2015-005G

Application for Smaller Developments for Persons with Developmental Disabilities

RFA 2014-112

Response Number 1865

Submitted by

Crystal Lake Supportive Environments, Inc.

dba Attain, Inc.

2710 Staten Avenue, Suite A

Orlando, FL 32804

Attachment 1

Exhibit B to RFA 2014-112 - Applicant Certification and Acknowledgement

1. The Applicant acknowledges and certifies that the following information will be provided by the due date outlined below, or as otherwise outlined in the Corporation letter of preliminary award. An invitation to credit underwriting will not be issued until these requirements are met.

    a. If **Renovating Existing Units that Are Currently Occupied by Persons with Developmental Disabilities**, within 30 Calendar Days of the date of the Corporation letter of preliminary award, the Applicant must submit:

        (1) The Development Address;

        (2) All site control documentation* as stated in Part I. Item A of Exhibit D.; and

        (3) All Ability to Proceed documentation as stated in Part I. Item B of Exhibit D. THIS PROCESS OFTEN TAKES LONGER THAN ANTICIPATED. APPLICANTS ARE STRONGLY ADVISED TO BEGIN THIS PROCESS AS EARLY AS POSSIBLE.

    b. If **Adding Units that Serve Persons with Developmental Disabilities**, within 90 Calendar Days of the date of the Corporation letter of preliminary award, the Applicant must submit:

        (1) All site control documentation as stated in Part I. Item A of Exhibit D*; and

        (2) All Ability to Proceed documentation as stated in Part I. Item B of Exhibit D. THIS PROCESS OFTEN TAKES LONGER THAN ANTICIPATED. APPLICANTS ARE STRONGLY ADVISED TO BEGIN THIS PROCESS AS EARLY AS POSSIBLE.

    *As stated in Part I. Item A of Exhibit D, failure to demonstrate site control by the stated deadline shall result in the withdrawal of the Corporation letter of preliminary award.

2. The Applicant acknowledges and certifies that the following information will be provided by the due date outlined below, or as otherwise outlined in the invitation to enter credit underwriting. Failure to provide the required information by the stated deadline shall result in the withdrawal of the invitation to enter credit underwriting.

    a. Within seven (7) Calendar Days of the date of the invitation to enter credit underwriting, the Applicant must respond to the invitation. The Corporation will then submit the credit underwriting fee and deduct the expense from the Maximum Eligible Funding Award Amount as outlined in Section Four, J. above.

    b. Within 14 Calendar Days of the date of the invitation to enter credit underwriting, Applicants shall submit IRS Tax Information Authorization Form 8821 for all Financial Beneficiaries to the Corporation.

c. By June 4, 2015, the Applicant must provide a Transaction Screen Process (TSP) report in accordance with ASTM Practice E 1528 standards for the entire Development site as further explained in Part I, Item C.3 of Exhibit D.

d. The credit underwriting report must be approved by the Board by the first Board meeting on or after July 31, 2015, unless a written extension of time has been approved by the Corporation as explained in Part I. Item C.4. of Exhibit D. In the event that the extension is granted, extension fees will be assessed as outlined in the fee section of Section Four, J.

e. All grant funding must close by November 20, 2015. Applicants may request one (1) extension of up to 3 months as explained in Part I. Item C.5. of Exhibit D. In the event that the extension is granted, extension fees will be assessed as outlined in the fee section of Section Four, J.

f. Other items that must be submitted during the credit underwriting process are outlined in Part I, Item D of Exhibit D.

3. By submitting this RFA, the Applicant acknowledges and certifies that all requirements of the RFA and commitments made by the Applicant will be provided for the proposed Development and its Residents. Failure to do so shall result in the withdrawal of the invitation to enter credit underwriting:

a. All requirements outlined in the RFA and all commitments made by the Applicant will be met;

b. The information outlined in Exhibit D will be provided within the timeframes prescribed by the Corporation and/or the Credit Underwriter;

c. The Applicant acknowledges that any funding preliminarily secured by the Applicant is conditioned upon any independent review, analysis, and verification that may be conducted by the Corporation of all information contained in Application and/or subsequently provided, the successful completion of credit underwriting, and all necessary approvals by the Board of Directors, Corporation or other legal counsel, the Credit Underwriter, and Corporation Staff;

d. If preliminary funding is approved, Applicant will promptly furnish such other supporting information, documents, and fees requested or required by the Corporation or Credit Underwriter;

e. All awardees must provide a properly completed and executed Accessibility form at the end of construction certifying that the completed Development includes the applicable accessibility, adaptability, Visitability and universal design features required by the Corporation and proposed by the Applicant;

f. As a condition of the acceptance of funding, all awardees may be required to cooperate with the Corporation or any contractors affiliated with the Corporation in the evaluation of the effectiveness of Permanent Supportive

Housing provided through this RFA. The Corporation is interested in collecting evidence to demonstrate the extent to which these Developments meet expected outcomes;

g. All awardees may be subject to compliance monitoring visits during the affordability period;

h. The Applicant has read all applicable Corporation rules and provisions governing this RFA and has read the instructions for completing this RFA and will abide by the applicable Florida Statutes and the credit underwriting and program provisions outlined in the RFA;

i. When eliciting information from third parties required by this RFA and/or included in this Application, Applicant has provided such parties' information that accurately describes the Development. The Applicant has reviewed the third party information included in this Application and, to the best of the Applicant's knowledge, the information provided by any such party is based upon, and is accurate with respect to, the Development as proposed in this Application;

j. The Applicant's commitments will be included in the Restrictive Covenant and Grant Agreement and must be maintained in order for the Development to remain in compliance, unless the Board approves a change; and

k. The undersigned is authorized to bind all Financial Beneficiaries to this certification and warranty of truthfulness and completeness of the Application.

Under the penalties of perjury, I declare and certify that I have read the foregoing and that the information is true, correct and complete.

Crystal Lakes Supportive Environments Inc.
Development Name

1865
Response Number*

Signature of Applicant

Craig Cook, Ph.D., BCBA-D
Name (Typed or Printed)

Executive Director
Title (Typed or Printed)

NOTE: The Original Hard Copy of the Application must contain the Development Name, the final Response Number, and the original signature of the Applicant (blue ink is preferred). Other copies must be photocopies of the Original Hard Copy.

*The Response Number is the unique number generated after each Application is uploaded electronically as described in Section Three, A. of this RFA. It is reflected in the first column on the upload screen. A new Response Number will be generated each time an Application is uploaded, even if it is an Application that was previously uploaded, deleted, and then uploaded again before the Application Deadline.

Attachment 2

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
401 W. PEACHTREE ST. NW
ATLANTA, GA 30365

DEPARTMENT OF THE TREASURY

Date:
OCT 12 1994

CRYSTAL LAKE SUPPORTIVE
ENVIRONMENTS INC
C/O RITA COLE
2500 MARLBORO STREET
ORLANDO, Fl 32806-4963

Employer Identification Number:
59-2907731
Case Number:
584210026
Contact Person:
LORETTA HAMILTON
Contact Telephone Number:
(404) 331-0927

Our Letter Dated:
January 1990
Addendum Applies:
Yes

Dear Applicant:

This modifies our letter of the above date in which we state that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a)of the Code because you are an organization of the type described in section 509(a)(2).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(2) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for. or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509 (a)(2) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

CRYSTAL LAKE SUPPORTIVE

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

Nelson A. Brooke
District Director

Enclosure:
Addendum

Addendum
Crystal Lake Supportive

Your classification as an organization which is not a private foundation is being changed from sections 170(b)(1)(A)(vi) and 509(a)(1) to section 509(a)(2) because the support you have received in the type described in section 509 (a)(2).

Your classification as an organization described in section 509(a)(2) of the Code is contingent upon you continuing to meet the public support requirements of that Code section. Please refer to Publication 557, Page 25, for further details concerning these requirements. If your sources of support change significantly in the future, you should notify your Key District Director so that we can consider the effect if any on your foundation status.

Attachment 3

IRS 2012 Form 990

100731 09/03/2013 11:53 AM

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2012

Open to Public Inspection

For the 2012 calendar year, or tax year beginning , and ending

Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization: CRYSTAL LAKE SUPPORTIVE ENVIRONMENT INC.

Doing Business As: ATTAIN, INC.

Number and street (or P.O. box if mail is not delivered to street address): 2710 STATEN RD

Room/suite: A

City, town or post office, state, and ZIP code: ORLANDO FL 32804

D Employer identification number: 59-2907731

E Telephone number: 407-965-3018

G Gross receipts $: 4,072,194

F Name and address of principal officer:
CRAIG COOK
2710 STATEN RD SUITE A
ORLANDO FL 32804

H(a) Is this a group return for affiliates? ☐ Yes ☒ No

H(b) Are all affiliates included? ☐ Yes ☐ No

If "No," attach a list. (see instructions)

I Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ www.myattain.org

H(c) Group exemption number ▶

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation: 1988

M State of legal domicile: FL

Part I Summary

1 Briefly describe the organization's mission or most significant activities:
TO PROVIDE RESIDENTIAL AND EDUCATIONAL CARE FOR DISABLED CHILDREN AND ADULT INDIVIDUALS.

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.

Activities & Governance	3 Number of voting members of the governing body (Part VI, line 1a)	3	6
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	5
	5 Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	152
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
	b Net unrelated business taxable income from Form 990-T, line 34	7b	0

		Prior Year	Current Year
Revenue	8 Contributions and grants (Part VIII, line 1h)	3,601,174	4,035,869
	9 Program service revenue (Part VIII, line 2g)		0
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)		387
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		0
	12 Total revenue – add lines 8 through 11 (must equal Part VIII, column (A), line 12)	3,601,174	4,036,256
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)		0
	14 Benefits paid to or for members (Part IX, column (A), line 4)		0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	2,386,996	2,541,178
	16a Professional fundraising fees (Part IX, column (A), line 11e)		0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	1,200,686	1,331,684
	18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	3,587,682	3,872,862
	19 Revenue less expenses. Subtract line 18 from line 12	13,492	163,394

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	1,215,287	1,534,967
	21 Total liabilities (Part X, line 26)	616,702	772,988
	22 Net assets or fund balances. Subtract line 21 from line 20	598,585	761,979

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

▶ Signature of officer — Date

▶ Craig A Cook — Executive Director

Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
BRIAN D. MCGRAW, CPA (21578)	BRIAN D. MCGRAW, CPA	09/03/13		P00285571

Firm's name ▶ Tattersall & Tattersall, P.A. — Firm's EIN ▶ 59-2749653

Firm's address ▶ 668 N Orlando Ave Ste 1007 Maitland, FL 32751-4460 — Phone no. 407-894-2272

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

DAA

Form **990** (2012)

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III ☐

1 Briefly describe the organization's mission:

TO PROVIDE RESIDENTIAL AND EDUCATIONAL CARE FOR DISABLED CHILDREN AND ADULT INDIVIDUALS.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses $ 3,659,385 including grants of $) (Revenue $ 4,032,373)

WE PROVIDE LONG-TERM RESIDENTIAL CARE SERVICES, REHABILITATION SERVICES, DAY SERVICES, AND EDUCATIONAL SERVICES TO DEVELOPMENTALLY DISABLED INDIVIDUALS. THIS CARE INCLUDES: ROOM AND BOARD, RESIDENTIAL SUPPORTS, AND WHEN NECESSARY BEHAVIORAL TRAINING PROGRAMS WHICH ARE WRITTEN BY A CERTIFIED BEHAVIORAL ANALYST. ALL STAFF ARE FULLY TRAINED IN THE IMPLEMENTATION OF THESE BEHAVIORAL PROGRAMS. DATA IS COLLECTED ON THE RESULTS OF THE ABOVE SERVICES AND REPORTED TO EACH INDIVIDUAL'S MED-WAIVER SUPPORT COORDINATOR.

4b (Code:) (Expenses $ including grants of $) (Revenue $)

4c (Code:) (Expenses $ including grants of $) (Revenue $)

4d Other program services. (Describe in Schedule O.)

(Expenses $ including grants of $) (Revenue $)

4e Total program service expenses ▶ 3,659,385

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4		X
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8		X
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9		X
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	11a	X	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b		X
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d		X
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f		X
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a		X
b	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV	16		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17		X
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18		X
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19		X
20a	Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a		X
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		

Part IV Checklist of Required Schedules (continued)

			Yes	No
1	Did the organization report more than $5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21		X
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23		X
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25	24a		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III	27		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):			
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28a		X
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? If "Yes," complete Schedule M	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	33		X
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, or IV, and Part V, line 1	34		X
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		X
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b		
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	6		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c			X
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	152		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b		X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?	3a			X
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			X
b	If "Yes," enter the name of the foreign country: ▶ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a			X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a			X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O.	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?				
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O				

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI ☒

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	6		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.				
b	Enter the number of voting members included in line 1a, above, who are independent	1b	5		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2			X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3			X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5			X
6	Did the organization have members or stockholders?	6			X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a			X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b			X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a	The governing body?	8a		X	
b	Each committee with authority to act on behalf of the governing body?	8b		X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9			X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a		X
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a		X
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.			
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	X	
13	Did the organization have a written whistleblower policy?	13	X	
14	Did the organization have a written document retention and destruction policy?	14	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	X	
b	Other officers or key employees of the organization	15b	X	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ None

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶ CRAIG A. COOK 2710 STATEN RD SUITE A ORLANDO FL 32804 407-965-3044

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organizations compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) LARRY WHITE	1.00									
BOARD MEMBER	0.00	X						0	0	0
(2) LAURIE MCNAB	1.00									
BOARD MEMBER	0.00	X						0	0	0
(3) MIKE ESTES	1.00									
BOARD MEMBER	0.00	X						0	0	0
(4) JEFF COOK	1.00									
BOARD MEMBER	0.00	X						0	0	0
(5) CRAIG A. COOK	40.00									
EXECUTIVE DIRECTOR	0.00			X				91,800	0	0
(6) DREW L. CARTER	1.00									
TREASURER	0.00			X				0	0	0
(7)										
(8)										
(9)										
(10)										
(11)										

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(12)										
(13)										
(14)										
(15)										
(16)										
(17)										
(18)										
(19)										
1b Sub-total ▶								91,800		
c Total from continuation sheets to Part VII, Section A ▶										
d Total (add lines 1b and 1c) ▶								91,800		

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 0

		Yes	No
3	Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		X
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? If "Yes," complete Schedule J for such individual		X
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 0

Part VIII Statement of Revenue

Check if Schedule O contains a response to any question in this Part VIII. ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e	4,032,373			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	3,496			
	g Noncash contributions included in lines 1a-1f: $					
	h **Total.** Add lines 1a–1f ▶		4,035,869			
Program Service Revenue		Busn. Code				
	2a					
	b					
	c					
	d					
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a–2f ▶					
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶					
	4 Income from investment of tax-exempt bond proceeds ▶					
	5 Royalties ▶					
		(i) Real	(ii) Personal			
	6a Gross rents					
	b Less: rental exps.					
	c Rental inc. or (loss)					
	d Net rental income or (loss) ▶					
	7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other 36,325			
	b Less: cost or other basis & sales exps.		35,938			
	c Gain or (loss)		387			
	d Net gain or (loss) ▶		387	387		
	8a Gross income from fundraising events (not including $ ____ of contributions reported on line 1c). See Part IV, line 18 a					
	b Less: direct expenses b					
	c Net income or (loss) from fundraising events ▶					
	9a Gross income from gaming activities. See Part IV, line 19 a					
	b Less: direct expenses b					
	c Net income or (loss) from gaming activities ▶					
	10a Gross sales of inventory, less returns and allowances a					
	b Less: cost of goods sold b					
	c Net income or (loss) from sales of inventory ▶					
	Miscellaneous Revenue	Busn. Code				
	11a					
	b					
	c					
	d All other revenue					
	e **Total.** Add lines 11a–11d ▶					
	12 **Total revenue.** See instructions. ▶		4,036,256	387	0	0

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response to any question in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	2,204,599	2,095,982	108,617	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	167,927	153,486	14,441	
10 Payroll taxes	168,652	160,343	8,309	
11 Fees for services (non-employees):				
a Management				
b Legal	8,690	7,821	869	
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)				
12 Advertising and promotion				
13 Office expenses	71,832	64,649	7,183	
14 Information technology				
15 Royalties				
16 Occupancy	191,113	169,513	21,600	
17 Travel	123,052	123,052		
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	7,539		7,539	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	144,875	130,382	14,493	
23 Insurance	133,329	120,183	13,146	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a HOUSEHOLD SUPPLIES	127,548	127,548		
b FOOD EXPENSE	101,348	101,348		
c MAINTENANCE SERVICE	88,708	88,708		
d UTILITIES	77,977	70,179	7,798	
e All other expenses	255,673	246,191	9,482	
25 Total functional expenses. Add lines 1 through 24e	3,872,862	3,659,385	213,477	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response to any question in this Part X

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest bearing		174,650	1	331,749
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net			4	
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use			8	
	9	Prepaid expenses and deferred charges			9	65,036
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 1,479,881			
	b	Less: accumulated depreciation	10b 348,929	1,033,771	10c	1,130,952
	11	Investments—publicly traded securities			11	
	12	Investments—other securities. See Part IV, line 11			12	
	13	Investments—program-related. See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets. See Part IV, line 11		6,866	15	7,230
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		1,215,287	16	1,534,967
Liabilities	17	Accounts payable and accrued expenses			17	
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		616,702	25	772,988
	26	**Total liabilities.** Add lines 17 through 25		616,702	26	772,988
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		598,585	27	761,979
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ [ ] and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building, or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		598,585	33	761,979
	34	Total liabilities and net assets/fund balances		1,215,287	34	1,534,967

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	4,036,256
2	Total expenses (must equal Part IX, column (A), line 25)	2	3,872,862
3	Revenue less expenses. Subtract line 2 from line 1	3	163,394
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	598,585
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	761,979

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII ☐

			Yes	No
1	Accounting method used to prepare the Form 990: ☒ Cash ☐ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	2a		X
b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	2b		X
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	2c		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization	Employer identification number
CRYSTAL LAKE SUPPORTIVE ENVIRONMENT INC.	59-2907731

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: .....

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I b ☐ Type II c ☐ Type III–Functionally integrated d ☐ Type III–Non-functionally integrated

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ..... ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)		
(ii) A family member of a person described in (i) above?	11g(ii)		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)		

h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	2,324,453	2,637,098	3,542,836	3,601,174	4,035,869	16,141,430
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3	2,324,453	2,637,098	3,542,836	3,601,174	4,035,869	16,141,430
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4.						16,141,430

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4	2,324,453	2,637,098	3,542,836	3,601,174	4,035,869	16,141,430
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources			52			52
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 **Total support.** Add lines 7 through 10						16,141,482

12 Gross receipts from related activities, etc. (see instructions) 12

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

14	Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))	14	100.00 %
15	Public support percentage from 2011 Schedule A, Part II, line 14	15	100.00 %

16a **33 1/3% support test—2012.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☒

b **33 1/3% support test—2011.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10%-facts-and-circumstances test—2012.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

b **10%-facts-and-circumstances test—2011.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ ☐

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 **Total support.** (Add lines 9, 10c, 11, and 12.)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

15	Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15	%
16	Public support percentage from 2011 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2012** (line 10c, column (f) divided by line 13, column (f))	17	%
18	Investment income percentage from **2011** Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests—2012.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support tests—2011.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No. 1545-0047

2012

Name of the organization
CRYSTAL LAKE SUPPORTIVE ENVIRONMENT INC.

