressed in that subsequent filing. In the meantime, however, we appreciate your consideration of this additional information in support of P-B Health. P-B Health is a financially viable, capable provider of home based services. The expansion of services into hospice care in Prince George's County is an appropriate and logical extension of its capabilities, meeting the need that the State Health Plan identifies for hospice serviced in the jurisdiction. P-B Health is not seeking to block any other application, and can be an effective addition to the health care delivery system.

Sincerely,



Howard L. Sollins

HLS/lam
Enclosures

Kevin McDonald
Chief, Certificate of Need
June 14, 2017
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Certificate of Service

I HEREBY CERTIFY on this 14th day of June, 2017 a copy of the P-B Health Home Agency, Inc.'s CON Application Modification was sent via Electronic Mail and Federal Express to:

Kevin McDonald, Chief
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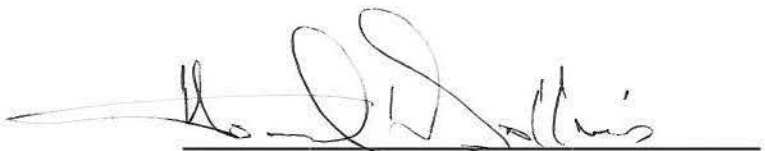
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Howard L. Sollins

EXHIBIT LIST

1. Revised Project Budget
2. Revised Application Tables
3. Updated P-B Health Financials 2015-2016
4. Letters From Lenders
5. Independent Realtor Letter re: Market Value of P-B Health Property
6. Affirmations

EXHIBIT 1

TABLE 1: PROJECT BUDGET

P-B HEALTH'S RESPONSE:

INSTRUCTIONS: All estimates for 1.a.-d., 2.a.-j., and 3 are for current costs as of the date of application submission and should include the costs for all intended construction and renovations to be undertaken. (DO NOT CHANGE THIS FORM OR ITS LINE ITEMS. IF ADDITIONAL DETAIL OR CLARIFICATION IS NEEDED, ATTACH ADDITIONAL SHEET.)

A. Use of Funds

1. Capital Costs (if applicable):

- a. New Construction (N/A) \$ _____
- (1) Building _____
- (2) Fixed Equipment (not
included in construction) _____
- (3) Land Purchase _____
- (4) Site Preparation _____
- (5) Architect/Engineering Fees _____
- (6) Permits, (Building,
Utilities, Etc) _____

SUBTOTAL \$ _____

- b. Renovations (N/A)
- (1) Building \$ _____
- (2) Fixed Equipment (not
included in construction) _____
- (3) Architect/Engineering Fees _____

(4)	Permits, (Building, Utilities, Etc.)	_____
SUBTOTAL		\$ _____

c. Other Capital Costs (N/A)

(1)	Major Movable Equipment	_____
(2)	Minor Movable Equipment	_____
(3)	Contingencies	\$10,000
(4)	Other (Specify)	_____

TOTAL CURRENT CAPITAL COSTS	\$ 10,000
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(a - c)

d. Non Current Capital Cost (N/A)

(1)	Interest (Gross)	\$ _____
(2)	Inflation (state all assumptions, including time period and rate)	\$ _____

TOTAL PROPOSED CAPITAL COSTS (a - d)	\$ 10,000
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2. Financing Cost and Other Cash Requirements:

a.	Loan Placement Fees	<u>\$ 0</u>
b.	Bond Discount	<u>0</u>
c.	Legal Fees (CON Related)	<u>25,000</u>
e.	Printing (in house)	<u>0</u>
f.	Consultant Fees	

	CON Application Assistance	<u>10,000</u>
	Other (Specify)	<u>0</u>
g.	Liquidation of Existing Debt	<u>0</u>
h.	Debt Service Reserve Fund	<u>0</u>
i.	Principal Amortization	
	Reserve Fund	<u>0</u>
j.	Other (Specify)	<u>0</u>
	TOTAL (a - j)	\$ <u>35,000</u>
3.	<u>Working Capital Startup Costs</u>	\$ <u>60,000</u>
	TOTAL USES OF FUNDS (1 - 3)	<u>\$105,000</u>

B. Sources of Funds for Project:

1.	Cash	\$105,000
2.	Pledges: Gross _____, less allowance for uncollectables _____ = Net	<u>0</u>
3.	Gifts, bequests	<u>0</u>
4.	Interest income (gross)	<u>0</u>
5.	Authorized Bonds	<u>0</u>
6.	Mortgage	<u>0</u>
7.	Working capital loans	<u>0</u>
8.	Grants or Appropriation	
	(a) Federal	<u>0</u>
	(b) State	<u>0</u>
	(c) Local	<u>0</u>