Employer identification number
59-2907731

Organization type (check one):

Filers of:	Section:
Form 990 or 990-EZ	[X] 501(c)(3) (enter number) organization
	[ ] 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	[ ] 527 political organization
Form 990-PF	[ ] 501(c)(3) exempt private foundation
	[ ] 4947(a)(1) nonexempt charitable trust treated as a private foundation
	[ ] 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

[ ] For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

[X] For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

[ ] For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

[ ] For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not total to more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of $5,000 or more during the year ▶ $

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization	Employer identification number
CRYSTAL LAKE SUPPORTIVE ENVIRONMENT	59-2907731

Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	FLA AGENCY FOR HEALTH CARE ADMIN MEDICADE MGMT INFO SYSTEM 2562 EXECUTIVE CTR CIR E STE 100 TALLAHASSEE FL 32301-5002	$ 3,037,045	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
2	FDOT - CUTR VEHICLE PROCUREMENT PROGRAM GRANT 605 SUWANNEE STREET TALLAHASSEE FL 32399-0450	$ 161,001	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization
CRYSTAL LAKE SUPPORTIVE ENVIRONMENT INC.

Employer identification number
59-2907731

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (e.g., recreation or education)
☐ Protection of natural habitat
☐ Preservation of open space
☐ Preservation of an historically important land area
☐ Preservation of a certified historic structure

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

			Held at the End of the Tax Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $

(ii) Assets included in Form 990, Part X ▶ $

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ $

b Assets included in Form 990, Part X ▶ $

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ▶ %
b Permanent endowment ▶ %
c Temporarily restricted endowment ▶ %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other		1,479,881	348,929	1,130,952
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ▶				1,130,952

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) 30 YEAR MORTG - BARNEGAT	130,922
(3) PNC - CDC LOAN -4415	110,000
(4) 30 YEAR MORTG - VENTURA	109,256
(5) 30 YEAR MORTG - NEPONSET	103,466
(6) CLIENT TRUST ACCOUNTS LIAB	100,093
(7) 30 YEAR MORTG - CARMEL	70,146
(8) FIRST INSURANCE FINANCE LIABILITY	25,704
(9) PNC E-150 LOAN -5195	18,287
(10) Ford PNC Loan -4882 ($458.33)	16,647
(11) All Other	88,467
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	772,988

2. FIN 48 (ASC 740) Footnote. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII ☐

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII.)	2d			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII.)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total revenue. Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12.)			5	

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIII.)	2d			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	
4	Amounts included on Form 990, Part IX, line 25, but not on line **1**:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII.)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total expenses. Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18.)			5	

Part XIII Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Part XIII Supplemental Information (continued)

SCHEDULE O (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization: CRYSTAL LAKE SUPPORTIVE ENVIRONMENT INC.

Employer identification number: 59-2907731

Form 990, Part VI, Line 11b - Organization's Process to Review Form 990

ONCE THE COPY IS RECEIVED, THE 990 IS VISUALLY REVIEWED BY EXECUTIVE DIRECTOR FOR ERRORS/OMISSIONS.

Form 990, Part VI, Line 12c - Enforcement of Conflicts Policy

OFFICERS AND DIRECTORS ARE CONSISTENTLY ASKED TO DISCLOSE ANY POTENTIAL CONFLICTS. THEY ARE ALSO ASKED TO RECUSE THEMSELVES FROM ANY DECISIONS WHERE A CONFLICT OF INTEREST EXISTS. IN ADDITION, THE CORPORATE SECRETARY IS CHARGED WITH MONITORING FOR ANY CONFLICTS OF INTERESTS.

Form 990, Part VI, Line 15a - Compensation Process for Top Official

SIMILAR ORGANIZATIONS ARE CONTACTED TO OBTAIN DATA ON THE FAIR MARKET VALUE FOR SIMILAR POSITIONS. THIS INFORMATION IS THEN REVIEWED BY THE BOARD OF DIRECTORS TO DEVELOP AND REVISE SALARY RANGES FOR POSITIONS.

Form 990, Part VI, Line 15b - Compensation Process for Officers

SIMILAR ORGANIZATIONS ARE CONTACTED TO OBTAIN DATA ON THE FAIR MARKET VALUE FOR SIMILAR POSITIONS. THIS INFORMATION IS THEN REVIEWED BY THE BOARD OF DIRECTORS TO DEVELOP AND REVISE SALARY RANGES FOR POSITIONS.

Form 990, Part VI, Line 19 - Governing Documents Disclosure Explanation

THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST.

Federal Statements

Statement 1 - Form 4562, Line 26 - Property Used More Than 50% in a Qualified Business

Property Type	Date	Business %	Cost	Depr Basis	Period	Method	Deduction	Section 179
1999 White Ford Cown Vic	4/13/06	100.00	$ 6,485	$ 6,485	5.0	S/L-	$	$
1998 White Dodge Van	9/06/06	100.00	5,550	5,550	5.0	S/L-		
1998 Blue Crown Vic	9/06/06	100.00	5,600	5,600	5.0	S/L-		
Chevy G15 Express '00	2/01/07	100.00	8,500	8,500	5.0	200DBHY	490	
2010 E-350 SD Van	5/18/10	100.00	25,424	14,264	5.0	200DBHY	3,050	
2010 E-350 SD Van	1/05/10	100.00	23,795	12,635	5.0	200DBHY	3,032	
2009 E-350 SD Van	8/25/10	100.00	22,452	11,292	5.0	200DBHY	2,710	
2011 Ford Van ($458.87)	3/15/11	100.00	24,120	12,860	5.0	200DBHY	5,144	
2011 Ford Van ($458.33)	4/19/11	100.00	23,851	12,591	5.0	200DBHY	5,036	
Computer	2/13/07	100.00	670	670	5.0	200DBHY	39	
Mini Tower - Server	5/02/07	100.00	1,933	1,933	5.0	200DBHY	111	
Dell OptiPlex 745 Mini Tower	5/03/07	100.00	712	712	5.0	200DBHY	41	
Dell OptiPlex 740	6/11/07	100.00	617	617	5.0	200DBHY	36	
2 Laptops (1 of 2)	6/14/07	100.00	4,215	4,215	5.0	200DBHY	243	
2 Dell OptiPlex 745 Computers	1/25/08	100.00	1,276	638	5.0	200DBHY	111	
Dell Server	2/19/08	100.00	2,936	1,468	5.0	200DBHY	254	
2 Printers	3/11/08	100.00	1,096	548	5.0	200DBHY	94	

Federal Statements

Statement 1 - Form 4562, Line 26 - Property Used More Than 50% in a Qualified Business (continued)

Property Type / Date	Business %	Cost	Depr Basis	Period	Method	Deduction	Section 179
Techsoup swithc/firewall/router/ethernet							
5/05/08	100.00	$ 2,490	$ 1,245	5.0	200DBHY	$ 215	$
Dell Server							
7/10/08	100.00	1,936	968	5.0	200DBHY	167	
Dell Server / cd 5 clt							
7/10/08	100.00	1,936	968	5.0	200DBHY	167	
Dell Computer Equipment							
12/04/08	100.00	947	474	5.0	200DBHY	82	
Dell Computer Equip							
7/10/08	100.00	780	390	5.0	200DBHY	67	
2010 Ford Focus							
8/25/10	100.00	13,375	6,688	5.0	200DBHY	1,284	
2012 Ford E-150 White							
8/13/12	100.00	19,466	9,733	5.0	200DBHY	1,627	
2012 Ford E250 - Grant Van							
2/15/12	100.00	35,938	24,578	5.0	200DBHY		
2012 Ford E250 - Grant Van							
2/15/12	100.00	35,938	24,578	5.0	200DBHY		
2012 Ford E250 - Grant Van							
2/15/12	100.00	35,938	24,578	5.0	200DBHY		
2012 Ford E250 - Grant Van							
2/15/12	100.00	35,938	24,578	5.0	200DBHY		
2012 Ford E250 - Grant Van							
2/15/12	100.00	35,938	35,938	5.0	200DBHY		
Total		$ 379,852	$ 255,294			$ 24,000	$ 0

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No. 1545-0172

2012

Attachment Sequence No. **179**

Name(s) shown on return: CRYSTAL LAKE SUPPORTIVE ENVIRONMENT INC.

Identifying number: 59-2907731

Business or activity to which this form relates: Indirect Depreciation

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2011 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2013. Add lines 9 and 10, less line 12 ▶	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	24,709
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	8,933

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2012	17	28,099
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B—Assets Placed in Service During 2012 Tax Year Using the General Depreciation System

	(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property						
b	5-year property		9,836	5.0	HY	200DB	1,967
c	7-year property		10,903	7.0	HY	200DB	1,557
d	10-year property						
e	15-year property						
f	20-year property						
g	25-year property			25 yrs.		S/L	
h	Residential rental property			27.5 yrs.	MM	S/L	
				27.5 yrs.	MM	S/L	
i	Nonresidential real property	02/01/12	2,520	39 yrs.	MM	S/L	57
		Various	26,906	39.0	MM	S/L	380

Section C—Assets Placed in Service During 2012 Tax Year Using the Alternative Depreciation System

20a	Class life					S/L	
b	12-year			12 yrs.		S/L	
c	40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	79,173
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	144,875
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? [X] Yes [ ] No — 24b If "Yes," is the evidence written? [X] Yes [ ] No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						25	55,173	
26 Property used more than 50% in a qualified business use:								
See Statement 1		%	379,852	255,294			24,000	
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L-		
		%				S/L-		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						28	79,173	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (**do not** include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2012 tax year (see instructions):					
43 Amortization of costs that began before your 2012 tax year				43	
44 **Total.** Add amounts in column (f). See the instructions for where to report				44	

100731 CRYSTAL LAKE SUPPORTIVE ENVIRONMENT 09/03/2013 11:53 AM

59-2907731

Federal Asset Report

FYE: 12/31/2012

Form 990, Page 1

Asset	Description	Date In Service	Cost	Bus %	Sec 179	Bonus	Basis for Depr	Per	Conv	Meth	Prior	Current
5-year GDS Property:												
124	Dell Thin Clients	8/21/12	5,200			X	2,600	5	HY	200DB	0	3,120
125	Dell Computer Equipment	10/17/12	948			X	474	5	HY	200DB	0	569
127	Computers Lab	4/30/12	3,508			X	1,754	5	HY	200DB	0	2,105
128	Drobo Ext Storage Device	6/30/12	4,482			X	2,241	5	HY	200DB	0	2,689
129	Hewlett Packard - Think Client	9/18/12	560			X	280	5	HY	200DB	0	336
131	Hewlett Packard - Zero Client	11/29/12	187			X	94	5	HY	200DB	0	112
132	Hewlett Packard - Zero Client	11/30/12	187			X	94	5	HY	200DB	0	112
134	3cx Phone System - JWT Technologies	12/31/12	907			X	454	5	HY	200DB	0	544
137	Mobile Kiosk - Cerner Extended Care	3/30/12	570			X	285	5	HY	200DB	0	342
140	Kiosk - Cerner Extended Care	9/18/12	300			X	150	5	HY	200DB	0	180
142	Washer	2/28/12	341			X	170	5	HY	200DB	0	205
143	GE Electric Range	2/23/12	404			X	202	5	HY	200DB	0	242
144	Refridgerator	3/19/12	809			X	404	5	HY	200DB	0	485
145	Washer	4/29/12	367			X	184	5	HY	200DB	0	220
146	Washer	8/08/12	350			X	175	5	HY	200DB	0	210
147	Dishwasher	8/23/12	305			X	152	5	HY	200DB	0	183
148	Dishwasher	8/23/12	246			X	123	5	HY	200DB	0	148
			19,671				9,836				0	11,802
7-year GDS Property:												
111	Mattress - Blue,Twin - Harding	1/20/12	220			X	110	7	HY	200DB	0	126
112	Mattress & Foundation - Ventura	1/20/12	290			X	145	7	HY	200DB	0	166
113	Mattress & Foundation - Carmel	1/20/12	290			X	145	7	HY	200DB	0	166
114	5 Drawer Chest - Carmel	1/27/12	599			X	300	7	HY	200DB	0	342
115	Furniture / Mattress - Carmel	6/29/12	1,178			X	589	7	HY	200DB	0	673
116	Security Cameras - Harding	8/29/12	1,171			X	585	7	HY	200DB	0	669
117	Cameras	10/31/12	639			X	320	7	HY	200DB	0	365
118	Chairs	10/31/12	1,112			X	556	7	HY	200DB	0	635
119	Cameras	10/30/12	2,602			X	1,301	7	HY	200DB	0	1,487
120	TV's	11/30/12	552			X	276	7	HY	200DB	0	315
121	House Camera System	12/31/12	2,038			X	1,019	7	HY	200DB	0	1,164
122	Cameras	12/31/12	400			X	200	7	HY	200DB	0	229
123	Cameras	12/31/12	1,597			X	798	7	HY	200DB	0	913
126	Affordable Space, Inc - Storage	6/11/12	3,725			X	1,862	7	HY	200DB	0	2,129
150	Group Home Furniture	1/03/12	1,550			X	775	7	HY	200DB	0	886
153	Shed - Harding property	4/11/12	2,000			X	1,000	7	HY	200DB	0	1,143
157	Safes for Homes	6/25/12	1,845			X	922	7	HY	200DB	0	1,054
			21,808				10,903				0	12,462
Non-Residential Real Property:												
151	Carmel Building Improvement	2/01/12	2,520				2,520	39	MM	S/L	0	57
152	Septic Field - Harding	4/25/12	8,580				8,580	39	MM	S/L	0	156
154	Air Unit - Server Room, Main Office	4/25/12	2,465				2,465	39	MM	S/L	0	45
155	Fire System - Marlboro	5/15/12	7,600				7,600	39	MM	S/L	0	122
156	Pantry (redo) - Conway	6/25/12	2,885				2,885	39	MM	S/L	0	40
158	Bathroom rebuild - Wayfarer	11/29/12	5,376				5,376	39	MM	S/L	0	17
			29,426				29,426				0	437
Prior MACRS:												
10	Freezer	5/11/07	500				500	5	HY	200DB	471	29
31	Vending Machine	6/29/07	600				600	7	HY	200DB	466	54
32	6 Toshiba Network Cameras	6/08/07	2,092				2,092	7	HY	200DB	1,625	187
37	4 Bookshelves	11/07/07	919				919	7	HY	200DB	714	82
42	Generator	8/19/08	2,199			X	1,099	7	HY	200DB	1,512	196
43	Generator	8/19/08	2,200			X	1,100	7	HY	200DB	1,513	196
55	HH Fridge	2/07/08	684			X	342	7	HY	200DB	470	62
61	Equipment	6/19/08	1,240			X	620	7	HY	200DB	853	110
62	Equipment	8/19/08	853			X	427	7	HY	200DB	586	76
66	Washers and Dryers	2/17/09	6,709			X	3,355	5	HY	200DB	4,777	773
67	Washers and Dryers	6/24/09	2,249			X	1,125	5	HY	200DB	1,601	259
68	Scanner	7/27/09	1,450			X	725	5	HY	200DB	1,032	167
69	Television	10/23/09	750			X	375	5	HY	200DB	534	86
70	3 Computer Cabinets	7/24/09	1,515			X	757	7	HY	200DB	852	190

100731 CRYSTAL LAKE SUPPORTIVE ENVIRONMENT 09/03/2013 11:53 AM

59-2907731

Federal Asset Report

FYE: 12/31/2012

Form 990, Page 1

Asset	Description	Date In Service	Cost	Bus %	Sec 179	Bonus	Basis for Depr	Per	Conv Meth	Prior	Current
72	3 Tables	9/11/09	2,187			X	1,093	7	HY 200DB	1,231	273
77	5114 Barnegat Point Building	12/10/09	130,922				130,922	39	MM S/L	6,714	3,357
78	4635 Carmel Street - Building	12/15/09	73,346				73,346	39	MM S/L	3,761	1,881
79	5172 Neponset Avenue - Building	10/06/09	103,466				103,466	39	MM S/L	5,306	2,653
80	514 Ventura Avenue - Building	12/29/09	110,256				110,256	39	MM S/L	5,654	2,827
86	5114 Barnegat Improvements	12/31/10	96,255				96,255	39	MM S/L	2,571	2,468
87	5172 Neponset Improvements	12/31/10	192,149				192,149	39	MM S/L	5,132	4,927
88	4635 Carmel Improvements	12/31/10	109,919				109,919	39	MM S/L	2,936	2,818
89	514 Ventura Improvements	12/31/10	102,751				102,751	39	MM S/L	2,744	2,635
90	5 Dressers	11/08/10	800			X	0	7	HY 200DB	800	0
91	6 Dressers and 6 Mattresses	11/08/10	1,320			X	0	7	HY 200DB	1,320	0
92	6 Bed Frame's & Box Springs	11/08/10	960			X	0	7	HY 200DB	960	0
94	Building Improvement	3/18/11	20,000				20,000	39	MM S/L	406	513
95	Cubicles for BA Office	12/22/11	1,400			X	0	7	HY 200DB	1,400	0
96	Carmel Building Improvements	8/16/11	12,825				12,825	39	MM S/L	123	329
99	2515 Regent Improvements	6/30/11	22,049				22,049	39	MM S/L	306	566
103	NSP Building Improvments	5/10/11	15,000				15,000	39	MM S/L	240	385
104	Bedroom Furniture	1/12/11	470			X	0	7	HY 200DB	470	0
149	1997 Red Ford SW	12/31/11	1,300			X	0	5	HY 200DB	1,300	0
	Sold/Scrapped: 3/06/12										
			1,021,335				1,004,067			60,380	28,099
Other Depreciation:											
2	Dryer	5/18/06	533				533	5	MO S/L	533	0
3	Washer	6/26/06	533				533	5	MO S/L	533	0
4	Washer	6/26/06	533				533	5	MO S/L	533	0
5	Washer	6/26/06	533				533	5	MO S/L	533	0
6	Dryer	6/26/06	533				533	5	MO S/L	533	0
7	Dryer	6/26/06	533				533	5	MO S/L	533	0
8	Refrigerator	10/25/06	712				712	5	MO S/L	712	0
9	Freezer	10/25/06	712				712	5	MO S/L	712	0
33	Office Furniture	4/07/06	630				630	7	MO S/L	518	90
35	2 Desks & Chairs	4/03/06	235				235	7	MO S/L	193	34
36	Office Furniture	4/18/06	220				220	7	MO S/L	178	32
51	Policy Technologies Software	3/01/08	944				944	3	MO S/L	944	0
52	Microsoft Windows & Outlook	3/05/08	699				699	3	MO S/L	699	0
54	PeachTree Software	6/19/08	916				916	3	MO S/L	916	0
59	Policy Technologies International Software	4/11/08	944				944	3	MO S/L	944	0
60	Policy Technologies International Software	5/23/08	944				944	3	MO S/L	944	0
63	Computer Software	11/12/08	887				887	3	MO S/L	887	0
71	Graphic Software	7/27/09	1,010				1,010	3	MO S/L	814	196
73	Computer Software - Records for Living,Inc	6/24/09	1,500				1,500	3	MO S/L	1,250	250
74	Computer Software - Paltech Solutions	7/10/09	3,500				3,500	3	MO S/L	2,917	583
75	Computer Software - Paltech Solutions	9/18/09	2,500				2,500	3	MO S/L	1,875	625
76	Computer Software - Paltech Solutions	11/20/09	2,500				2,500	3	MO S/L	1,736	764
93	PeachTree Software	6/18/10	840			X	420	3	MO Amort	642	140
100	Cerner Ext Care Software	9/13/11	11,648				11,648	3	MO S/L	1,294	3,883
101	Solana Computer Software	9/14/11	2,800				2,800	3	MO S/L	311	933
102	Sword & Shield Enterprise Soft	11/28/11	1,753				1,753	3	MO S/L	49	584
130	DRI VM ware	10/31/12	299			X	149	3	MO Amort	0	162
133	Zix Mail	10/29/12	1,699			X	849	3	MO Amort	0	920
135	Policy Technoligies Intnl Software	6/26/12	995			X	497	3	MO Amort	0	594
136	Cerner Extended Care Soft	2/03/12	808			X	404	3	MO Amort	0	528
138	Cerner Extended Care Software	4/03/12	570			X	285	3	MO Amort	0	356
139	Computer Software	8/29/12	687			X	343	3	MO Amort	0	391
141	'Computer Software' - OrLANtech	3/20/12	2,875			X	1,437	3	MO Amort	0	1,837
	Total Other Depreciation		47,025				42,636			21,733	12,902
	Total ACRS and Other Depreciation		47,025				42,636			21,733	12,902
Listed Property:											
12	1999 White Ford Cown Vic	4/13/06	6,485				6,485	5	MO S/L	6,485	0
13	1998 White Dodge Van	9/06/06	5,550				5,550	5	MO S/L	5,550	0
14	1998 Blue Crown Vic	9/06/06	5,600				5,600	5	MO S/L	5,600	0
	Sold/Scrapped: 3/05/12										
15	Chevy G15 Express '00	2/01/07	8,500				8,500	5	HY 200DB	8,010	490