9. Other (Specify) 0

TOTAL SOURCES OF FUNDS (1-9) \$ 105,000

Lease Costs:

a. Land \$ _____ x _____ = \$ 0

b. Building \$ _____ x _____ = \$ 0

c. Major Movable Equipment \$ _____ x _____ = \$ 0

d. Minor Movable Equipment \$ _____ x _____ = \$ 0

e. Other (Specify) \$ _____ x _____ = \$ _____

EXHIBIT 2

TABLE 2B: STATISTICAL PROJECTIONS – PROPOSED PROJECT

P-B HEALTH’S RESPONSE:

	Projected years – ending with first year at full utilization			
CY or FY (circle)	2018__	2019__	2020__	2021__
Admissions	50	75	113	169
Deaths	43	64	96	144
Non-death discharges	4	7	12	20
Patients served	50	78	120	181
Patient days	3,406	5,027	7,712	11,537
Average length of stay	52	52	52	52
Average daily hospice census	9	14	21	32
Visits by discipline				
Skilled nursing	715	1,056	1,620	3837
Social work	170	251	386	577
Hospice aides	613	905	1,388	2,077
Physicians - paid	102	151	231	346
Physicians - volunteer	-	-	-	-
Chaplain	136	201	308	461
Other clinical	34	50	77	115
Licensed beds				
Number of licensed GIP beds	0	0	0	0
Number of licensed Hospice House beds	0	0	0	0
Occupancy %				
GIP(inpatient unit)	0	0	0	0
Hospice House	0	0	0	0

TABLE 4: REVENUES AND EXPENSES - PROPOSED PROJECT

P-B HEALTH'S RESPONSE:

(INSTRUCTIONS: Each applicant should complete this table for the proposed project only)

	Projected Years			
	(ending with first full year at full utilization)			
CY or FY (Circle)	2018__	2019__	2020__	2021__
1. Revenue				
a. Inpatient services (Respite)	63,692	94,005	144,214	215,742
b. Hospice House services	0	0	0	0
c. Home care services	573,230	846,044	1,297,930	1,941,677
d. Gross Patient Service Revenue	636,922	940,049	1,442,144	2,157,419
e. Allowance for Bad Debt	(4,700)	(7,050)	(10,570)	(15,860)
f. Contractual Allowance	(50,000)	(75,000)	(112,500)	(168,750)
g. Charity Care	(18,900)	(28,300)	(42,500)	(63,700)
h. Net Patient Services Revenue	563,322	829,699	1,276,574	1,909,109
i. Other Operating Revenues (Specify)	0	0	0	0
j. Net Operating Revenue	563,322	829,699	1,276,574	1,909,109
2. Expenses				
a. Salaries, Wages, and Professional Fees, (including fringe benefits)	221,984	261,856	354,480	508,480
b. Contractual Services	53,427	74,027	79,350	98,850
c. Interest on Current Debt	0	0	0	0
d. Interest on Project Debt	15,000	20,000	25,000	30,000
e. Current Depreciation	0	0	0	0

f. Project Depreciation	0	0	0	0
g. Current Amortization	0	0	0	0
h. Project Amortization	4,500	6,250	9,000	10,750
i. Supplies	15,000	22,500	30,000	37,500
j. Other Expenses (Specify) rent, comm., ins., and taxes	22,500	45,000	67,500	90,000
k. Total Operating Expenses	332,411	429,633	565,330	775,580
3. Income				
a. Income from Operation	230,911	400,066	711,244	1,133,529
b. Non-Operating Income	0	0	0	0
c. Subtotal	230,911	400,066	711,244	1,133,529
d. Income Taxes	57,727	112,018	270,272	476,082
e. Net Income (Loss)	173,184	288,048	440,972	657,447

Table 4 Cont.	Projected Years			
	(ending with first full year at full utilization)			
CY or FY (Circle)	2018__	2019__	2020__	2021
4. Patient Mix				
A. As Percent of Total Revenue				
1. Medicare	70%	73%	75%	76%
2. Medicaid	10%	10%	12%	12%
3. Blue Cross	5%	4%	4%	3%
4. Other Commercial Insurance	13%	11%	7%	7%