100731 CRYSTAL LAKE SUPPORTIVE ENVIRONMENT
59-2907731
FYE: 12/31/2012

Federal Asset Report
Form 990, Page 1

09/03/2013 11:53 AM

Asset	Description	Date In Service	Cost	Bus %	Sec 179	Bonus	Basis for Depr	Per	Conv	Meth	Prior	Current
82	2010 E-350 SD Van	5/18/10	25,424			X	14,264	5	HY	200DB	16,260	3,050
83	2010 E-350 SD Van	1/05/10	23,795			X	12,635	5	HY	200DB	16,214	3,032
84	2009 E-350 SD Van	8/25/10	22,452			X	11,292	5	HY	200DB	15,677	2,710
97	2011 Ford Van ($458.87)	3/15/11	24,120			X	12,860	5	HY	200DB	11,260	5,144
98	2011 Ford Van ($458.33)	4/19/11	23,851			X	12,591	5	HY	200DB	11,260	5,036
105	2012 Ford E-150 White	8/13/12	19,466			X	9,733	5	HY	200DB	0	11,360
106	2012 Ford E250 - Grant Van	2/15/12	35,938			X	24,578	5	HY	200DB	0	11,360
107	2012 Ford E250 - Grant Van	2/15/12	35,938			X	24,578	5	HY	200DB	0	11,360
108	2012 Ford E250 - Grant Van	2/15/12	35,938			X	24,578	5	HY	200DB	0	11,360
109	2012 Ford E250 - Grant Van	2/15/12	35,938			X	24,578	5	HY	200DB	0	11,360
110	2012 Ford E250 - Grant Van Sold/Scrapped: 12/11/12	2/15/12	35,938			X	35,938	5	HY	200DB	0	0
16	Computer	11/18/05	690				690	5	MO	S/L	690	0
17	Dell Computer	7/24/06	744				744	5	MO	S/L	744	0
18	Dell Transformer	4/23/06	731				731	5	MO	S/L	731	0
19	Dell Computer	9/14/06	843				843	5	MO	S/L	843	0
20	Dell Computer	10/26/06	594				594	5	MO	S/L	594	0
21	Computer	2/13/07	670				670	5	HY	200DB	631	39
22	Mini Tower - Server	5/02/07	1,933				1,933	5	HY	200DB	1,822	111
23	Dell OptiPlex 745 Mini Tower	5/03/07	712				712	5	HY	200DB	671	41
24	Dell OptiPlex 740	6/11/07	617				617	5	HY	200DB	581	36
25	2 Laptops (1 of 2)	6/14/07	4,215				4,215	5	HY	200DB	3,972	243
44	2 Dell OptiPlex 745 Computers	1/25/08	1,276			X	638	5	HY	200DB	1,055	111
45	Dell Server	2/19/08	2,936			X	1,468	5	HY	200DB	2,429	254
46	2 Printers	3/11/08	1,096			X	548	5	HY	200DB	907	94
47	Techsoup swithc/firewall/router/ethernet	5/05/08	2,490			X	1,245	5	HY	200DB	2,060	215
48	Dell Server	7/10/08	1,936			X	968	5	HY	200DB	1,601	167
49	Dell Server / cd 5 clt	7/10/08	1,936			X	968	5	HY	200DB	1,601	167
50	Dell Computer Equipment	12/04/08	947			X	474	5	HY	200DB	783	82
56	Dell Computer Equip	7/10/08	780			X	390	5	HY	200DB	645	67
85	2010 Ford Focus	8/25/10	13,375			X	6,688	5	HY	200DB	10,165	1,284
			383,454				258,896				128,841	79,173
	Grand Totals		1,522,719				1,355,764				210,954	144,875
	Less: Dispositions and Transfers		42,838				41,538				6,900	0
	Less: Start-up/Org Expense		0				0				0	0
	Net Grand Totals		1,479,881				1,314,226				204,054	144,875

Federal Statements

Form 990, Part IX, Line 24e - All Other Expenses

Description	Total Expenses	Program Service	Management & General	Fund Raising
MAINTENANCE SUPPLIES	$ 63,108	$ 63,108	$	$
CONSULTING FEES	53,786	53,786		
TELEPHONE	25,193	22,674	2,519	
PROPERTY TAXES	23,033	20,730	2,303	
CLIENT TRAINING	15,992	15,992		
UNEMPLOYMENT COMP - 1ST I	12,802	11,522	1,280	
EMPLOYEE TRAINING	9,720	9,720		
CBC ALLOWANCE EXPENSE	9,503	9,503		
PAYROLL SERVICE FEES	8,954	8,059	895	
LICENSES & FEES	8,831	7,948	883	
EMPLOYEE HIRING & SCREENI	7,097	7,097		
DUES AND SUBSCRIPTIONS	6,969	6,272	697	
MISCELLANEOUS EXPENSE	4,331	3,898	433	
PEST CONTROL	2,943	2,649	294	
GARBAGE	1,585	1,585		
POSTAGE	1,064	958	106	
BANK FEES	629	566	63	
MEDICAL EXPENSE	124	124		
PENALTIES	9		9	
Total	$ 255,673	$ 246,191	$ 9,482	$ 0

Attachment 4

Attain Inc.'s Florida Business License

2014

FILED
Jan 09, 2014
Secretary of State
CC5334048861

2014 FLORIDA NON PROFIT CORPORATION ANNUAL REPORT

DOCUMENT# N25688

Entity Name: CRYSTAL LAKE SUPPORTIVE ENVIRONMENTS INC.

Current Principal Place of Business:

2710 STATEN RD., SUITE A
ORLANDO, FL 32804

Current Mailing Address:

2710 STATEN RD., SUITE A
ORLANDO, FL 32804 US

FEI Number: 59-2907731

Certificate of Status Desired: Yes

Name and Address of Current Registered Agent:

COOK, CRAIG A
2710 STATEN ROAD
SUITE A
ORLANDO, FL 32804 US

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE: _____

Electronic Signature of Registered Agent — Date

Officer/Director Detail:

Title	PD
Name	COOK, CRAIG A
Address	2451 REGENT STREET, SUITE A
City-State-Zip:	ORLANDO FL 32804

Title	D
Name	MCNAB, LAURIE
Address	2451 REGENT STREET, SUITE A
City-State-Zip:	ORLANDO FL 32804

Title	DIRECTOR
Name	COOK, JEFF
Address	2710 STATEN RD., SUITE A
City-State-Zip:	ORLANDO FL 32804

Title	S/T
Name	CARTER, DREW
Address	2451 REGENT STREET, SUITE A
City-State-Zip:	ORLANDO FL 32804

Title	DIRECTOR
Name	WHITE, LARRY
Address	2710 STATEN RD., SUITE A
City-State-Zip:	ORLANDO FL 32804

I hereby certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am an officer or director of the corporation or the receiver or trustee empowered to execute this report as required by Chapter 617, Florida Statutes; and that my name appears above, or on an attachment with all other like empowered.

SIGNATURE: CRAIG A COOK PD 01/09/2014

Electronic Signature of Signing Officer/Director Detail — Date

Attachment 5

(Exhibits for Private Transportation)

Print Form

PREVENTIVE MAINTENANCE GUIDELINES

Preventive maintenance is a term used to describe the performance of regularly scheduled maintenance activities on a vehicle in order to prevent the possibility of malfunctions, to extend vehicle life, and to reduce maintenance and operating cost. If the majority of your vehicle repairs are made after the vehicle experiences a mechanical failure, you do not have a functioning preventive maintenance program.

A well established comprehensive preventive maintenance program is as important to a successful transportation system as the actual purchase of the vehicles. Accurate records are a must in any organization and much more in the maintenance field because of the vehicles and lives involved. These guidelines are prepared to assist you with performing Daily Vehicle Inspections, setting up a schedule for regularly maintenance, and proper documentation that should be contained in each vehicle file.

It is preferred to make maintenance arrangements in the initial planning stages of any transportation program. If you already have a program in place, it is wise to review it in order to insure it meets your current needs.

Maintenance can be arranged to be contracted out to commercial mechanics or it can be done in-house or a combination of both.

This Preventive Maintenance Plan will consist of:

- Conducting Daily Vehicle Inspections
- Adhering to a Preventive Maintenance schedule
- Keeping a comprehensive maintenance record on file for each vehicle

1. Pre and Post-Trip Daily Vehicle Inspection Checklist

a. Each driver will need to conduct a daily vehicle inspection and fill out the checklist before beginning their route and after the route has been completed. The same form should be used to record both the Pre and Post Trip inspections. Safety problems should be reported immediately to the lead mechanic and corrected before you start your route.

b. Wheelchair lifts must be cycled completely during the pre-trip and post-trip inspections.

c. Drivers should add comments to the checklist if a problem arises during the shift.

d. It is the responsibility of the supervisor who signs the Pre and Post-Trip Daily Vehicle Inspection Checklists to conduct spot checks of the drives checklists to ensure that they are being filled out completely and thoroughly both before the drivers begin and after the drivers return from conducting their daily routes.

e. Each vehicle will be assigned a Pre and Post-Trip Daily Vehicle Inspection Checklist log book consisting of a 3-ring notebook containing forms for a period of 90 days. A new log book will be started at the beginning of each 90 day period. Pre and Post-Trip Daily Vehicle Inspection Checklist log books will be kept for a period of one year.

f. The Checklist log book will be submitted to the designated person responsible for the maintenance of the vehicles at the end of the driver's shift so that necessary maintenance can be noted and scheduled accordingly. The designated person responsible for maintenance should monitor these checklists and sign off at the bottom of each form daily. Drivers will pick up their log books at the beginning of their shift.

g. Minor repairs (windshield wipers, lights, etc.) should be repaired with 48 hours. Major vehicle repairs should be completed within two weeks.

h. Vehicles that require safety sensitive repairs must be pulled from service immediately and may not return to service until those repairs are completed. More details on how safety sensitive repairs should be addressed should be detailed in the agency's written Maintenance Program Plan.

i. Upon completion of repairs, the mechanic should sign off at the bottom of the Pre and Post-Trip Daily Vehicle Inspection form of the day the defect was noted.

2. Preventive Maintenance Inspections

The preventive maintenance inspection is a program of routine checks and procedures performed on a scheduled and recurring basis to avoid breakdowns and prolong equipment life.

a. The "A" Inspection is performed every 6,000 miles. It is designed for the inspection, service and replacement of certain items at predetermined times and to identify any possible defects which might have occurred and to make minor adjustments as necessary. Any defects found will be noted at the bottom of the "A" Inspection form and all corrective action will be shown.

b. The "A" Preventive Maintenance Inspection form will be completed, signed and dated by the mechanic performing the work and will then be signed and dated by the supervisor. Any defects found during the routine inspection requiring specific repairs will require a Work Order to be completed. The completed inspection form and work order with invoices attached will then be filed in the corresponding vehicle file. All vehicle repairs should be completed within two weeks.

c. The "B" Inspection is performed each 12,000 miles. This inspection repeats the "A" inspection items and includes certain additional items which should be

inspected and serviced as indicated. Any Defects found will be noted at the bottom of the "B" Inspection form and all Corrective Action will be shown.

d. The "B" Preventive Maintenance Inspection form will be completed, signed and dated by the mechanic performing the work and will then be signed and dated by the supervisor. Any defects found during the routine inspection requiring specific repairs will require a Work Order to be completed. The completed inspection form and work order with invoices attached will then be filed in the corresponding vehicle file. All vehicle repairs should be completed within two weeks.

e. The "C" Inspection is a technical and performance inspection and is accomplished each 24,000 miles. The "A" and "B" Inspection items are repeated and additional scheduled items are required to be accomplished which were not part of the other inspection intervals. Any Defects found will be noted at the bottom of the "C" Inspection form and all Corrective Action will be shown.

f. The "C" Preventive Maintenance Inspection form will be completed, signed and dated by the mechanic performing the work and will then be signed and dated by the supervisor. Any defects found during the routine inspection requiring specific repairs will require a Work Order to be completed. The completed inspection form and work order with invoices attached will then be filed in the corresponding vehicle file. All vehicle repairs should be completed within two weeks.

Preventive Maintenance Inspection
Miles / Intervals

Mileage	Type Inspection
6,000	A
12,000	B
18,000	A
24,000	C
30,000	A
36,000	B
42,000	A
48,000	C
54,000	A
60,000	B
66,000	A
72,000	C
78,000	A
84,000	B
90,000	A
96,000	A
102,000	B
108,000	A

3. Comprehensive Maintenance Records

A comprehensive maintenance record should be kept on file for each vehicle. This record should be filled out every time any maintenance is performed on that vehicle.

Comprehensive Maintenance Record forms:

a. Work Order

When a defect is found, either through the scheduled Preventive Maintenance Inspection or through the daily routine of running the vehicle, a Work Order will be created. This is a detailed description of a specific repair performed on your vehicle. This form should be used for either in-house or private garage repairs. All receipts should be attached to this Work Order form. The completed Work Order form and all receipts should be filed in the Vehicle File. All vehicle repairs should be completed within two weeks.

b. Maintenance Milestones

This form contains a yearly history of scheduled Preventive Maintenance Inspections and provides a quick reference of procedures performed. This Maintenance record will be updated each time an Inspection is performed and will be included in each vehicle file.

Each January a new Maintenance Milestone form for each vehicle will be added to the vehicle file.

FDOT Control No. _____
VIN No. _____
Location _____
DATE: _____
Pre-Trip Operator: _____

Agency Vehicle No. _____
Year/Make _____
Model _____
Odometer _____
Post-Trip Operator: _____

AGENCY NAME
Pre/Post-Trip Daily Vehicle Inspection

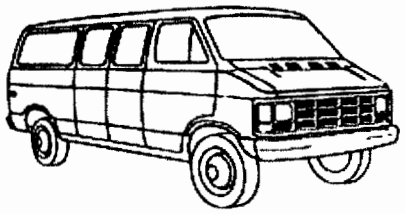
ITEM	Pre	Post	NEEDS REPAIR	ITEM	Pre	Post	NEEDS REPAIR	ITEM	Pre	Post	NEEDS REPAIR
Engine Oil Checked				Coolant checked				Transmission oil checked			
Gauges/Dash Lights/ Interior Lights				Fire Extinguisher				Driver Seat/ Seat Belts			
Horn/Chime				Emerg. Reflectors				Emergency Exits			
Wipers/Washers				Emerg. Clean up Kit				Lights: head & tail			
Defroster				Handrails				Signals			
Doors				Seats				Mirrors			
Air Conditioner/ Heater				Wheelchair Securements				Tires			
Wheelchair Lift*				Flooring/Steps				Wheels/Lugs			
Destination Signs				Windows				Exhaust System			
Farebox				Standee Line				Engine			
Radio - mobile				Brakes				Steering			
Registration & Insurance											

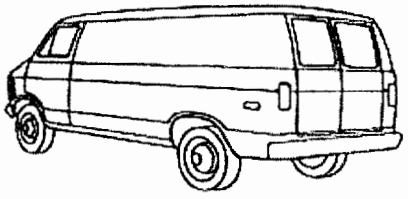
*** Wheelchair Lifts must be cycled completely durring the pre-trip and post-trip inspection.**

Remarks:

(Put Additional Comments on back if necessary)

Exterior: Carefully inspect the entire vehicle exterior.
Dent: X Scratch: ⌒





Damage to Vehicle: (Provide comments under Remarks)
Circle one
Inside? Yes No
Outside? Yes No

Is the bus Clean? Yes No Circle one

Maintenance Division: Circle one
Above Defects need to be corrected for safe operation of vehicle. Yes No
Above Defects corrected Yes No
_____ date Defect corrected

See Work Order Number: _____

Mechanic Signature Date
Mechanic to sign & date upon completion of repairs

Reviewed & Approved:

Supervisor Date

FDOT Control No. _____
VIN No. _____
Location _____

Agency Vehicle No. _____
Year/Make _____
Model _____
Year:

AGENCY NAME
Maintenance Milestones

Current Mileage	**Date:**

PM Schedule			
Every 6K mi within + or - 150 mi			
	Scheduled (mileage)	**Actual** (mileage)	**Actual Date**
PM-A	6,000		
PM-B	12,000		
PM-A	18,000		
PM-C	24,000		
PM-A	30,000		
PM-B	36,000		
PM-A	42,000		
PM-C	48,000		
PM-A	54,000		
PM-B	60,000		
PM-A	66,000		
PM-C	72,000		
PM-A	78,000		
PM-B	84,000		
PM-A	90,000		
PM-C	96,000		
PM-A	102,000		
PM-B	108,000		
PM-A	114,000		

Transmission Service			
Every 24K mi within + or - 1000 mi.			
	Scheduled (mileage)	**Actual** (mileage)	**Actual Date**
Trans.Service	24,000		
Trans.Service	48,000		
Trans.Service	72,000		
Trans.Service	96,000		

W/C Lift Inspection			
Inspection scheduled every 12 mos.			
	Scheduled (date)	**Actual** (date)	
W/C Lift Insp.			
W/C Lift Insp.			