6. Other (Specify)	2%	2%	2%	2%
7. TOTAL	100%	100%	100%	100%
B. As Percent of Patient Days/Visits/Procedures (as applicable)				
1. Medicare	60%	62%	64%	65%
2. Medicaid	18%	18%	20%	20%
3. Blue Cross	5%	4%	4%	3%
4. Other Commercial Insurance	14%	13%	9%	9%
5. Self-Pay	3%	3%	3%	3%
6. Other (Specify)	0	0	0	0
7. TOTAL	100%	100%	100%	100%

TABLE 5. MANPOWER INFORMATION (as of 2021)

INSTRUCTIONS: List by service the staffing changes (specifying additions and/or deletions and distinguishing between employee and contractual services) required by this project. FTE data shall be calculated as 2,080 paid hours per year. Indicate the factor to be used in converting paid hours to worked hours

Position Title	Current No. FTEs	Change in FTEs (+/-)	Average Salary	Employee/ Contractual	TOTAL COST
Administration					
Administration	.2	1.8	45,000	Employees	90,000
Direct Care					
Nursing	0	3	60,000	Employees	180,000
Social work/services	0	1	50,000	Employees	50,000
Hospice aides	0	1.5	30,000	Employees	45,000
Physicians-paid	0	.15	300,000	Contractual	45,000
Physicians-volunteer	0			Contractual	
Chaplains	0	.25	45,000	Contractual	11,250
Bereavement staff	0	1	45,000	Employees	45,000
Other clinical	0	.5	0	Both E/C	44,000/5,000
Support					
Other support	0	.2	188,000	Contractual	37,600
				Benefits*	54,480
				TOTAL	607,330

EXHIBIT 3



MOSES ALADE & Associates
CERTIFIED PUBLIC ACCOUNTANTS

ACCOUNTANTS' COMPILATION REPORT

To Management
P-B Health Home Care Agency, Inc.
Baltimore, MD

Management is responsible for the accompanying financial statements of P-B Health Home Care Agency, Inc. (a corporation), which comprise the balance sheet as of December 31, 2016, and the related statements of income, changes in stockholders equity, and cash flows for the year then ended in accordance with principles generally accepted in the United States of America. We have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance of these financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenue, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to P-B Health Home Care Agency, Inc. as during the period ended December 31, 2016, we performed monthly write-up services that impaired our independence

Moses Alade & Assoc.

Moses Alade & Associates

April 18, 2017

P-B Health Home Care Agency, Inc
Balance Sheet
For the Period Ended December 31, 2016

	<u>12/31/2016</u>
ASSETS	
CURRENT ASSETS	
Cash	\$ 270,265
Accounts receivable	2,059,500
TOTAL CURRENT ASSETS	2,329,765
PROPERTY AND EQUIPMENT, NET	119,761
OTHER ASSETS	
Deferred Income Tax Benefit	268,705
TOTAL OTHER ASSETS	268,705
TOTAL ASSETS	\$ 2,718,231
LIABILITIES AND STOCKHOLDER'S EQUITY	
CURRENT LIABILITIES	
Accounts payable	\$ 11,020
Accrued liabilities	1,401,900
Note payable - current portion	173,116
TOTAL CURRENT LIABILITIES	1,948,188
LONG-TERM LIABILITIES	
Due to officer	502,225
Deferred compensation	112,847
TOTAL LONG-TERM LIABILITIES	615,072
TOTAL LIABILITIES	2,563,260
STOCKHOLDER'S EQUITY	
Common stock; \$1 par value; 100 shares authorized, issued, and outstanding	100
Additional paid-in capital	400,803
Retained Earnings	(245,932)
TOTAL STOCKHOLDERS' EQUITY	154,971
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 2,718,231

P-B Health Home Care Agency, Inc
Income Statement
For the Period Ended December 31, 2016

	12/31/2016
REVENUES	
Medicare reimbursements, net	\$ 4,433,573
Commercial services, net	1,095,181
Private care, net	758,171
TOTAL REVENUES	6,286,924
COST OF REVENUES	(2,888,198)
GROSS PROFIT	3,398,726
OPERATING EXPENSES	
Selling	19,611
General and administrative	3,460,715
TOTAL OPERATING EXPENSES	3,480,325
INCOME FROM OPERATIONS	(81,599)
OTHER REVENUES	
Refunds	14,496
OTHER EXPENSES	
Interest expense	(52,678)
NET INCOME BEFORE INCOME TAXES	(119,780)
NET INCOME	\$ (119,780)

P-B Health Home Care Agency, Inc
Statement of Cash Flows
For the Period Ended December 31, 2016

	<u>12/31/2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Net income	\$ (119,780)
Adjustments to reconcile net income to net cash used by operating activities	
Depreciation	27,401
Change in operating assets and liabilities	
(Increase) decrease in operating assets	
Accounts receivable	(385,055)
Prior Period Adjustment	1,252
Increase (decrease) in operating liabilities	
Unearned Revenues	362,153
Accounts payable	(27,699)
Accrued liabilities	203,352
NET CASH PROVIDED FROM OPERATING ACTIVITIES	<u>61,622</u>
 CASH FLOWS FROM INVESTING ACTIVITIES	
Acquisition of property	<u>(37,262)</u>
 NET CASH USED BY INVESTING ACTIVITIES	<u>(37,262)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES	
Deferred Compensation - Owners	<u>(46,062)</u>
NET CASH USED BY FINANCING ACTIVITIES	<u>(46,062)</u>
 NET INCREASE IN CASH	 (21,701)
 CASH AT BEGINNING OF YEAR	 <u>291,966</u>
 CASH AT END OF YEAR	 <u>\$ 270,264</u>

P-B Health Home Care Agency, Inc
Statement of Changes in Stockholder's Equity
For the Period Ended December 31, 2016

	12/31/2016
COMMON STOCK	
Balance at beginning and end of year	\$ 100
Balance at end of year	100
ADDITIONAL PAID-IN CAPITAL	
Balance at beginning of year	400,803
Balance at end of year	400,803
ACCUMULATED DEFICIT	
Balance at beginning of year	
As previously stated	(126,152)
Balance at beginning of year, as restated	(126,152)
Net income for the year	(119,780)
Balance at end of year	\$ (245,932)

P-B Health Home Care Agency, Inc.

Financial Statements and Independent Accountants' Compilation Report

For the Period Ending December 31, 2015

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MOSES ALADE & Associates

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To Management
P-B Health Home Care Agency, Inc.
Baltimore, MD

Management is responsible for the accompanying financial statements of P-B Health Home Care Agency, Inc. (a corporation), which comprise the balance sheet as of December 31, 2015, and the related statements of income, changes in stockholders equity, and cash flows for the year then ended in accordance with principles generally accepted in the United States of America. We have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance of these financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenue, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Moses Alade & Associates

Moses Alade & Associates

June 30, 2016

P-B HEALTH HOME CARE AGENCY, INC
BALANCE SHEET
As of December 31, 2015

ASSETS

CURRENT ASSETS	
Cash	\$ 291,966
Accounts receivable	1,675,110
TOTAL CURRENT ASSETS	1,967,076
PROPERTY AND EQUIPMENT, NET	<u>109,901</u>
OTHER ASSETS	
Deferred Income Tax Benefit	<u>268,039</u>
TOTAL OTHER ASSETS	<u>268,039</u>
TOTAL ASSETS	<u><u>\$ 2,345,016</u></u>

LIABILITIES AND STOCKHOLDER'S EQUITY

CURRENT LIABILITIES	
Accounts payable	\$ 38,720
Accrued liabilities	1,198,548
Note payable - current portion	<u>173,116</u>
TOTAL CURRENT LIABILITIES	<u>1,410,383</u>
LONG-TERM LIABILITIES	
Due to officer	502,225
Deferred compensation	158,909
TOTAL LONG-TERM LIABILITIES	<u>661,134</u>
TOTAL LIABILITIES	<u>2,071,517</u>
STOCKHOLDER'S EQUITY	
Common stock; \$1 par value; 100 shares authorized, issued, and outstanding	100
Additional paid-in capital	400,803
Retained Earnings	<u>(127,404)</u>
TOTAL STOCKHOLDERS' EQUITY	<u>273,499</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u><u>\$ 2,345,016</u></u>

P-B HEALTH HOME CARE AGENCY, INC.
 STATEMENTS OF INCOME
 For the period Ended December 31, 2015

REVENUES	
Medicare reimbursements, net	\$ 4,571,937
Commercial services, net	1,279,251
Private care, net	<u>1,006,246</u>
TOTAL REVENUES	6,857,433
COST OF REVENUES	
	<u>(3,051,966)</u>
GROSS PROFIT	
	3,805,468
OPERATING EXPENSES	
Selling	21,330
General and administrative	<u>3,179,977</u>
TOTAL OPERATING EXPENSES	<u>3,201,307</u>
INCOME FROM OPERATIONS	
	604,161
OTHER REVENUES	
Refunds	<u>1,214</u>
OTHER EXPENSES	
Interest expense	<u>(51,104)</u>
NET INCOME BEFORE INCOME TAXES	
	554,271
INCOME TAX EXPENSE	
	<u> </u>
NET INCOME	
	<u><u>\$ 554,271</u></u>