PM-**A** = 6000 mi.Oil Change & other items

PM-**B**= Every 12,000 mi

PM-**C**= Annually or 24,000 miles

FDOT Control No. _____
VIN No. _____
Location _____
DATE: _____

Agency Vehicle No. _____
Year/Make _____
Model _____
Odometer _____

AGENCY NAME
Preventive Maintenance Inspection
"A" Inspection (Every 6000 Mi.)

Symbols		Remarks	
✓	OK		
X	Repairs Required		
R	Repaired/Adjusted		
NA	Not Applicable		
	Interior Inspection		
1	All seats, belts,condition, secure, mounting, operation		
2	Doors, condition, hinges,latches, operation of door windows		
3	Flooring, headliner,side panels, vent, louvers, operation and condition		
4	Mirrors, inside, right/left side, condition and operation		
5	Lights, interior/exterior, hi-lo beam, turn signals, 4 way flasher, parking		
6	Lights, clearance, backup, brakes, license, instrument panel, horn, backup beeper		
7	Warning System, switches, gauges, trouble lights, condition and operation		
8	Starter System, ignition key operation		
9	Windshield: washer, wipers, speed , condition and operation		
10	Glass, windshield, side glass, condition and operation		
11	Comfort system, heater, defroster, air conditioning blower speed , vents		
12	Fire Extinguisher-charged, 1st aid kit complete		
	Exterior Inspection		
1	Tires, tread wear, wheel lugs, hubcaps, valve cores, general condition, air pressure		
	LF_____ RF_____ RR_____ LR_____		
2	Access doors, fuelport and cap, engine covers and latch operation		
	Service and Operation Inspection		
1	Engine Oil and filter, change and replace		
2	Inspect and lubricate, balljoints, steering, driveline, etc.		
3	Battery, terminals, water level, cables, battery box and holdown-condition		
4	Cooling System, hoses, fan, shroud, belts, overflow tank, radiator		
5	Air Cleaner, crankcase air filter, PVC filters		
6	Belts , hoses, wiring-condition		
7	A/C system check, clean filters, check for pressure		
	Accessories		
1	Two way radio operational check		
2	License plate, vehicle registration, insurance card, operator manual		
3	Spare tire, jack, tire tools		
4	Wheelchair lift, tiedowns, operation		

DEFECTS:	CORRECTIVE ACTION:

_____ _____
Mechanic Signature Date

_____ _____
Supervisor Signature Date

_____ _____
Inspection Date

_____ _____
Completion Date

FDOT Control No. _____
VIN No. _____
Location _____
DATE: _____

Agency Vehicle No. _____
Year/Make _____
Model _____
Odometer _____

AGENCY NAME
Preventive Maintenance Inspection
"B" Inspection (Every 12,000 Mi.)

Symbols		Remarks	
✓	OK		
X	Repairs Required		
R	Repaired/Adjusted		
NA	Not Applicable		
	Interior Inspection		
1	All seats, belts,condition, secure, mounting, operation		
2	Doors, condition, hinges,latches, operation of door windows		
3	Flooring, headliner,side panels, vent, louvers, operation and condition		
4	Mirrors, inside, right/left side, condition and operation		
5	Lights, interior/exterior, hi-lo beam, turn signals, 4 way flasher, parking		
6	Lights, clearance, backup, brakes, license, instrument panel, horn, backup beeper		
7	Warning System, switches, gauges, trouble lights, condition and operation		
8	Starter System, ignition key operation		
9	Windshield: washer, wipers, speed , condition and operation		
10	Glass, windshield, side glass, condition and operation		
11	Comfort system, heater, defroster, air conditioning blower speed , vents		
12	Fire Extinguisher-charged, 1st aid kit complete		
	Exterior Inspection		
1	Tires, tread wear, wheel lugs, hubcaps, valve cores, general condition, air pressure LF_____ RF_____ RR_____ LR_____		
2	Access doors, fuelport and cap, engine covers and latch operation		
	Service and Operation Inspection		
1	Engine Oil and filter, change and replace		
2	Inspect and lubricate, balljoints, steering, driveline, etc.		
3	Battery, terminals, water level, cables, battery box and holdown-condition		
4	Cooling System, hoses, fan, shroud, belts, overflow tank, radiator		
5	Air Cleaner, crankcase air filter, PVC filters		
6	Belts , hoses, wiring-condition		
7	A/C system check, clean filters, check for pressure		
8	Brake operation check, brakes, pedal, parking brake		
9	Brakes, rotors, pads, caliphers, linings, shoes, drums		
10	Hood , transmission fluid level, filter and cooler line		
11	Transmission shift thru all ranges, backup lights and warning beeper		
	Accessories		
1	Two way radio operational check		
2	License plate, vehicle registration, insurance card, operator manual		
3	Spare tire, jack, tire tools		
4	Wheelchair lift, tiedowns, operation		

DEFECTS:	CORRECTIVE ACTION:

Mechanic Signature _____ Date _____

Supervisor Signature _____ Date _____

Inspection Date _____

Completion Date _____

FDOT Control No. _____
VIN No. _____
Location _____
DATE: _____

Agency Vehicle No. _____
Year/Make _____
Model _____
Odometer _____

AGENCY NAME
Preventive Maintenance Inspection
"C" Annual Inspection (Every 12 Months or 24,000 Mi.)

Symbols		Remarks	
✓	OK		
X	Repairs Required		
R	Repaired/Adjusted		
NA	Not Applicable		
	Interior Inspection		
1	All seats, belts,condition, secure, mounting, operation		
2	Doors, condition, hinges,latches, operation of door windows		
3	Flooring, headliner,side panels, vent, louvers, operation and condition		
4	Mirrors, inside, right/left side, condition and operation		
5	Lights, interior/exterior, hi-lo beam, turn signals, 4 way flasher, parking		
6	Lights, clearance, backup, brakes, license, instrument panel, horn, backup beeper		
7	Warning System, switches, gauges, trouble lights, condition and operation		
8	Starter System, ignition key operation		
9	Windshield: washer, wipers, speed , condition and operation		
10	Glass, windshield, side glass, condition and operation		
11	Comfort system, heater, defroster, air conditioning blower speed , vents		
12	Fire Extinguisher charged, 1st aid kit complete		
	Exterior Inspection		
1	Tires, tread wear, wheel lugs, hubcaps, valve cores, general condition, air pressure LF_____ RF_____ RR_____ LR_____		
2	Access doors, fuelport and cap, engine covers and latch operation		
	Service and Operation Inspection		
1	Engine Oil and filter, change and replace		
2	Inspect and lubricate, balljoints, steering, driveline, etc.		
3	Battery, terminals, water level, cables, battery box and holdown-condition		
4	Cooling System, hoses, fan, shroud, belts, overflow tank, radiator		
5	Air Cleaner, crankcase air filter, PVC filters		
6	Belts , hoses, wiring-condition		
7	A/C system check, clean filters, check for pressure		
8	Brake operation check, brakes, pedal, parking brake		
9	Brakes, rotors, pads, caliphers, linings, shoes, drums		
10	Hood , transmission fluid level, filter and cooler line		
11	Transmission shift thru all ranges, backup lights and warning beeper		
12	Transmission, change fluid and filter		
12	Acceleration, steering, tracking, wheel balance		
14	Front wheel bearings, drive shaft, u-joints		
15	Front end/steering systems, ball joints, shocks, springs, linkages, bushings		
16	Chassis-check for leaks, condition of bushings, rear axle, differential fluid level		
17	Engine tune-up-plugs wires , fuel injectors		
	Accessories		
1	Two way radio operational check		
2	License plate, vehicle registration, insurance card, operator manual		
3	Spare tire, jack, tire tools		
4	Wheelchair lift, tiedowns, operation		

FDOT Control No. _____
VIN No. _____
Location _____
DATE: _____

Agency Vehicle No. _____
Year/Make _____
Model _____
Odometer _____

AGENCY NAME

Preventive Maintenance Inspection

"C" Annual Inspection (Every 12 Months or 24,000 Mi.)

DEFECTS:	CORRECTIVE ACTION:

Mechanic Signature Date

Supervisor Signature Date

Inspection Date

Completion Date

WORK ORDER

Check Here If Road Call ☐ **W.O. #** _____ Agency Vehicle No._____

FDOT Control No._____ Year/Make_____

VIN No._____ Model_____

Location_____ Odometer_____

Shop Location	Date Shopped	Date Released

REPAIR INSTRUCTIONS

MATERIAL USED							OUTSIDE REPAIRS		
Quan.	Part No.	Description	Unit Price				Description	Unit Price	
			$					$	
							COST SUMMARY (Where Required Only)		
							Total Labor	$	
							Total Material		
							Total Outside Repairs		
							Job Total		
							MECHANIC	LABOR HOURS	

Attachment 6

Exhibits for Access to Shopping/Groceries

Home & Community Based Services

Home and community-based services (HCBS) provide opportunities for Medicaid beneficiaries to receive services in their own home or community. These programs serve a variety of targeted populations groups, such as people with mental illnesses, intellectual or developmental disabilities, and/or physical disabilities.

Recent Guidance | **History and Authorities**

The final Home and Community-Based Services regulations set forth new requirements for several Medicaid authorities under which states may provide home and community-based long-term services and supports. The regulations enhance the quality of HCBS and provide additional protections to individuals that receive services under these Medicaid authorities.

- **Final Regulation:** 1915(i) State Plan HCBS, 5-Year Period for Waivers, Provider Payment Reassignment, Setting Requirements for Community First Choice, and 1915(c) HCBS Waivers - CMS-2249-F/CMS-2296-F (https://www.federalregister.gov/articles/2014/01/16/2014-00487/state-plan-home-and-community-based-services-5-year-period-for-waivers-provider-payment-reassignment)
  - **Informational Bulletin** - Final regulations for HCBS provided under Medicaid's 1915(c), 1915(i) and 1915(k) authorities (/federal-policy-guidance/downloads/cib-01-10-14.pdf)
  - **Press Release** - Final regulations for HCBS provided under Medicaid's 1915(c), 1915(i) and 1915(k) authorities (http://www.cms.gov/Newsroom/MediaReleaseDatabase/Press-Releases/2014-Press-releases-items/2014-01-10-2.html)
  - **Fact Sheets Regarding Final Regulation CMS-2249-F/CMS-2296-F**
    - Overview of Regulation (/medicaid-chip-program-information/by-topics/long-term-services-and-supports/home-and-community-based-services/downloads/final-rule-fact-sheet.pdf)
    - 1915(c): Changes to HCBS Waiver Program (/medicaid-chip-program-information/by-topics/long-term-services-and-supports/home-and-community-based-services/downloads/1915c-fact-sheet.pdf)
    - 1915(i): Key Provisions for HCBS State Plan Option (/medicaid-chip-program-information/by-topics/long-term-services-and-supports/home-and-community-based-services/downloads/1915i-fact-sheet.pdf)
    - Summary of Key Provisions of the HCBS Settings Final Rule (/medicaid-chip-program-information/by-topics/long-term-services-and-supports/home-and-community-based-

Featured Resources:

- Balancing (/Medicaid-CHIP-Program-Information/By-Topics/Long-Term-Services-and-Supports/Balancing/Balancing-Long-Term-Services-and-Supports.html)
- Managed Long Term Services & Supports (MLTSS) (/Medicaid-CHIP-Program-Information/By-Topics/Delivery-Systems/Medicaid-Managed-Long-Term-Services-and-Supports-MLTSS.html)
- Self Direction (/Medicaid-CHIP-Program-Information/By-Topics/Delivery-Systems/Self-Directed-Services.html)
- Integrating Care (/Medicaid-CHIP-Program-Information/By-Topics/Long-Term-Services-and-Supports/Integrating-Care/Integrating-Care.html)
- Money Follows the Person (/Medicaid-CHIP-Program-Information/By-Topics/Long-Term-Services-and-Supports/Balancing/Money-Follows-the-Person.html)
- Real Choice System Change (/Medicaid-CHIP-Program-Information/By-Topics/Long-Term-Services-and-Supports/Balancing/Real-Choice-Systems-

services/downloads/hcbs-setting-fact-sheet.pdf)

- HCBS Final Rule Webinar Presentation Download (/medicaid-chip-program-information/by-topics/long-term-services-and-supports/home-and-community-based-services/downloads/final-rule-slides-01292014.pdf)
- Final Rule: Questions and Answers (/medicaid-chip-program-information/by-topics/long-term-services-and-supports/home-and-community-based-services/downloads/final-q-and-a.pdf)

Settings Requirements Compliance Toolkit

CMCS is pleased to share with State Medicaid Agencies, Operating Agencies, and other stakeholders a Home and Community-Based Settings Toolkit to assist states develop Home and Community-Based 1915(c) waiver and 1915(i) SPA amendment or renewal application(s) to comply with new requirements in the recently published Home and Community Based Servicesâ€™ (HCBS) regulations.
The toolkit includes:

- A summary of the regulatory requirements (/medicaid-chip-program-information/by-topics/long-term-services-and-supports/home-and-community-based-services/downloads/requirements-for-home-and-community-settings.pdf) of fully compliant HCB settings and those settings that are excluded.
- Schematic drawings of the heightened scrutiny process (/medicaid-chip-program-information/by-topics/long-term-services-and-supports/home-and-community-based-services/downloads/heightened-scrutiny.pdf) as a part of the regular waiver life cycle and the HCBS 1915(c) compliance flowchart (/medicaid-chip-program-information/by-topics/long-term-services-and-supports/home-and-community-based-services/downloads/hcbs-1915c-waiver-compliance-flowchart.pdf) .
- Additional technical guidance on regulatory language regarding settings that isolate (/medicaid-chip-program-information/by-topics/long-term-services-and-supports/home-and-community-based-services/downloads/settings-that-isolate.pdf) .
- Exploratory questions (/medicaid-chip-program-information/by-topics/long-term-services-and-supports/home-and-community-based-services/downloads/exploratory-questions-re-settings-characteristics.pdf) that may assist states in the assessment of residential settings.
- Statewide Transition Plan Toolkit (/medicaid-chip-program-information/by-topics/long-term-services-and-supports/statewide-transition-plan-toolkit.pdf) for Alignment with HCB Settings Regulation Requirements Suggestions for alternative approaches and considerations for states as they prepare and submit Statewide Transition Plans for the new federal requirements for residential and non-residential home and community-based settings. The regulatory requirements can be found at 42 CFR 441.301(c)(4)(5) and 441.710(a)(1)(2).

Additional Resources

Change-Grant-Program-RCSC/Real-Choice-Systems-Change-Grant-Program-RCSC.html)

- Health Homes (/Medicaid-CHIP-Program-Information/By-Topics/Long-Term-Services-and-Supports/Integrating-Care/Health-Homes/Health-Homes.html)
- PACE (/Medicaid-CHIP-Program-Information/By-Topics/Long-Term-Services-and-Supports/Integrating-Care/Program-of-All-Inclusive-Care-for-the-Elderly-PACE/Program-of-All-Inclusive-Care-for-the-Elderly-PACE.html)
- Community Living (/Medicaid-CHIP-Program-Information/By-Topics/Long-Term-Services-and-Supports/Community-Living/Community-Living-Initiative.html)
- Workforce (/Medicaid-CHIP-Program-Information/By-Topics/Long-Term-Services-and-Supports/Workforce/Workforce-Initiative.html)

Information provided by the Disabled and Elderly Health Programs Group. To request clarifications please contact hcbs@cms.hhs.gov (mailto:hcbs@cms.hhs.gov?subject=Medicaid.gov/HCBS%20Request).

Attachment 7

Exhibits for Access to Healthcare

BMJ. Nov 21, 1998; 317(7170): 1446–1449.
PMCID: PMC1114301
Theories in health care and research

Theories of disability in health practice and research

Michael Oliver, professor of disability studies

University of Greenwich, Eltham, London SE9 2UG
This is the fifth in a series of six articles on the importance of theories and values in health research
M J Oliver@gre.ac.uk

All health care and research are influenced by theories. This paper considers the influence of implicit and explicit theories[1] on interventions and research on disabled people. Another important influence is the experience of disabled people, and their increasing insistence that their voices be heard at all stages of research about their lives.[2]

Summary points

- The health care that disabled people receive is influenced by theories
- Positivist theory remains the dominant influence on health care given to disabled people
- Other theories are beginning to have a significant influence
- The rise of these theories is posing important questions for health care and research

The experience of disability

Go to:

Over the past 20 years, writings by disabled people have transformed our understanding of the real nature of disability. They move beyond the personal limitations that impaired individuals may face, to social restrictions imposed by an unthinking society. Disability is understood as a social and political issue rather than a medical one, and this leads to critical questioning of medical interventions: attempts to cure impairments or to restore "normal" bodily functioning. Instead, social and political solutions are sought, to challenge disabling discrimination.

This radically different view is called the social model of disability, or social oppression theory.[3] While respecting the value of scientifically based medical research, this approach calls for more research based on social theories of disability if research is to improve the quality of disabled people's lives. Definitions are central to understanding theories of impairment and disability.[4] In 1986 Disabled Peoples International made a clear distinction: impairment is the functional limitation within the individual caused by physical, mental or sensory impairment; disability is the loss or limitation of opportunities to take part in the normal life of the community on an equal level with others because of physical and social barriers.

This schema accepts that some illnesses have disabling consequences and disabled people at times are ill; it may be entirely appropriate for doctors to treat illnesses of all kinds, such as bronchitis or ulcers. Yet it questions why, for example, doctors should decide about access to welfare services such as education or disability living allowance. Theories of impairment, disability, and illness influence which aspects of disabled people's lives require health treatment, or policy developments, or political action, as sometimes radical alternatives (see box).[5]

Positivism and disability research

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Health research about impairment and disability is dominated by positivist theories. It focuses on searches for cures, means of reducing impairments, or assessments of clinical interventions and uses methods such as controlled trials, random statistical samples, and structured questionnaires. Even when researching disability (in the sense given above), positivist research tends to use the World Health Organisation's classification,[6] now being revised at the insistence of disabled people,[7] which is difficult if not impossible to apply in research terms and yields few useful data.

Disabled people are beginning to influence scientific research.[8] This influence poses difficulties for positivist research in questioning one of its bedrocks: the notion of objectivity. Although positivist researchers accept that subjectivity can be studied objectively, they resist involving subjects for fear of bias. However, scientific researchers often use the words "suffering" and "victim" as if they are accurate descriptions and not untested, biased assumptions which many disabled people do not experience. In contrast, social constructionism sees experience and subjectivity as central to the research process, and critical theory sees disabling barriers as a key research issue. Though these theories pose intellectual challenges, almost all funding goes to positivist research.

Interventions to normalise impairments

Impairment	Intervention	Alternatives
Deafness	Cochlear implants	Sign language teaching in schools
Cerebral palsy	Conductive education	Barrier removal
Achondroplasia	Limb lengthening	Barrier removal, awareness raising
Down's syndrome	Cosmetic surgery	Awareness raising
Congenital conditions	Genetic screening	Legislation for equal opportunities

The influence of implicit and explicit positivism on the Department of Health which, it seems, has discovered the "user," is shown in a recent report: "The NHS is attaching increasing importance to seeking out and acting upon the views of its users on the coverage and delivery of the services it provides."[9] The programme has spent £3.9 million on 30 projects; all are located in universities or the health service. Despite consumer views being the second named priority for selecting research proposals, disabled people have not been involved. None of their organisations have received funding, and no projects could be said to be based on the social model of disability—they are all based on positivist theories.[10]

Social approaches within positivism

Positivist social medicine recognises the social context to impairment as well as disability, and it examines environments as well as individuals. Hence public health measures concerned with sanitation, poverty, health education, and the like have proved extremely effective in preventing rather than curing a range of impairments such as tuberculosis, polio, rickets, and river blindness.

Prevention of impairments is complicated, however, by prenatal screening to prevent conditions such as Down's syndrome, cystic fibrosis, or Huntington's chorea, and by research into genetic engineering. Leaving aside the efficacy of such interventions, they pose profound ethical, social, and cultural issues for us all. "Life and death decisions are vested in the hands of people who have very little understanding of the reality of disabled people's lives."[11] With the lack of systematic evidence, why should doctors assume, for example, that life with Down's syndrome is not worth living?

Social approaches to disability[12] within positivism classify and count disabled people. Although some support this work,[13] others question the accuracy of the data[14] and say that they yield few significant changes for disabled people.[8]

Recent research, attempting to combine theories, and scientific measures of the extent of disabling barriers with disabled people's own experiences of the extent and nature of those barriers, involves disabled people in designing, collecting and analysing the data.[15] Its success remains to be seen.

Functionalist theory and disability

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Influential functionalists emphasise medicine's role to cure and to maintain the "normal" functioning of individuals and of society. In this model, the "sick role" involves being compliant and wanting to get well.[16] This can make people with incurable conditions, including disabled people who are classified as sick, seem to be deviant. The link between disability and social deviance that functionalists make influences health care and research and supports the continued dominance of professionally controlled health and welfare services for disabled people.[17] Thus, under current welfare arrangements, more than 70% of spending goes on the salaries of professionals working with disabled people. Only recently has this been reduced through the funding of independent living schemes controlled by disabled people. A variant of functionalism, normalisation theory, underlies some programmes that claim to enable devalued people to lead culturally valued lives. An example of this controversial approach is cosmetic surgery for people with Down's syndrome.[18]

Functionalism confuses impairment and disability with the sick role. By failing to recognise that disabled people do not necessarily have "something wrong with them," it simply reproduces discriminatory norms and values—instead of addressing the cultural and economic forces that precipitate them. The crucial problem is that disabled people, regardless of the type or severity of their impairment, are not a homogeneous group that can be accommodated easily within a society that takes little account of their individual or collective needs. As with the whole population, disabled people differ widely in terms of ethnic background, sexual orientation, age, abilities, religious beliefs, wealth, access to work, and so on. Clearly, their situation cannot be understood or, indeed, transformed by any policy based on narrow theories of conventional normality or uniformity.

Social constructionism

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This theoretical approach is centrally concerned with meaning. It shows the crucial importance of learning from disabled people's experience to understand meanings of disability. For example, blindness differs according to the economic and cultural contexts. A classic study showed that in the United States blindness was experienced as loss requiring counselling, in Sweden as a problem requiring support services, in Britain as a technical issue requiring aids and equipment, and in Italy as the need to seek consolation or even salvation through the Catholic church.[19]

Anthropologists and historians show how different societies produce certain types of disease, impairment, and disability.[20] Disability can be produced by "the disability business." In modern America, industrialisation, the subsequent growth of the human service sector, and the more recent politicisation of "disability rights" by the American disabled people's movement have transformed "disability" and "rehabilitation" into a multimillion dollar enterprise. Disability becomes a commodity and a source of income for doctors, lawyers, rehabilitation professionals, and disability activists.

These examples treat disability as a shared experience, in contrast with conventional individualistic interpretations. Yet each fails to address key structural factors. Consequently, disabled people tend to be treated as an abstract, somehow distinct from the rest of the human race, and the crucial question of the causes of disability is fudged rather than clarified. For example, how is disability physically based but socially constructed by the disabling environment?[20]

Postmodernism

Go to:

Postmodernism sees society in terms of fragmented and complex social structures in which social class has less importance, and other sources of social difference (including sex, ethnicity, sexuality, and disability) have more importance. Postmodernists call into question many of the certainties of earlier eras, creating multiple meanings for practically everything.

This theory has, as yet, had little impact on health research about disability. However, a study on concepts of a healthy body, so central to government health promotion, is beginning to show how these concepts can, in themselves, be disabling, unrealistic, and oppressive. "Health promotion is working against popular culture, attempting to construct a view of health that is not privately held."[21] In other words, to have an impairment is not necessarily unhealthy; disabled people are not actually ill, and confusion between impairment and illness fails to deal with complex meanings in the postmodern world.

Critical theory

Go to:

Critical theory covers similar ground to the other theories discussed here, but it sees disabled people's problems explicitly as the product of an unequal society. It ties the solutions to social action and change. Notions of disability as social oppression mean that prejudice and discrimination disable and restrict people's lives much more than impairments do.[22] So, for example, the problem with public transport is not the inability of some people to walk but that buses are not designed to take wheelchairs. Such a problem can be "cured" by spending money, not by surgical intervention, assistive computer technology, or rehabilitation.

Ideologies perpetuate practical barriers and exclusions.[23] As long as disability is assumed to be an individual matter of personal tragedy or heroic triumph over difficulty, disabled people are excluded from society. Ordinary education, employment, buildings, public transport, and other things which most people can take for granted remain largely closed to disabled people, or at least they present obstacles which each person has to tackle individually. By emphasising deficiency and dependency, doctors tend to reinforce these ideologies.[24]

The impact of this critical theorising on health care and research has tended to be indirect. It has raised political awareness, helped with the collective empowerment of disabled people,[25] and publicised disabled people's critical views on health care. It has criticised the medical control exerted over many disabled people's lives, such as repeated and unnecessary visits to clinics for impairments that do not change and are not illnesses in need of treatment. Finally, it suggests a more appropriate societal framework for providing health services for disabled people.[26]

Conclusion

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Implicit and explicit social theorising, coupled with disabled people's insistence that their voices be heard, have begun to change understandings of the nature of impairment and disability. The new understandings pose key questions for health care and research if they are going to provide an appropriate knowledge base for both medical and social progress:

- What is the proper balance for investment between research into bodily impairment and into social disability?
- Who should be setting the research agenda?
- Who should be in control of the research process?
- What are the most appropriate methods for undertaking disability research?
- How should disability research be disseminated and evaluated?

Such questions help us to identify both the common ground and fundamental differences between researchers.[27–29]

Figure

The Candoco dance company includes members with missing limbs—but these "disabilities" do not keep them from participating in what they want to do

Footnotes

Go to:

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Go to:

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Disability and health care costs in the Medicare population.

Chan L[1], Beaver S, Maclehose RF, Jha A, Maciejewski M, Doctor JN.

Author information

Abstract

OBJECTIVE: To determine the effect of activity limitations on health care expenditures.

DESIGN: Cross-sectional.

SETTING: National survey.

PARTICIPANTS: Data from the 1997 Medicare Current Beneficiary Survey (n=9298), a nationally representative sample of community-dwelling Medicare beneficiaries who were older than 64 years of age.

INTERVENTIONS: Not applicable.

AIN OUTCOME MEASURES: The impact of patient disability on health care costs (inpatient, outpatient, skilled nursing facility, home health, medications). Activity limitations were determined by patient assessment of restrictions in activities of daily living (ADLs).

RESULTS: Over 20% (n=6,500,000) of the entire Medicare population had at least 1 health-related activity limitation. Total median health care costs per year (interquartile range [IQR]) increased as the number of these limitation increased (0 ADLs: $1934 [IQR, $801-$4761]; 1-2 ADLs: $4540 [IQR, $1744-$12,937]; 3-4 ADLs: $7589 [IQR, $2580-$23,149]; 5-6 ADLs: $14,399 [IQR, $5425-$33,014]). After adjusting for confounding characteristics including the impact of comorbid illnesses, Medicare enrollees incurred higher health care costs as their number of activity limitations increased (0 ADLs: cost ratio=1.0; 1-2 ADLs: cost ratio=1.4 [95% confidence interval (CI), 1.2-1.6]; 3-4 ADLs: cost ratio=1.6 [95% CI, 1.3-2.0]; 5-6 ADLs: cost ratio=2.3 [95% CI, 1.7-3.2]). The cost increases were because of an increase in the frequency of all events (eg, hospital admissions, outpatient visits) rather than an increase in the intensity or cost of those events. In addition, with increasing activity limitations, there was a significant increase in the proportional impact of home health costs such that, for those with 5 or 6 limitations, home health costs exceeded the cost of outpatient visits.

CONCLUSIONS: Activity limitation is an independent risk factor for increased health care costs and appears to be more than just a proxy for chronic illness.

PMID: 12235597 [PubMed - indexed for MEDLINE]

MeSH Terms

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Pediatrics. 2004 Jul;114(1):79-85.

Health services use and health care expenditures for children with disabilities.

Newacheck PW[1], Inkelas M, Kim SE.

Author information

Abstract

OBJECTIVE: To examine health care utilization and expenditure patterns for children with disabilities.

METHODS: Secondary data analysis was conducted of the 1999 and 2000 editions of the Medical Expenditure Panel Survey (MEPS), a nationally representative survey conducted in 5 rounds by household interview. Two years of MEPS data were combined in this analysis to improve the precision of estimates. Disability was defined by the presence of a limitation in age-appropriate social role activities, such as school or play, or receipt of specialized services through the early intervention or special education programs. The survey sample included 13,792 children younger than 18 years. The overall response rate was 65.5%.

RESULTS: Our findings demonstrate that the 7.3% of US children with disabilities used many more services than their counterparts without disabilities in 1999-2000. The largest differences in utilization were for hospital days (464 vs 55 days per 1000), nonphysician professional visits (3.0 vs 0.6), and home health provider days (3.8 vs 0.04). As a result of their greater use, children with disabilities also had much higher health care expenditures (2669 dollars vs 676 dollars) and higher out-of-pocket expenditures (297 dollars vs 189 dollars). We also found that the distributions of total and out-of-pocket expenses were highly skewed, with a small fraction of the disabled population accounting for a large proportion of expenditures: the upper decile accounted for 65% of total health care expenses and 85% of all out-of-pocket expenses for the population with disabilities. Health insurance was found to convey significant protection against financially burdensome expenses. However, even after controlling for insurance status, low-income families experienced greater financial burdens than higher income families.

CONCLUSIONS: The skewed distribution of out-of-pocket expenses found in this and earlier studies indicates that the financial burden of childhood disability continues to be shared unevenly by families. Low-income families are especially vulnerable to burdensome out-of-pocket expenses. Additional efforts are needed to protect these high-risk families.

PMID: 15231911 [PubMed - indexed for MEDLINE]

Publication Types, MeSH Terms, Grant Support

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Attachment 8

(Not Applicable)

Attachment 9

(Not Applicable)

Attachment 10

Exhibits for Best Practices

Institute of Medicine (US) Committee on Disability in America; Field MJ, Jette AM, editors. The Future of Disability in America. Washington (DC): National Academies Press (US); 2007.

D The Americans with Disabilities Act in a Health Care Context

Sara Rosenbaum *

INTRODUCTION

This paper examines the Americans with Disabilities Act (ADA)[1] in the context of health care. Encompassed in this analysis are issues related to health care access, coverage, and financing. The interaction of the ADA with employment laws governing the health care workforce is considered separately (see Appendix E). This analysis also assumes the presence of legal disputes involving "qualified" persons with "disabilities," as the term is used under the ADA, since the question of who is "qualified" would consume an entire legal analysis in its own right.[2]

Any legal analysis involving health care can be daunting, because it entails an examination of the notoriously complicated interaction between law and the health care system. When the focus is on the relationship between civil rights and health care financing, the juncture can be particularly rocky because of the inherent contradictions between health care financing laws on the one hand and the law of civil rights on the other. At their core, the web of laws that together comprise the law of health care financing rests heavily on the law of insurance, which in turn emphasizes the legality of exclusion and risk avoidance. In contrast, civil rights laws enacted to protect persons with disabilities are fundamentally intended to advance the societal embrace of individuals whose health status can carry the potential for a greater consumption of resources. Legal disputes involving the allocation of resources within particular covered populations inevitably operate as a flashpoint for this deep, underlying policy tension.

The fundamental purpose of the ADA is to achieve the integration of persons with disabilities into all facets of society, including health care.[3] At the same time, the complex and intricate web of federal and state laws that govern public and private health care and health care financing are embedded in the principles of markets[4] and federalism; these principles in turn vest health system players—physicians, hospitals, public programs, employers, and health insurers—with substantial discretion regarding health care undertakings and health care finance. Reconciling the ADA's aspirational goals and specific legal provisions with the U.S. health care system's market orientation[5] is a daunting task, particularly when the regulatory focus is on whom health care professionals must serve or what health insurance programs must cover and pay for.

The analysis that follows underscores the complexity of this topic. Part II describes the ADA's basic provisions. Part III considers the ADA in the context of health care access, while Part IV explores the ADA and the law of health care financing. The paper concludes with a discussion of options for ensuring access to the civil rights protections conferred under law.

The principal conclusions drawn from this review can be summarized as follows:

- First, when the claim by a qualified individual with a disability is understood to be one that involves discrimination in the provision of health care—that is, failing to offer health services in an accessible manner—courts are likely to view the dispute as one that falls within the ADA's remedial scope. That is, assuming that a plaintiff can show conduct considered discriminatory under the ADA and that a defendant cannot prove an

affirmative defense—that is, cannot bring its conduct within a legally permissible exception to the rule of nondiscriminatory conduct—the ADA provides a remedy. In situations involving accessible care, therefore, the major social challenge is how to create remedies that foster accessibility without placing an undue burden on the program.

- Second, when the claim is one that involves discrimination in the design of health insurance coverage so as to inherently limit the flow of resources to persons whose disabilities create greater health needs, plaintiffs inevitably lose, since any changes would inevitably require an expansion or restructuring of coverage design itself, a remedy that courts view as beyond the remedial limits of the ADA. For example, courts will not order insurers to add coverage for wheelchairs or expand or redesign formulary limits.

- Third, plaintiffs can prevail, however, if they can show that the discrimination occurs not as part of plan design but as a result of discriminatory choices in how the plan is administered and can also show that the remedy they seek does not involve a "fundamental alteration," that is, a change in the design of the plan itself. For example, courts may be willing to classify as discriminatory an insurer's refusal to pay for covered physical therapy for a child with cerebral palsy if it turns out that the denial is based on claims reviewer's unfounded opinion that children with cerebral palsy cannot improve.[6]

- Fourth, where health care financing cases are concerned, it can be difficult to predict when an ADA claim will be viewed by courts involving remediable discriminatory administration or nonremediable discriminatory design. The same facts may give rise to different judicial approaches to resolving this tension between coverage design and coverage administration, especially when the focus is on whether a claim should be paid. In these cases, it can be unclear as to whether a service is covered but withheld from particular individuals or whether the insurer's position is that the claim is for an uncovered service.

AN OVERVIEW OF THE ADA

Termed a "quiet revolution"[7] and "a celebration of the uniquely American notion that all of our citizens can contribute to society if we provide them with the tools and opportunities they need,"[8] the ADA established a "clear and comprehensive national mandate for the elimination of discrimination against people with disabilities."[9] The Act provides broad protections in the areas of employment, public services, public accommodations, and services operated by private entities and in the areas of transportation and telecommunications.

The ADA is a complex legislative structure and a cobbling together of a series of separate legislative measures reported by various congressional committees with jurisdiction over the range of subject areas addressed by the Act. The end result is a civil rights statute of broad applicability, particularly compared with laws that prohibit discrimination on the basis of race and national origin, which are discussed further below.

Persons protected under the ADA are "qualified individuals with a disability."[10] A disability under the terms of the Act is a physical or mental impairment that substantially limits one or more major life activities or a record of having such an impairment or being perceived by others as having such an impairment.[11] Qualified persons with disabilities are persons who can perform the essential functions of employment[12] with or without accommodation or who meet the essential eligibility requirements for the receipt of services or the participation in programs or activities provided by a public entity.[13]

Several titles of the ADA are directly relevant to this analysis. (Only Title IV, which relates to telecommunications, is not directly related to health care.) Title I prohibits discrimination in employment. It defines employment to include "employee compensation … and other terms, conditions, and privileges of employment."[14] As such, terms would include employer-sponsored health insurance. Four separate federal agencies—the Equal Opportunity Employment Commission, the U.S. Department of Transportation, the Federal Communications Commission, and the U.S. Department of Justice—enforce the legislation's employment provisions.[15]

Title II prohibits the denial of benefits or exclusionary conduct under programs and services operated by public entities. In so doing, Title II incorporates and extends the reach of earlier law, Section 504 of the Rehabilitation Act of 1973,[16] by encompassing public entities generally, including not only executive agencies but the legislative and judicial branches of state and local governments[17] and their instrumentalities,[18] regardless of the direct presence of federal funds.[19] Title II sets not only a nondiscrimination standard but also an "equality of opportunity" requirement in publicly operated settings.[20] This equal opportunity obligation can require a more rigorous modification of services than might otherwise be the case; for example, it may require public clinic mental health counselors to be able to communicate in American Sign Language (ASL) rather than the lower standard of requiring mental health counselors without such language skills to be accompanied by translators.[21]

As with Title I, an array of federal agencies[22] has the power to investigate and enforce the law, including the U.S. Department of Justice and the U.S. Department of Health and Human Services, in the case of both publicly operated and federally supported health care services.[23] Although the sweep of ADA Title II reaches all public entities, as with other aspects of the ADA, there is limited specific interpretive guidance on the applicable rules for public entities that may or may not receive federal funds.