P-B HEALTH HOME CARE AGENCY, INC
STATEMENT OF CHANGES IN STOCKHOLDER'S DEFICIT
For the Period Ended December 31, 2015

COMMON STOCK	
Balance at beginning and end of year	<u>\$ 100</u>
Balance at end of year	<u>100</u>
ADDITIONAL PAID-IN CAPITAL	
Balance at beginning of year	<u>400,803</u>
Balance at end of year	<u>400,803</u>
ACCUMULATED DEFICIT	
Balance at beginning of year	
As previously stated	(681,675)
Balance at beginning of year, as restated	(681,675)
Net income for the year	<u>554,271</u>
Balance at end of year	<u>\$ (127,404)</u>

P-B HEALTH HOME CARE AGENCY, INC.
STATEMENT OF CASH FLOWS
For the Period Ended December 31, 2015

CASH FLOWS FROM OPERATING ACTIVITIES	
Net income	\$ 554,271
Adjustments to reconcile net income to net cash used by operating activities	
Depreciation	23,390
Change in operating assets and liabilities	
(Increase) decrease in operating assets	
Accounts receivable	(502,195)
Increase (decrease) in operating liabilities	
Accounts payable	17,939
Accrued liabilities	73,716
NET CASH PROVIDED FROM OPERATING ACTIVITIES	<u>167,120</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
NET CASH USED BY INVESTING ACTIVITIES	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Principal repayments on note payable	(72,583)
Deferred Compensation - Owners	(41,954)
NET CASH USED BY FINANCING ACTIVITIES	<u>(114,537)</u>
NET INCREASE IN CASH	52,583
CASH AT BEGINNING OF YEAR	<u>239,383</u>
CASH AT END OF YEAR	<u><u>\$ 291,966</u></u>

P-B HEALTH HOME CARE AGENCY, INC.
COST OF REVENUES
For the Period Ended December 31, 2015

Cost of Revenue

Salaries and wages	\$ 4,290,418
G&A Salaries	<u>(2,017,339)</u>
Direct Salaries	2,273,079
Payroll taxes	377,430
G&A Payroll taxes	<u>(163,395)</u>
Direct Payroll taxes	214,035
Employee benefits	115,097
G&A Employee benefits	<u>(57,477)</u>
Direct Employee Benefits	57,620
Contracted services	400,285
Medical supplies	73,241
Training and Professional Development	<u>33,705</u>
	<u>\$ 3,051,966</u>

P-B HEALTH HOME CARE AGENCY, INC.
GENERAL&ADMINISTRATIVE EXPENSES
For the Period Ended December 31, 2015

General & Admisnitrative expenses

G&A Salaries	\$ 2,017,339
G&A Payroll Taxes	163,395
G&A employee benefits	57,477
Rent and Utilities	186,912
Communication	183,202
Professional fees	66,198
Miscellaneous	117,969
Insurance	134,010
Equipment lease	56,523
Recruitment	6,887
Automobile	55,349
Repairs and Maintenance	39,894
Personal Property Taxes	16,715
Depreciation	23,390
Due and subscriptions	22,544
Printing & Production	10,776
Meetings	6,287
Postage & Delivery	5,626
Licenses & permits	7,261
Bank Fees	<u>2,220</u>
	<u>\$ 3,179,977</u>

EXHIBIT 4



26 N Court Street, Frederick, MD 21701
FAX 301 698 7878
Business Banking

June 12, 2017

Ms. Jackie Bailey, CEO
P-B Health Home Care Agency Inc.
2535 St Paul Street
Baltimore, MD 21218

Dear Ms. Bailey,

It is M&T Bank's understanding that P-B Health Home Care Agency Inc. wishes to gain comfort from the Bank regarding its willingness to provide an operating line of credit for short term borrowing needs. Please be advised that the Bank would have great interest in providing an operating line of credit to P-B Health Home Care Agency Inc. Please note that this is not a formal credit commitment. Formal underwriting and final Bank approval is required prior to the issuance on any commitment letter or loan documents.

We greatly appreciate your business and look forward to helping you with the Agency's credit needs. Please do not hesitate to contact me if you have any questions or need further assistance with this banking matter.

Best regards,

A handwritten signature in black ink, appearing to read 'Austin L. Pearre'.

Austin L. Pearre
Vice President
Business Banking
301-698-7834

Englare, Inc.

May 26, 2017

Jackie D. Bailey, CEO
P-B Health Home Care Agency, Inc.
2535 Saint Paul Street
Baltimore, Maryland 21218

Dear Jackie,

Englare, Inc is happy to announce that your request for a line of credit has been approved. This loan will be reflected as a priority lien on P-B Health's receivables. For our commitment to go ahead you must meet all of the terms and conditions attached to this cover and submit all documents within 90 days.

Our commitment is also subject to a final credit review and approval. Englare, Inc reserves the right to assess your credit, income, asset and receivable information at any time, and may cancel the commitment if there is a significant adverse change to your business circumstances. Englare, Inc may also cancel the commitment if information you have provided is found to be untrue or misleading.

If you have any questions or queries regarding anything enclosed, please contact me at (301) 442-4458.

LOAN AMOUNT: \$500,000
TERM OF LOAN: 60 MONTHS

Sincerely,



Hilton H Augustine, Jr., CEO

EXHIBIT 5

TED PAYTON REALTY

12607 HENDERSON CHAPEL LN, BOWIE, MARYLAND 20720

TedPaytonRealty@gmail.com

301-257-1835 office

June 12, 2017

Jackie Bailey

Chief Executive Officer/ President CEO

P-B Health Home Care Agency, Inc.

2535 Saint Paul Street

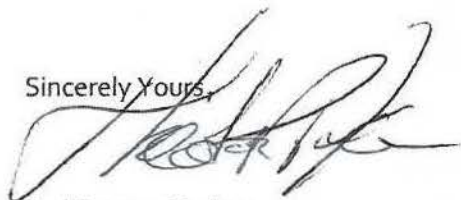
Baltimore, Maryland 21218

Dear Ms. Bailey,

This letter is to advise you of the equity in your six properties located on Saint Paul Street at 2527, 2529, 2531, 2533, and the double building at 2535-2537 in Baltimore, Maryland. We can also advise you that we are familiar with these assets held under Bailey & Associates, a company with the identical ownership to P-B Health Home Care Agency, Inc. and is its landlord. We can further advise that the aforementioned properties would have an appraised value of approximately \$1,100,000.00 market value. The total mortgage for all buildings is \$678,700.14 as of June 12th 2017, leaving substantial equity of \$421,299.86 to you the owners.

If you need further explanation, contact me at (301) 257-1835 or TedPaytonRealty@gmail.com.

Sincerely Yours,

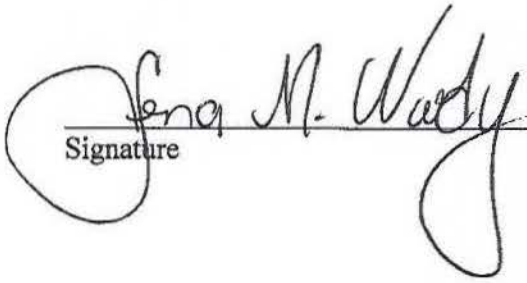


Ted Payton, Broker

Ted Payton Realty

EXHIBIT 6

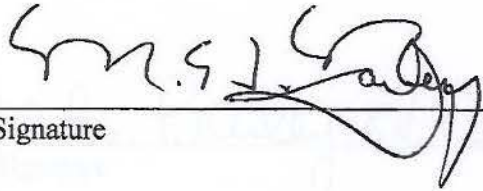
I hereby declare and affirm under the penalties of perjury that the facts stated in this CON application modification and its attachments are true and correct to the best of my knowledge, information, and belief.

 _____
Signature

6/14/17

Date

I hereby declare and affirm under the penalties of perjury that the facts stated in this CON application modification and its attachments are true and correct to the best of my knowledge, information, and belief.


Signature

6/14/17
Date

I hereby declare and affirm under the penalties of perjury that the facts stated in this CON application modification and its attachments are true and correct to the best of my knowledge, information, and belief.

Jackie Bailey, RN, CEO
Signature

6/14/17
Date

I hereby declare and affirm under the penalties of perjury that the facts stated in this CON Application Modification and its attachments are true and correct to the best of my knowledge, information, and belief.



Signature

6/14/17

Date