Title III, which is, in some respects, the most far-reaching ADA title in a health care context, prohibits discrimination by wholly private enterprises that are considered places of public accommodation.[24] In a dramatic departure from earlier civil rights laws prohibiting discrimination on the basis of race or national origin, Title III classifies private health care services as a public accommodation and without regard to whether service providers are considered recipients of federal financing.[25]

The fifth and final title covers a number of topics, the most relevant of which for this analysis appears in a section labeled "Construction."[26] This provision, which has come to be known as the "insurance safe harbor," provides as follows:

> (c) Insurance
>
> Subchapters I through III of this chapter and title IV of this Act shall not be construed to prohibit or restrict—
>
> 1. an insurer, hospital or medical service company, health maintenance organization, or any agent, or entity that administers benefit plans, or similar organizations from underwriting risks, classifying risks, or administering such risks that are based on or not inconsistent with State law; or
> 2. a person or organization covered by this chapter from establishing, sponsoring, observing or administering the terms of a bona fide benefit plan that are based on underwriting risks, classifying risks, or administering such risks that are based on

or not inconsistent with State law; or

3. a person or organization covered by this chapter from establishing, sponsoring, observing or administering the terms of a bona fide benefit plan that is not subject to State laws that regulate insurance.

Paragraphs (1), (2), and (3) shall not be used as a subterfuge to evade the purposes of ... this chapter.

The ADA is remedial; that is, the law requires entities covered by the Act to make "reasonable modifications" in activities, programs, and services in the case of qualified individuals with disabilities. Covered entities under both Titles II and III are given certain affirmative defenses, the most prominent of which is a claim that a requested change in fact constitutes a "fundamental alteration"[27] rather than a reasonable modification; the concept of fundamental alteration is understood as a change that affects the basic character of the activity, good, or service.[28] Additional affirmative defenses allowed under the law are that the plaintiff poses a "direct threat"[29] or that the requested change represents an "undue burden." In a few areas, the law is anticipatory only, in recognition of the need for some level of restraint in the implementation of standards. For example, different and more stringent rules on accessibility apply to new construction compared with rules that apply to the removal of barriers in existing facilities.[30]

Individuals may enforce the ADA privately through litigation to redress a violation of rights guaranteed under law. With respect to government enforcement of the various titles of the ADA, responsibility cuts across various agencies. The U.S. Department of Justice acts as the principle source of regulatory standards[31] and formal enforcement actions, with interpretive guidance and investigatory powers vested in other federal agencies responsible for the program within their spheres of expertise. Thus, for example, the U.S. Department of Health and Human Services has the authority to interpret the health care-specific meaning of Title II's broad regulatory standards[32] and to investigate complaints.[33] The U.S. Department of Justice retains enforcement authority over health care entities, which under ADA Title III are places of public accommodation; the regulations specify no formal role for other federal agencies.[34]

Investigation by federal agencies can result in the filing of enforcement complaints by the U.S. Department of Justice on behalf of affected individuals and the federal government itself. These complaints can result in settlements or proceed to full trial. Agency settlements, when they are finally reached, are publicly available and may have important implications for similar covered entities.[35]

Judicial decisions involving private or government enforcement efforts tend to be viewed as carrying greater weight, since under the United States Constitution it is the judicial branch of government that has the ultimate authority to determine what the law means.[36] It is not infrequent to find that courts give only limited weight to the rulings of federal agencies.[37]

THE ADA AND ACCESS TO HEALTH CARE

Physical Access to Health Care Services

The essential starting point for understanding the significance of the ADA in a health care context is the common law, the basic set of judicially fashioned legal principles that form the foundation of the American legal system.[38] As part of common law, health care professionals and institutions were considered to have no legal duty of care. As private enterprises, they were not considered

places of public accommodation in the nature of inns and common carriers; as a result, and regardless of the threat posed, they had no legal obligation either to undertake care[39] or to refrain from discriminatory practices in the selection of their customers.[40]

During the latter half of the 20th century, the "no-duty" principle was legislatively abrogated (i.e., set aside or modified) in certain respects, most notably in state laws related to hospital emergency care and, ultimately, in the case of federal law governing the conduct of hospitals, specifically, the Hospital Survey and Construction Act of 1946 (the Hill Burton Act) and the Emergency Treatment and Labor Act.[41] Earlier, Title VI the Civil Rights Act of 1964 had established a nondiscrimination principle in the case of health care services furnished by private providers receiving federal funds, with a non-statutory exception in the case of private physicians receiving payments under Medicare Part B only.[42] At the same time, Title II of the 1964 Act, which prohibited discrimination by public accommodations, used a definition of public accommodation that did not reach health care services. Most hospitals did, however, receive some form of federal funds (e.g., payments for serving Medicare beneficiaries) and were thereby prohibited from discriminating on the basis of race or national origin.

The ADA fundamentally expanded on this abrogation of the common law by explicitly classifying health care services as a public accommodation. No legislative history accompanies this significant expansion of the concept of "place of public accommodation." Indeed, discussions by the author with persons involved in the drafting of Title III suggests that, perhaps in a sign of the times, by 1990 it simply did not occur to anyone (including the American Medical Association, which supported the law) that health care (which figured prominently in the minds of disability advocates as an example of discrimination and was so identified in the Preamble to the statute)[43] was anything other than a place of public accommodation.

Although it is most frequently cited as the case that established asymptomatic human immunodeficiency virus (HIV) infection as a disability, the U.S. Supreme Court's decision in *Bragdon v. Abbott*[44] is equally powerful for its holding that confirmed that private health care providers are places of public accommodation for the purposes of ADA enforcement. They are thus are prohibited from engaging in conduct considered discriminatory.[45]

Title III of the Act classifies a broad array of conduct as discriminatory: subjecting individuals, either directly or "through contractual arrangements" to a "denial of the opportunity to participate in or benefit from" the goods and services of public accommodations; affording individuals an opportunity to participate that is "not equal" to that afforded other individuals; or to provide qualified individuals with goods, services, or accommodations "different or separate from" that afforded other individuals unless separate or different services are necessary to provide individuals with goods, services, or accommodations as effective as that provided to others.[46]

Importantly, Title III requires only that discriminatory conduct be shown in effect, not as a matter of intent, prohibiting administrative methods that "have the effect of discriminating on the basis of disability" or that perpetuate discrimination.[47] Beyond its general prohibitions, Title III sets forth a detailed list of prohibited activities (many of which transfer easily to health care settings), as well as a series of affirmative defenses that place the burden of proof squarely on a health care facility. For example, it is con sidered discriminatory to impose eligibility criteria that would screen out individuals with disabilities (e.g., refusing to provide mental health services to persons who are infected with HIV or who are deaf) unless a facility can show that the criteria are necessary for the provision of the services being offered.[48] Likewise, it would be discriminatory to fail to make "reasonable modifications in policies, practices and procedures" when such modifications are

"necessary to afford" services to individuals with disabilities (e.g., offering patient education materials in braille) unless a health care provider can demonstrate that making such modifications would "fundamentally alter" the nature of the service.[49] It also would be discriminatory for a health care facility to fail to treat an individual "in the most integrated setting appropriate to the needs of the individual."[50] It would also be a violation of the Act to "take such steps as may be necessary to ensure" that qualified individuals with disabilities are not "excluded, denied services, segregated or otherwise treated differently than other individuals because of the absence of auxiliary aids and services," unless the facility can demonstrate that such steps would "fundamentally alter" the nature of the service or would "result in an undue burden."[51]

Title III also provides, however, that "nothing … shall require an entity to permit an individual to participate" in offered services where the individual "poses a direct threat to the health or safety of others."[52] The term "direct threat" means "a significant risk to the health or safety of others that cannot be eliminated by a modification of policies, practices, or procedures or by the provision of auxiliary aids or services."[53]

Interpretive guidance issued by the U.S. Architectural and Transportation Compliance Board (the "Access Board") sets forth guidelines for the construction and alteration of all facilities and buildings falling within Titles II and III of the ADA, thereby covering both public and private health care facilities.[54] The guidelines specifically discuss the accessibility of medical care facilities, defined as facilities "in which people receive physical or medical treatment or care and where persons may need assistance in responding to an emergency and where the period of stay may exceed 24 hours".[55]

Whether the office of a private health care professional constitutes a place of public accommodation governed by the ADA's nondiscrimination and "most integrated setting" provisions was tested in *Bragdon v. Abbott*,[56] which involved the refusal of a dentist to fill a cavity of a person with asymptomatic HIV in his office. In essence, the defendant was charged with administering his dental practice in a discriminatory fashion, and his intent to discriminate was irrelevant. Bragdon's defense was that the patient posed a direct threat, which in turn eliminated his duty of care. The U.S. Supreme Court's decision contains a valuable discussion of the conditions under which health care providers can succeed on a "direct threat" defense.

During the trial, Bragdon attempted to challenge the evidentiary value of universal precautions guidelines of the Centers for Disease Control and Prevention (CDC), which set forth a series of steps that, if adopted by health professionals, would eliminate any "significant" risk associated with the treatment of persons with HIV. Defendant's arguments failed; on appeal, the Court of Appeals treated the CDC guidelines as conclusive evidence of insignificant risk, thereby denying Bragdon the right to mount a "direct threat" defense at all. The Court ruled, however, that although the CDC guidelines carried weight, they were not conclusive and could be challenged for their reliability,[57] leaving the door open to future "direct threat" defenses by public accommodations, even where government guidelines specify the procedures for eliminating a threat. (When the case was remanded for further proceedings on the direct threat defense, Bragdon was unable to prove the existence of a threat or to overcome the presumption of an insignificant threat created by the CDC guidelines).

The ADA defense that a proposed reasonable modification in fact creates an "undue burden" on a defendant is also common in a health care context. The concept of an "undue burden" is a requested modification that poses "significant difficulty or expense."[58] In health care, where the cost of the service is high to begin with and the importance of effective communication is great, the

case law suggests some skepticism on the part of courts regarding the claim when the issue is interpreters, although the courts have a greater willingness to consider the defense when removal of architectural barriers in existing construction is the issue.

For example, in *Majocha v. Turner*,[59] the refusal of a pediatric practice to furnish an ASL interpreter during a consultative visit was held actionable, after the practice not only refused to secure translation services but went so far as to send plaintiffs a letter advising them that they were refusing service altogether. The family persisted in its request for an ASL interpreter. Noting that federal guidelines on auxiliary aids specifically recognized the importance of effective communication in a health care context, the ruling of Court of Appeals in this case underscored the high bar faced by health care providers that seek to challenge requested reasonable accommodations under "undue burden" theory.

In contrast, *Mannick v. Kaiser Foundation Health Plan* [60] illustrates the type of factual pattern that can result in an undue burden finding. In *Mannick*, a patient with advanced multiple sclerosis, hospitalized for days in a patient room whose bathroom facilities were not wheelchair accessible, brought suit, alleging a violation of Title III. The hospital in question was an older one, and the issue was the extent to which the defendant, under the less restrictive "readily achievable" standard governing the modification of older facilities, was required to make its patient rooms wheelchair accessible. Noting that "readily achievable in the context of existing and non-modernized construction" meant "easily achievable without much difficulty or expense," the court concluded that cost is a key consideration, as is the nondiscriminatory nature of a defendant's efforts to overcome the problems posed by architectural barriers. In this case, the hospital was able to show that bed baths in lieu of showers, as well as bedside commodes, are techniques used for disabled and nondisabled patients alike.

In sum, Title III of the ADA reaches private health care settings and represents a sweeping and detailed prohibition against discrimination in health care. Because the statute reaches both direct and contractual arrangements, the law applies not only directly to medical care settings but also to corporate health care systems, such as health maintenance organizations, preferred provider organizations, and other managed care entities that arrange for covered services through participating provider networks.[61] Although Title III offers certain affirmative defenses, including fundamental alteration, direct threat, and undue burden, the burden of proof lies with the health care entity.

A recent review of Title III discrimination in health care settings documents the breadth of ADA enforcement actions—initiated by both private parties and government agencies—involving health care providers.[62] The review found that between 1994 and 2003, the U.S. Department of Justice, which has legal enforcement authority under Title III, reported more than 114 health care-related cases involving facility accessibility, accessibility of equipment, effective communication, and denial of services. The review found actions across numerous health care settings, both office- and institution-based settings. Only a small number involved the denial of care to persons with HIV. Physical barriers affecting people with limited mobility and ineffective communication techniques for people with hearing or vision loss dominated the cases.[63]

A recent settlement by the U.S. Department of Justice and plaintiffs with the Washington Hospital Center similarly shows the breadth of claims that can arise against public accommodations and the nature of remedies that are considered by enforcement agencies to fall within the scope of their powers. The settlement, filed in the fall of 2005, involved an investigation into all phases of hospital operations. The hospital agreed to renovate patient rooms, create new accessible patient

rooms, develop and implement barrier removal plans, purchase accessible equipment, review hospital policies and train staff, and appoint an ADA compliance officer.[64]

The Access Board focuses on architectural barriers that arise in the "design, construction, and alteration" of buildings and facilities.[65] The specific obligations of hospital and health care clinics and facilities to adapt their health care services to the needs of patients through the use of specialized equipment and supplies (e.g., appropriate exam tables or modified diagnostic equipment, such as mammography machines suitable for use with patients in wheelchairs) would appear to be precisely the type of interpretive guideline that could be developed by the Office for Civil Rights of the U.S. Department of Health and Human Services, much as that office has developed similar applied guidance governing the provision of translation and interpreter services for persons with limited English proficiency. No such detailed applications of the broad guidelines appear to exist. Additionally, because ADA compliance is a condition of participation in Medicare and Medicaid, the Centers for Medicare and Medicaid Services also would have the authority to establish minimum accessibility standards as a condition of participation in both programs. In general, federal agencies such as the Office of Civil Rights of the U.S. Department of Health and Human Services and the Centers on Medicare and Medicaid Services have been remarkably inactive in using their legal powers either to directly interpret and enforce civil rights laws or to establish conditions of participation in federal programs that are aimed at the achievement of the broad goals of civil rights legislation.[66]

More Subtle Forms of Discrimination

The fact that physical and hearing access should dominate the U.S. Department of Justice complaint process is not surprising and should not be taken as a sign that perhaps more subtle forms of discrimination aimed at avoiding certain patients does not exist. Overt physical and communication barriers are the most visible forms of discrimination, as are architectural barriers and the failure to promote the accessibility of services through the use of specialized equipment. However, health care entities can engage in other, more subtle forms of discrimination, such as the refusal to serve "disruptive" patients or members of Medicaid managed care plans.[67] Neither the U.S. Department of Justice nor the Office for Civil Rights at the U.S. Department of Health and Human Services maintains written interpretive guidelines related to services to qualified persons with mental disabilities by public facilities or places of public accommodation.

The Interaction Between ADA Violations and Medical Malpractice

In the United States, the failure of health care professionals and institutions to adhere to reasonable standards of health care practice constitutes the basis of liability for medical negligence. Because the ADA reaches conduct that denies equality of opportunity, presumably, medical injuries resulting from a health care provider's failure to make reasonable modifications in accordance with applicable federal requirements could serve as evidence regarding the unreasonableness of the provider's conduct in relation to the professional standard of care, the legal concept against which liability is measured. Thus, for example, the failure of a provider to adapt a health care setting to the needs of patients with physical or hearing disabilities could constitute evidence not only of an ADA violation but also of a violation of state medical liability law.

Although the potential for this type of legal parallelism is mostly speculative, one recent case illustrates how the failure to make reasonable modifications in health care services can lead to medical injury actionable under state law, as well as federal legal violations. In *Abernathy v. Valley Medical Center*,[68] the hearing impaired patient, who suffered from severe abdominal pain, was

unable to receive appropriate emergency care at the defendant hospital because of inadequate accommodations in the form of written notes and a nurse who knew "some" sign language. The court concluded that the claim fell well within the legal standards governing the obligations of hospitals; because medical injury was alleged, the case might have as plausibly been brought as a negligence case. Because the nexus between ADA compliance and the quality of care can be readily seen in the case of medical injury disputes arising from the failure to make reasonable modifications, it is possible to understand ADA compliance as an aspect of health care services risk management.[69]

ADA AND HEALTH CARE COVERAGE AND FINANCING

Overview

As noted earlier, ADA challenges involving health care coverage and financing can be classified into two basic categories: one involving health plan administration and the other involving the underlying design of the health benefit plan or health insurance coverage agreement in question. The first category of challenges encompasses situations in which the allegation is essentially that a plan administrator (e.g., a private health insurer, a self-insuring employer, or a Medicaid agency or its managed care contractor) is implementing the design of its service coverage in a discriminatory fashion. For example, if a plan covers physical therapy services as a broad class of benefit, an administrator's decision to deny coverage in the case of a plan participant with an underlying disability could be held to be discriminatory, since the remedy—excluding unfounded opinion from the interpretation of the meaning of a plan—is a reasonable modification of health plan operations.

The second type of challenge is one in which the content of the coverage itself includes an embedded exclusion. Imagine a benefit plan in which physical therapy is covered, but the terms of the contract limit the coverage to therapy needed to restore the previous range of motion. In such a situation, the plan's very terms discriminate against persons who may need the therapy to attain but not restore lost motion; the content builds discrimination directly into its terms. The former limitation may be actionable under the ADA; the latter is not, because courts have held that to remediate such limitations involves a fundamental alteration in the terms of coverage themselves.

Crucial to the outcome of insurance cases therefore is whether the courts view the conduct of the insurer or the benefit plan to be one involving design (i.e., the content of insurance) or administration. The preponderance of cases raising discriminatory administration claims appear to involve challenges to state Medicaid administration, presumably because of the disproportionate reliance on Medicaid by persons who are qualified individuals with disabilities. The most important/well-known case of this kind is *Olmsted v. L.C.*, which is considered further below.

Insurance discrimination cases are heavily evidence driven and turn on how courts interpret and apply the ADA and other disability statutes (such as Section 504 of the Rehabilitation Act of 1973) to what they perceive to be the critical facts of the case. Furthermore, because cases are fact driven and depend for their outcome on the application of complex legal standards to equally complex factual situations, the judicial outcome is highly variable. Case law is replete with both winners and losers the outcomes of whose cases were not predicted by observers before the decision.[70]

A basic aspect of insurance design is the definition of medical necessity used in the terms of coverage. In the example given above involving the discriminatory denial of physical therapy, the plan might use a general definition of medical necessity (i.e., care is medically necessary if the evidence shows that furnishing the benefit is consistent with appropriate standards of professional

practice). The definition has two meanings; the first meaning is coverage in relation to the overall design of the plan (no coverage for services that are not considered professionally appropriate, such as surgery undertaken for purely cosmetic purposes). The second type involves the application of a medical necessity definition to a specific situation in which a patient seeks an indisputably covered benefit. To return to the physical therapy example, an insurer's informal conclusion that therapy is not medically necessary because persons with disabilities cannot improve is informal, is not compelled by the design of coverage, and does not rest on informed medical judgment.

In fact, both types of medical necessity decisions can involve questions of medical fact and judgment. For example, if an insurer categorically excludes facial reconstruction surgery as cosmetic and therefore not medically necessary, this is not the end of the story potentially. The factual question, which insurance laws would permit on appeal, is whether the procedure sought by the patient is one whose underlying medical facts would cause a reasonable decision maker to classify the surgery as medical in nature rather than cosmetic. On the other hand, if the coverage agreement specifically excludes breast reconstruction following a mastectomy, there is no appealable issue if the event leading to the reconstruction request is a mastectomy.

In sum, certain types of medical necessity decisions involve purely legal interpretations related to the content of coverage. Appealable cases are those that rest on factual questions to be resolved by a decision maker.

Olmstead and Discriminatory Allocation of Resources Within an Established Plan Design

A signature case in the field of discrimination in the administration of insurance is *Olmstead v L.C.* [71] In *Olmstead*, plaintiffs mounted an ADA Title II claim of discriminatory administration of a public health care financing program. The fact that the public financing scheme involved Medicaid added a critical dimension to the case, since the defendant, the administrator of the public program, could present a theory of the case stating that what plaintiffs sought was more coverage, not fairer administration of existing coverage. The U.S. Supreme Court rejected this view, finding instead that the case involved the discriminatory administration of Georgia's Medicaid program. Nonetheless, once it turned to the remedial question—how to remedy the discriminatory practice of failing to make the state's community benefit coverage accessible to plaintiffs—the Court was forced to confront the problem of coverage design.

The *Olmstead* decision is best known for its eloquent central holding that medically unjustifiable institutionalization constitutes discrimination under Title II of the ADA. In this regard the decision serves as a reminder that even public insurance programs are subject to ADA scrutiny. At the same time, the effort on the part of the *Olmstead* court to parse the remedy so as to avoid the fundamental alteration problems inherent in altering benefit design has led to years of judicial involvement in dozens of similar cases, many of which have had unsatisfactory conclusions from the plaintiffs' viewpoint.

The facts of *Olmstead* are relatively well known. Two Georgia women, who were both qualified individuals with disabilities, received public funding for long-term institutional care but were unable to get the state Medicaid program to cover long-term personal care and other services provided in the community, even though the women's own treating physicians deter mined that institutional care was not medically justifiable. The state Medicaid plan covered more than 2000 "home and community based services slots" under a special federal law permitting states to extend home coverage to persons at risk for institutional placement, but the legislature had funded only a fraction of the federally approved services. Federal law permits states to cap the number of

placements funded under the state plan, and states are also allowed to limit their request to a certain number of "slots." The trial record showed that Georgia had some 2,100 federally approved slots but funded the state share of the costs at a level sufficient to support only about 700 placements.

Beyond its "unjustifiable institutionalization" holding, the U.S. Supreme Court was then forced to confront a more basic fact: a state Medicaid program that, even if it is properly administered, covered less than the full amount of the community services needed (federal Medicaid law permits states to place a fixed, aggregated cap on the home- and community-based services that they will finance, and while Medicaid spending on community services has increased significantly,[72] coverage is still less than demand). The Court refused to order the state to spend more than its plan specified to ensure appropriate financing of community services up to the level of need,[73] precisely because such a step would have constituted a fundamental alteration of the state's scheme for financing health care for persons with mental disabilities. Instead, the Court set a "reasonable pace" standard, which in practice has operated as a judicial instruction to slowly reallocate spending priorities within an existing benefit design:[74]

> To maintain a range of facilities and to administer services with an even hand, the State must have more leeway than the courts below understood the fundamental-alteration defense to allow. If, for example, the State were to demonstrate that it had a comprehensive, effectively working plan for placing qualified persons with mental disabilities in less restrictive settings, and a waiting list that moved at a reasonable pace not controlled by the State's endeavors to keep its institutions fully populated, the reasonable-modifications standard would be met.[75]

Within the context of the ADA, the U.S. Supreme Court arguably did what it could to avoid breaching the limits imposed by the fundamental alteration defense. At the same time, the ambiguous balancing framework set out in its decision has triggered years of challenges by plaintiffs attempting to push states harder to rebalance their spending. Cases have involved both classes of plaintiffs and individual plaintiffs, and the decisions have created a jumble of winners and losers.

In some of the cases, plaintiffs have prevailed because they have convinced the courts that the issue is a state's failure to make an adequate effort to fairly allocate its resources within its existing benefit design. In other cases, plaintiffs have lost because the courts perceive the dispute as one involving demands for more—or faster—community coverage, thereby tipping the case into the realm of fundamental alteration.[76]

A recent decision by the U.S. Court of Appeals in *The ARC v. Braddock* [77] illustrates the difficulties encountered in the *Olmstead* litigation. *The ARC* involved a class challenge to Washington State's investment in community services. The court opened its decision by noting that once again it was navigating "the murky waters between two statutory bodies: the ADA and the Medicaid Act."[78] That action posed the following specific question: whether a state violates the ADA when it limits the number of people that can participate in a Medicaid waiver program providing disabled persons with alternatives to institutionalization."[79]

The specifics of the case focused on Washington State's 10,000-person limit on Medicaid home and community care slots. The U.S. Court of Appeals noted that federal Medicaid law specifically contemplates a cap on slots as a state plan option. The court then proceeded to offer a lengthy and thoughtful explanation that attempted to distinguish between factual situations that raise the issue of unlawful discrimination and those that exhibit compliance with the "reasonable pace" standard.

The court noted that *Olmstead* did not force the U.S. Supreme Court to consider lifting the waiver cap because the state had never allocated funds to the slots that were already part of its state plan. The Court of Appeals also noted that in an earlier decision, Townsend v. Quasim,[80] the issue was the improper administration of benefit design when the state forced medically needy individuals into nursing facilities while extending community services to categorically needy persons and was thereby discriminatory on its face. The present case, however, like an earlier case in the same circuit, *Sanchez v. Johnson*,[81] involved the very size of the waiver program. The plaintiffs, in essence, were asking for more services than the state presently covered; and therefore, the court rejected the claim, concluding that the state's deinstitutionalization plan was acceptable in light of the facts surrounding its effort to retool its Medicaid program to more heavily emphasize community-based care. In neither *Sanchez* nor the present case did the mere existence of a cap violate *Olmstead*; instead, the issue was the size of the state's program and the pace at which the state was moving to raise the cap on community coverage. The court's discussion of the facts underscores the tipping point in *Olmstead* cases when challenges to administration become challenges to design:

> Plaintiffs acknowledge that the state's HCBS [home and community-based services] program is capped at 9,977 disabled persons, and the program is operating at capacity. Yet they argue the program is not large enough.... The record reflects that Washington's commitment to deinstitutionalization is as "genuine, comprehensive and reasonable" as the state's commitment in Washington's HCBS program is substantial in size, providing integrated care to nearly 10,000 Medicaid-eligible disabled persons in the state. The waiver program is full, and there is a waiting list that admits new participants when slots open up. Unlike in *Townsend*, all Medicaid-eligible disabled persons will have an opportunity to participate in the program once space becomes available, based solely on their mental-health needs and position on the waiting list.
>
> Further, the size of Washington's HCBS program increased at the state's request from 1,227 slots in 1983 ... to 9,977 slots beginning in 1998. The annual state budget for community-based disability programs such as HCBS more than doubled from $167 million in fiscal year 1994, to $350 million in fiscal year 2001, despite significant cutbacks or minimal budget growth for many state agencies. During the same period, the budget for institutional programs remained constant, while the institutionalized population declined by 20%. Today, the statewide institutionalized population is less than 1,000.... We do not hold that the forced expansion of a state's Medicaid waiver program can *never* be a reasonable modification required by the ADA. What we do hold is that, in this case, Washington has demonstrated it has a "comprehensive, effectively working plan," and that its commitment to deinstitutionalization is "genuine, comprehensive and reasonable." [82]

The Ninth Circuit Court thus looked at the rate of growth over time in terms of both funds and services and compared that rate of growth to those of other human services during the same time period. While the court left the door open to future reconsideration, it appears that the pace of investment would have to slow considerably before the Court might be persuaded.

Another helpful exploration of how the balancing test is approached from an evidentiary perspective can be found in *Martin v. Taft*,[83] a case involving a class action by 12,000 persons who alleged that the state was, effectively, doing nothing to help them move into community settings. Plaintiffs sought an order establishing a 5-year remedial time frame. In ordering a trial on

the issue of reasonable pace, the court also set out what each side would have to prove.

> The initial burden of demonstrating that a reasonable accommodation is available rests with plaintiffs. Once the plaintiff meets the burden of demonstrating this element, along with the other prima facie elements, the burden then shifts to the State to show that the requested accommodation is not reasonable.[84]

The court went on to note that plaintiffs erred in relying on *Olmstead* for the proposition that waiting lists moving at a reasonable pace constituted the sole means by which defendants could prove the reasonableness of their efforts and resist a faster pace as a fundamental alteration.

> The presence or absence of an existing state plan and a waiting list that moves at a reasonable pace does nothing whatsoever to answer whether, in the first instance, a reasonable modification is available.... In addition, as *Olmstead* requires a far more involved inquiry than cost per individual; it directs the Court to consider all of the demands on the State's mental health budget, as well as the State's legitimate interest in maintaining a broad range of services to address the different needs of individuals.... [D]efendants must do far more than make *arguments* such as that defendants are not motivated by the desire to keep institutions full.... [T]hey must *demonstrate* that making the modifications would fundamentally alter the nature of the existing community-based service program. Failure to carry this burden could result in the entry of judgment in favor of plaintiffs.

In other words, the court rejected the notion that movement toward community services was the only plausible defense and invited defendants to show that other state needs (such the medical need to maintain treatment services) prevented further investment in community services. The trial court went so far as to argue that a state could show that it satisfied the *Olmstead* test even in the absence of any plan or further reasonably paced movement by proving that it already was reasonably accommodating the need for community care, based on the current expenditure of resources. The court then set out the criteria by which it would judge defendants' "fundamental alteration" defense at trial:

> 1. The resources available to the State; 2. The State's responsibility to care for and treat a large and diverse population of persons with mental disabilities, including those who will require services in an institutional setting; [and] 3. Whether the relief plaintiffs seek would be inequitable given the above considerations.[85]

Other Discriminatory Administration Challenges

In a non-*Olmstead* context, several other Title II discriminatory administration claims have met with success. For example, in *Rodde v. Bonta* [86] the court upheld an injunction against the closure of the Rancho Los Amigos National Rehabilitation Center in Los Angeles County, California, which was part of the county's hospital system. The basis for the injunction against the closure was the county's inability to demonstrate that it had equally appropriate and physically accessible services elsewhere in the system for plaintiffs, all of whom were patients with serious and long-term medical conditions. In effect, the county had made no reasonable accommodation for patients with disabilities prior to instituting a closure plan, thus creating a legal result similar to that for the *Washington Hospital Center* case (which focused on physical and communications accessibility) settlement discussed above.

In addition, a 2003 decision by the U.S. Court of Appeals for the Second Circuit found a violation of the ADA in the manner in which New York City was administering its public programs for persons with HIV and AIDS. As in *Olmstead* case, the court examined the burdens placed upon the plaintiffs in their efforts to secure services used by other populations, with and without disabilities, dependent on public services. The case centered on patient support services that were designed to assist plaintiffs—all persons experiencing AIDS and HIV-related illnesses and in weakened conditions—navigate the welfare system but that, in fact, were never furnished. As in *Olmstead*, the services covered under the New York City plan were available on paper only and were never funded or furnished. In this case, the missing services were patient support and enabling services that made health care accessible and effective.

Challenges to Coverage Design

There are very few cases in which the challenge is directly against coverage design, but the few that do exist underscore that modifying the design of an insurance plan is considered a fundamental alteration. The basic case in the field is *Alexander v. Choate*,[87] a 20-year-old U.S. Supreme Court decision that arose under Section 504 of the Rehabilitation Act of 1973, the predecessor to ADA Title II. Once again, the case involved Medicaid, but this time the challenge was to Tennessee's 14-day annual limit on inpatient hospital care. The essence of the claim was that the 14-day hospital inpatient coverage limit left persons with disabilities with insufficient coverage in light of their greater health care needs. Plaintiffs offered numerous alternatives, specifically, the adoption of a diagnosis-related group-style, per-case limit that varied by diagnosis or condition, recognized length-of-stay "outlier" cases, and averaged payment across more and less expensive patients. In plaintiffs' view, such an alternative, which would have allowed variability linked to underlying condition (e.g., lower payments for less complex cases and higher payments for more resource-intensive cases), would have had a less harsh impact on persons with disabilities. In essence, plaintiffs' theory of the case was that the issue at hand was the means of administering hospital inpatient payments. The appellate court agreed that plaintiffs had made out a prima facie claim and that the burden of proof shifted to states as defendant to offer alternatives or explain why alternatives would be unreasonable. The state appealed.

After ruling that discriminatory intent was not necessary to make out a Section 504 claim, Justice Thurgood Marshall, writing for a unanimous U.S. Supreme Court, made clear that in the Court's view, the claim amounted to a challenge to benefit design, that is, a direct attack on the content of coverage, as well as a request for individually tailored coverage, rather than a case to address discriminatory plan administration. Section 504, the Court held, required only that persons with handicaps (the predecessor term for disabilities) be given meaningful access "to the benefit that the [program] offers."[88] Rejecting arguments that the "benefit offered" in this case was inpatient hospital care and that limits on the benefit therefore were a matter of plan administration, the court characterized the 14-day benefit as an embedded aspect of the plan's coverage design itself. The question thus became simply whether all persons, regardless of disability, had equal access to the coverage:

> To the extent respondents further suggest that their greater need for prolonged inpatient care means that, to provide meaningful access to Medicaid services, Tennessee must single out the handicapped for *more* than 14 days of coverage, the suggestion is simply unsound. At base, such a suggestion must rest on the notion that the benefit provided through state Medicaid programs is the amorphous objective of "adequate health care." But Medicaid programs do not guarantee that each recipient will receive that level of health care precisely tailored to his

> or her particular needs. Instead, the benefit provided through Medicaid is a particular package of health care services, such as 14 days of inpatient coverage. That package of services has the general aim of assuring that individuals will receive necessary medical care, but the benefit provided remains the individual services offered—not "adequate health care."[89]

In essence, the U.S. Supreme Court rejected the effort to equate coverage with adequacy of care and assumed that the equality of treatment standard was met under Section 504 as long as all persons, regardless of handicap, had equal access to whatever coverage was available. It rejected any notion that Section 504 somehow altered the discretion of state Medicaid programs, acting under federal Medicaid law, over matters of benefit design:

> Respondents argue that the inclusion of any annual durational limitation on inpatient coverage in a state Medicaid plan violates § 504. The thrust of this challenge is that all annual durational limitations discriminate against the handicapped because (1) the effect of such limitations falls most heavily on the handicapped and because (2) this harm could be avoided by the choice of other Medicaid plans that would meet the State's budgetary constraints without disproportionately disadvantaging the handicapped. [Section] 504 does not require the changes respondents seek. In enacting the Rehabilitation Act and in subsequent amendments, Congress did focus on several substantive areas—employment, education, and the elimination of physical barriers to access—in which it considered the societal and personal costs of refusals to provide meaningful access to the handicapped to be particularly high. But nothing in the pre- or post-1973 legislative discussion of § 504 suggests that Congress desired to make major inroads on the States' longstanding discretion to choose the proper mix of amount, scope, and duration limitations on services covered by state Medicaid.[90]

Later cases considering the same issues—the legality of restrictive benefit design under civil rights law applicable to persons with disabilities—reached the identical conclusion. As noted, by their very nature, the *Olmstead* cases raise questions of benefit design, at least from the viewpoint of defendants, and the cases show the tension that arises as courts struggle with the challenge of how to characterize the claims presented and fashion a remedy.

Perhaps the most significant example of the rejection of benefit design challenges in an ADA context is *Doe v. Mutual of Omaha*,[91] which eliminated any notion that the ADA could be used to challenge benefit design limits. The case opened with this startling introduction:

> Mutual of Omaha appeals from a judgment that the AIDS caps in two of its health insurance policies violate the public accommodations provision of the Americans with Disabilities Act. One policy limits lifetime benefits for AIDS or AIDS-related conditions (ARC) to $25,000, the other limits them to $100,000, while for other conditions the limit in both policies is $1 million. Mutual of Omaha has stipulated that it "has not shown and cannot show that its AIDS Caps are or ever have been consistent with sound actuarial principles, actual or reasonably anticipated experience, bona fide risk classification, or state law." It also concedes that AIDS is a disabling condition within the meaning of the Americans with Disabilities Act.[92]

With this introduction, Judge Richard Posner, one of the nation's most influential jurists and a prominent proponent of markets, proceeded to demolish the argument that the ADA somehow altered the market freedoms enjoyed by insurers, much as Justice Marshall had disposed of any notion that Section 504 in some way altered the basic rules of state Medicaid discretion over

coverage design (within federal limits). In an opinion notable for the strength of its tone, the *Mutual of Omaha* case made clear that Title III reaches the physical aspects (such as whether the offices of insurers are physically available), as well as the sale of insurance products to persons with disabilities, but does not reach content.

The majority decision went on to dismiss the very presence of an insurance "safe harbor" as evidence of congressional intent to reach the content of coverage, despite the fact that the safe harbor on its face sets the standard for distinguishing between lawfully structured product design and design that is not lawful:

> The plaintiffs argue … that the insurance exemption has no function if section 302(a) does not regulate the content of insurance policies, and so we should infer that the section does regulate that content. But … the industry may have obtained the rule of construction in section 501(c) just to backstop its argument that [Title III] regulates only access and not content.... Or it may have worried about being sued … for refusing to sell an insurance policy to a disabled person.... For Mutual of Omaha to take the position that people with AIDS are so unhealthy that it won't sell them health insurance would be a prima facie violation of [Title III]. But the insurance company just might be able to steer into the safe harbor provided by section 501(c), provided it didn't run afoul of the "subterfuge" limitation, as it would do if, for example, it had adopted the AIDS caps to deter people who know they are HIV positive from buying the policies at all.[93]

SUMMARY

This review suggests that the ADA has made a significant contribution in the realm of physical access to care among persons with disabilities, removing many of the grounds on which a private health care provider or health care system might refuse to accept persons with disabilities into care. The ADA has also had a notable impact on the extent to which public and private health insurers can be held accountable for discriminatory administration. However, once a dispute is understood as being centered on the question of coverage design and content—meaning the amount of benefits, the range of benefits, and the definitions used to allocate benefits—the ADA ceases to offer a remedy, since any modification of coverage design itself arguably becomes a fundamental alteration.

One aspect of this analysis bears further reflection, namely, the notable absence of health care-specific guidelines for use in services and coverage. Such guidelines, even if they are not actively enforced by federal investigators, can serve an immensely useful process in guiding health care service providers and insurers on questions of corporate compliance, a major focus of all health care entities in the modern world. Neither the U.S. Department of Justice nor the U.S. Department of Health and Human Services appears to have used its considerable authority to develop comprehensive guidance tailored to the health care industry that might delineate the stan dards of compliance expected under public programs and public health care accommodations.

The need for such guidance ranges from a clear explanation regarding the meaning of the broad federal rules within health care facilities to an explanation of the types of health benefit administration practices that could be considered discriminatory. While the Access Board sets standards for the modification and construction of facilities, these standards do not speak to internal equipment and operations that play an equal role in access, nor is there language guidance for health services providers in an ADA context that is comparable to the guidance that applies to persons with limited English proficiency. Robust ADA guidance regarding public and private

insurance and employee health plan administration is also lacking. At what point do certain practices become discriminatory methods of administration? When would medical necessity decision making, for example, lose its "design" characteristics and become the arbitrary denial of coverage to persons with disabilities? When might the refusal to pay a claim cease being a limitation on coverage and be transformed into the discriminatory withholding of covered benefits because of the patient's disability? The cases—as well as the complexity of health care itself—suggest a need for carefully developed guidelines that help health care corporations understand the meaning of the ADA in both health care and coverage decision making and payment.

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Footnotes

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1 42 U.S.C. §12101 et seq.

2 For an overview of legal developments in this area in the 16 years since the ADA's enactment, see National Council on Disability, *Righting the ADA* (Washington, D.C.: NCD, 2004). Available at http://www.ncd.gov/newsroom/publications/2004/publications.htm (accessed July 22, 2006).

3 42 U.S.C. §12101, defining the term "public accommodation" to include health care services.

4 For an exhaustive discussion to date of the use of law to advance health care markets, see U.S. Department of Justice and Federal Trade Commission, *Improving Health Care: A Dose of Competition*. Available at http://www.ftc.gov/reports/healthcare/040723healthcarerpt.pdf (accessed November 23, 2006).

5 *A Dose of Competition*, supra. For a legal comparison of national health policies here and abroad, see Timothy Stoltzfus Jost, *Disentitlement* (New York: Oxford University Press, 2003).

6 See, e.g., *Bedrick v. Travelers Insurance Co.* (93 F. 3d 149 (4th Cir, 1996)), in which such a dispute was won on the grounds of arbitrary and unfair administration of an Employee Retirement Income Security Act health benefit plan. This type of fact pattern might also give rise to a remediable ADA claim.

7 Statement of Senator Tom Harkin honoring the 15th anniversary of the ADA, *Cong. Rec.* S. 8804 (July 25, 2005). Available at http://thomas.loc.gov/cgi-bin/query/D?r109:4:./temp/~r1092WcqGT (accessed November 23, 2006).

8 Statement of Senator John Kyl honoring the 15th anniversary of the ADA, *Cong. Rec.* S. 8771 (July 25, 2006). Available at http://thomas.loc.gov/cgi-bin/query/F?r109:8:./temp/~r1092WcqGT:e29790 (accessed November 23, 2006).

9 Id.

10 42 U.S.C. §12102(2).

11 Id.

12 42 U.S.C. §12111-12117.

13 42 U.S.C. §12131(2).

14 42 U.S.C. §12112(a).

15 U.S. Department of Labor, *Disability Resources: the ADA*. Available at http://www.dol.gov/dol

/topic/disability/ada.htm (accessed November 23, 2006).

16 29 U.S.C. §794(a).

17 U.S. Department of Justice, *Non-Discrimination on the Basis of Disability in State and Local Governments.* Available at http://www.usdoj.gov/crt/ada/reg2.html (accessed November 23, 2006).

18 42 U.S.C. §12131(1).

19 *Tugg v. Towey* 861 F. Supp. 1201, 1205 (S.D. Fl., 1994); *Tennessee v. Lane* 504 U.S. 514 (2004) §794(a).

20 28 C.F.R. §35.130(b)(1)(i-iii).

21 Id.

22 See U.S. Department of Justice, *ADA Investigative Agencies.* Available at http://www .usdoj.gov/crt/ada/investag.htm (accessed November 23, 2006).

23 U.S. Department of Health and Human Services, Office of Civil Rights, *Your Rights Under the Americans with Disabilities Act.* Available at http://www.hhs.gov/ocr/ada.html (accessed November 23, 2006). In its final rules implementing Title II, the U.S. Department of Justice notes under "Compliance Procedures" that Congress expected that activity-relevant federal agencies (in the case of health services, the U.S. Department of Health and Human Services) would interpret and enforce standards in the case of public health facilities. Available at http://www.usdoj.gov/crt/ada/reg2.html (accessed November 23, 2006).

24 42 U.S.C. §12182.

25 42 U.S.C. §12181(7). For a general discussion of the unique nature of this provision in relation to earlier laws, see Joel Teitelbaum and Sara Rosenbaum, "Medical care as a public accommodation: moving the discussion to race," 29 *Am. J. Law Med.* 381 (2003).

26 42 U.S.C. §12201.

27 See *PGA Tour v. Martin*, 532 U.S. 661 (2001) (Title III) and *Olmstead v. L.C.* 527 U.S. 581 (1999).

28 *PGA v. Martin* 532 U.S. 682–683.

29 *Bragdon v. Abbott* 526 U.S. 1131 (1999).

30 28 C.F.R. §§35.150–151 (public facilities); 28 C.F.R. §36.401–402 (public accommodations).

31 All ADA regulations can be viewed at http://www.usdoj.gov/crt/ada/adahom1.htm (accessed November 23, 2006).

32 See U.S. Department of Health and Human Services, Office of Civil Rights, *Civil Rights on the Basis of Disability.* Available at http://www.hhs.gov/ocr/discrimdisab.html#rights (accessed November 23, 2006).

33 U.S. Department of Health and Human Services, Office of Civil Rights, *How to File a Discrimination Complaint with the Office for Civil Rights.* Available at http://www.hhs.gov/ocr/discrimhowtofile.html (accessed November 23, 2006).

34 28 C.F.R. §36.501.

35 U.S. Department of Justice, *Enforcing the ADA: A Status Report from the Justice Department.* Available at http://www.usdoj.gov/crt/ada/statrpt.htm (accessed November 23, 2006).

36 *Marbury v, Madison*, 1 Cranch 137 (1803).

37 *Doe v. Mutual of Omaha Ins. Co.*, 179 F. 3d 557 (7th Cir., 1999); rehearing and suggestion for rehearing en banc denied (Aug 03, 1999); cert. den. *Doe v. Mutual of Omaha Ins. Co.*, 528 U.S. 1106 (2000) (limited or

no weight was given to the Equal Employment Opportunity Commission interpretation of insurance "safe harbor" in an ADA enforcement case involving allegations of discrimination by a health insurer).

38 Oliver Wendell Holmes, Jr., *The Common Law*, 1881. Available online at http://www.law.harvard .edu/library/collections/special/online-collections/common_law/Contents.php (accessed January 4, 2007).

39 Many people confuse the concept of a "Good Samaritan" with the no-duty principle. A Good Samaritan is one who undertakes care and who then is held to a lesser duty of care in consideration of his or her good act. The undertaking itself is totally voluntary, however.

40 Rand Rosenblatt, Sylvia Law, and Sara Rosenbaum, *Law and the American Health Care System* (New York: Foundation Press, 1997; 2001-2002 Supplement), Ch. 1, The impact of U.S. law on medicine as a profession; Sara Rosenbaum, "The impact of United States law on medicine as a profession," *JAMA* 289:1546–1556 (2003).

41 Rand Rosenblatt, Sylvia Law, and Sara Rosenbaum, *Law and the American Health Care System* (New York: Foundation Press, 1997), Ch. 1, The impact of U.S. law on medicine as a profession.

42 For a history of how Medicare-participating physicians gained a (nonstatutory) exception from Title VI, see David Barton Smith, *Health Care Divided* (Ann Arbor: University of Michigan Press, 1999). Current legal interpretation of physicians' Part B exemption limits the exemption to physicians participating in "traditional" Medicare, that is, Medicare Part B direct fee-for-service payments only. See, e.g., U.S. Department of Health and Human Services, Office of Civil Rights, *Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons.* Available at http://www.hhs.gov/ocr/lep/revisedlep.html (accessed November 23, 2006).

43 42 U.S.C. §12101(a)(3).

44 524 U.S. 624 (1999).

45 Rand Rosenblatt, Sylvia Law, and Sara Rosenbaum, *Law and the American Health Care System* (New York: Foundation Press, 1997), Ch. 1, The impact of U.S. law on medicine as a profession.

46 42 U.S.C. §12182.

47 Id.

48 42 U.S.C. §12182(b)(1)(A)(i).

49 42 U.S.C. 12182(b)(A)(ii).

50 42 U.S.C. §12182(b)(2)(B).

51 42 U.S.C. 12182(b)(A)(iii).

52 42 U.S.C. 12182(b)(3).

53 42 U.S.C. §12182.

54 Access Board, *ADA Accessibility Guidelines for Buildings and Facilities.* Available at http://www.access-board.gov/adaag/html/adaag.htm (accessed November 23, 2006).

55 Id.

56 524 U.S. 624 (1999).

57 The U.S. Supreme Court remanded the case for further proceedings on the direct threat question, and Bragdon was unable to show evidence to lead the trial court to reject the guidelines.

58 *Davis v. Flexman* 109 F. Supp 2d 776 (S. D. Oh., 1999).

59 166 F. Supp. 2d 316 (W.D. Pa., 2001).

60 WL 1626909 (N.D. Ca., 2006).

61 *Woolfolk v. Duncan*, 872 F. Supp. 1381 (E.D. Pa., 1995).

62 Judy Panko Reis, Mary Lou Breslin, Lisa Iezzoni, and Kristi Kirschner, *It Takes More Than Ramps to Solve the Crisis of Healthcare for People with Disabilities* (Chicago: Rehabilitation Institute of Chicago, 2004).

63 Id., p. 15.

64 http://www.usdoj.gov/crt/ada/whc.htm (Accessed March 3, 2007)

65 Access Board, *ADA Accessibility Guidelines for Buildings and Facilities*, §1, Purpose. Available at http://www.access-board.gov/adaag/html/adaag.htm (accessed November 23, 2006).

66 Sara Rosenbaum and Joel Teitelbaum, "Civil rights enforcement in the modern health care system: reinvigorating the role of the federal government in the aftermath of *Alexander v Sandoval*," *Yale J. Health Policy Law Ethics* 3:215–252 (2003).

67 Sara Rosenbaum, Peter Shin, Marcie Zakheim, et al., *Negotiating the New Health System: A Nationwide Study of Medicaid Managed Behavioral Health Care Contracts*, Vols. 1-2 (Washington, DC: Center for Health Policy Research, The George Washington University Medical Center, 1997).

68 2006 WL 1515600 (W.D. Wash., 2006).

69 See discussion of the ADA in a quality context in *It Takes More Than Ramps*, op. cit., pp. 1–11.

70 Sara Rosenbaum and Joel Teitelbaum, *Olmstead at Five: Assessing the Impact* (Washington, DC: Kaiser Commission on Medicaid and the Uninsured). Available at http://www.kff.org/medicaid/7105a.cfm (accessed July 23, 2006), reviewing post-Olmstead cases decided through spring 2004.

71 527 U.S. 581 (1999). Note that that the *Olmstead* and *Bragdon* cases occurred in the same term of the U.S. Supreme Court, a not unusual tendency on the part of the Court to take a related series of cases in order to explore the dimensions of a particular body of law.

72 Heidi Reester, Raad Missmar, and Anne Tumlinson, *Recent Growth in Medicaid Home and Community Based Services* (Washington, DC: Kaiser Commission on Medicaid and the Uninsured). Available at http://www.kff.org/medicaid/upload/Recent-Growth-in-Medicaid-Home-and-Community-Based-Service-Waivers-PDF.pdf (accessed November 23, 2006).

73 The Court of Appeals would have had the state furnish community services to all persons for whom institutional care was unnecessary, so long as the annual per-capita cost of community care was less than the institutional cost. This remedy could have, however, resulted in greater expenditures if persons in need of institutional care moved in to take the place of those living in the community so that the total population of people receiving long-term-care services grew.

74 Critical to the U.S. Supreme Court's decision was the notion that the entire 2,100 home-and community-based care slots were part of the coverage scheme but were going unused because of discriminatory underfunding of community placements and deliberate overfinancing of institutional care.

75 527 U.S. 605–606.

76 *Olmstead at Five*, op. cit.

77 427 F. 3d 615 (9th Cir., 2005).

78 427 F. 3d 617.

79 Id.

80 *Townsend*, discussed in *Olmstead at Five*, involved a challenge to the institutionalization of a man whose monthly income rose by literally a few dollars, but enough to place him just above the cutoff for categorically needy Medicaid coverage and into the realm of the medically needy "spend-down" program. Washington State covered community services for categorically needy persons only, and he was forced to give up his 17-year community residential placement and to enter a nursing home. Despite the fact that institutional versus community services were part of the state's benefit design for Medicaid, the court held that the case involved discriminatory administration of long-term-care assistance and ordered relief. In short, the court flipped a design case into the administration classification.

81 416 F. 3d 103 (9th Cir., 2005) involving a challenge to the size of California's community care program.

82 427 F. 3d 618–621.

83 222 F. Supp. 940 (S.D. Ohio, 2005).

84 2222 F. Supp. 2d 986–990.

85 2222 F. Supp. 2d 986–990.

86 357 F. 3d 988 (9th Cir., 2004).

87 469 U.S. 287 (1985).

88 469 U.S. 720.

89 469 U.S. 721.

90 469 U.S. 723.

91 179 F 3d 557 reh.den. (1999); cert. den. *Doe v Mutual of Omaha Ins. Co.* 528 U.S. 1106 (2000).

92 137 F. 3d 558.

93 137 F. 3d 560.

Bookshelf ID: NBK11429

Attachment 11

Attain Inc.'s

Project Description

Attain's Development Project: Adding a Unit in Seminole County

Acquisition and Renovation of the Community Residential Home

The population to be served in Attain's proposed Development will serve the population of individuals with Development Disabilities. When selecting a residence for individuals with DD, Attain takes extra precautions in several features of the existing home that will best address their developmental capacities and behaviors. Moreover, Attain identifies the prospective residence by features of the home's design, location, floor plan etc. that will allow the most cost effective modifications that may need to be made.

For example, Attain seeks to provide floor plan features that minimize an individual's potential to trip or fall; where there are existing floor elevations from one room to the next, Attain will consider if modifications can be performed cost-effectively to reduce the grade between the from one area to the other. Additionally, Attain will enhance/modify the visual effects of the floor elements between the rooms to promote safety for individuals walking across the grade in the floor levels. Slip resistant floor elements are preferred; if not existing, Attain installs floors with this characteristic where appropriate.

Attain prefers to acquire properties with an open floor plan from the kitchen to the common living areas. This allows the program staff to supervise activities and intervene when additional behavioral coaching can be given to improve social skills, decision making, etc. that help bring about independence for the individual with DD.

All properties operated by Attain Inc. go beyond the standard renovations for the average consumer who would rent or purchase a home. Attain Inc. is committed to renovating and maintaining the home in a manner that will enhance the home's value, conform to neighborhood standards and meet the needs and preferences of the residents. The following is a list of common renovations that Attain will conduct for the new development of a community residential home in order to minimize wear and tear and protect the value of the home when occupied by individuals with DD:

Fire and Safety Systems Upgraded and/or Installed: A Fire Control Panel with smoke detectors, strobe alert lighting, and audible alarms and according to applicable code for a community residential home. A sprinkler system must be in accordance to applicable fire code for a community residential home.

Flooring: Upgrade/or install if necessary, wall-to-wall ceramic tile for durability and to reduce cooling costs.

Walls: Install 4-foot high (PVC) paneling to lower part of walls with wood molding as accent. The PVC panels and trim enhance the interior home decor, increases durability and reduce ongoing maintenance. Paint type on walls is generally semi-gloss and gloss on the trim and doors.

Exterior Perimeter Fencing: A 6-foot privacy fence is installed in the backyard if not existing or in a safe condition from normal wear and tear.

Interior Accommodations

Certain features in a newly acquired home need modifications for the health and safety of the population to be served by Attain:

- Glass mirrors are replaced with Plexiglass mirrors
- Hollow doors are replaced with solid door construction
- Sliding glass doors are replaced with French doors;
- Any existing exterior exit door in a bedroom is removed;
- Swimming pools are filled and surfaced with brick pavers to create more outdoor recreational space, and basketball hoops and park-style swings are added if appropriate.
- Upgrades are made to thermostats to replace them with "smart thermostats to improve energy efficiency and overall comfort of the home.
- Some fixtures are replaced, such as, glass globes, and low-hanging fans to promote safety while maintaining the appearance of a home.
- Exterior lighting with motion detectors are added for the security around the exterior of the home.
- A installation or upgrade of the fire panel and/or sprinkler system is made.

The home will be decorated and furnished to create a homelike environment. Furnishings will be safe, attractive, easy to maintain, and selected for their suitability to the age and development of the residents in care.

Living Room: The home will have one centrally located living room for the informal use of residents, large enough to accommodate the residents.

Dining Area: The home will have a dining area large enough to comfortably accommodate the number of persons who normally are served.

Recreation Space: The home will have indoor recreation space. The kitchen table will be the primary study area.

Bathrooms: There will be one bathroom for every two bedrooms. The home has bathrooms with non-slip surfaces in showers or tubs, toilet paper holders, and

disposable paper towels, mirrors at a height for convenient use and a place for storage of toiletries.

Bedrooms*: Each resident will have their own private bedroom with a locking door.* Attain. will provide custom solid wood platform, storage beds and each individual will have their own closet or chest of drawers for clothing and personal belongings.

Each residential home has a computer and printer located in a central area for access by all residents in the home. Residents using the computer have an email (if appropriate) and access to the internet for web-searching community resources and to support their education programs.

Ventilation and Lighting: The home will have ventilation by means of windows, louvers, air conditioners, or mechanical ventilation in rooms. The home will have screens for each window and door used for outside ventilation. All windows are covered with a Madico 8mm safety and security film and protection during hurricanes. If bi-fold doors exist, they will be replaced with solid interior doors.

Common areas, study areas, bathrooms and the kitchen and dining room areas will be adequately illuminated. All incandescent bulbs and fluorescent light tubes will be protected with covers or shields. Hallways to bedrooms will be illuminated at night.

Required Design and Construction Features

Attain commits to meeting all Federal Requirements and State Building Code Requirements in its proposed Development for Adding Units that Serve Persons with Developmental Disabilities, including but not limited to:

- 2012 Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, F.S.;
- The Fair Housing Act as implemented by 24 CFR 100; and
- Titles II and III of the Americans with Disabilities Act of 1990 as implemented by 28 CFR 35, incorporating the most recent amendments, regulations and rules.

Attain commits to meeting all required Design and Construction Features as noted in Section Four for Developments Adding Units to be occupied by individuals with DD. Attain estimates that the entire project for the cost of acquisition and renovations, and if necessary, including the addition of one or two bedrooms and one bath will be approximately $350,000. The estimated final cost is based upon Attain's experience with acquisition and renovation of four of its existing properties; the current market value of an average home with 3 or 4 bedrooms and 2 baths; and the required and necessary design and construction requirements.