

DISCLOSURE STATEMENT

GINGER COVE AT HOME

4000 RIVER CRESCENT DRIVE
ANNAPOLIS, MARYLAND 21401

2025

Ginger Cove at Home will promptly amend this Disclosure Statement if, at any time, in the opinion of Ginger Cove at Home or the Department of Aging, an amendment is necessary to prevent the Disclosure Statement from containing any material misstatement of fact required by COMAR 32.02.02.15C(31) to be stated in the Disclosure Statement or omission of a material fact required by this regulation to be stated in the Disclosure Statement.

The issuance of a certificate of registration does not constitute approval, recommendation, or endorsement of Ginger Cove at Home by the Maryland Department of Aging.

The issuance of a Certificate of Registration is neither evidence of, nor does it attest to, the accuracy or completeness of the information set out in this Disclosure Statement.

The 2025 Disclosure Statement was approved by the Maryland Department of Aging on February 19, 2025.

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INTRODUCTION

Thank you for your interest in Ginger Cove at Home. We are convinced that the more you learn about Ginger Cove at Home, the more comfortable you will be in deciding to make it your primary plan to age in place in your home.

Because non-technical language has been used in this statement, it is possible that there may be some minor differences between the text of this Disclosure Statement and the language of the Continuing Care at Home Agreement or other documents. Copies of the actual documents which are included should be inspected to fully understand all of their terms and provisions, and those specific terms take precedence over the summaries in this Disclosure Statement. Individuals who enter into a Continuing Care at Home Agreement with Ginger Cove at Home are referred to throughout this Disclosure Statement as “members” or “subscribers.”

Each prospective member shall receive a Disclosure Statement without cost and before payment of any part of the entrance fee or, if earlier, the execution of a Continuing Care at Home Agreement. This Disclosure Statement is revised annually. Each current Member will receive written notice that a revised Disclosure Statement is available for review. Ginger Cove at Home makes the revised Disclosure Statement available to the Maryland Department of Aging to inspect for approval. The most recent copy of the Ginger Cove at Home Disclosure Statement is available for review at our website at www.GingerCove.com

Update and Amendment of this Disclosure Statement

This Disclosure Statement will be promptly updated if in the opinion of Ginger Cove at Home or the Maryland Department of Aging to prevent this document from containing any material misstatement of fact required by the applicable regulations.

Review of Long Term Care Insurance Policy

If you have a long term care insurance policy, request your advisors to review the policy and the Continuing Care at Home Agreement to determine whether there are potential areas of duplication or areas where benefits can be coordinated.

I. THE ORGANIZATION AND PEOPLE

GINGER COVE AT HOME, LLC

Ginger Cove at Home, LLC (“GCaH”) was organized as a limited liability company under the Maryland Limited Liability Company Act pursuant to articles of organization of GCaH filed with the State Department of Assessments and Taxation of the State of Maryland on November 22, 2023. GCaH was organized for the purpose of owning and operating a Continuing Care at Home Program.

GCaH is wholly owned by its sole member Annapolis Life Care, Inc. (“ALC”). ALC also owns and operates a Continuing Care Retirement Community (“CCRC”) doing business as Ginger Cove. GCaH’s administrative office is located on Ginger Cove’s 30+ acre campus at 4000 River Crescent Drive, Annapolis, MD 21401. ALC filed its Articles of Incorporation with the Maryland State Department of Assessments and Taxation on May 31, 1982. ALC has received recognition as an organization exempt from Federal income taxation under Section 501 (c)(3) of the Internal Revenue Code. ALC is also the sole member of the Ginger Cove Foundation, Inc., a tax-exempt foundation formed in 2002 by ALC to engage in charitable fundraising activities for the financial support of the operations of ALC. In addition, ALC is also the sole owner of Ginger Cove Home Health Care LLC, a limited liability company that operates a residential services agency licensed by the State of Maryland. ALC and its affiliates, including GCaH, are not affiliated with, and do not receive financial support from any other charitable, religious group or nonprofit organization.

GCaH will rely on the tax-exempt status of its sole member, ALC. GCaH is a disregarded entity for tax purposes. ALC will provide certain capital to GCaH to fund the initial reserve requirements and provide operating cash for GCaH. This advance will not cause ALC’s reserves for the CCRC to fall below required levels.

GCaH is a member-managed LLC, so ALC as the sole member of GCaH has exclusive and complete authority and discretion to manage the operations and affairs of GCaH and to make all decisions regarding the business of GCaH. As a result, the ALC Board of Directors shall govern the affairs of GCaH. The ALC Board of Directors currently consists of eleven (11) members (including two Director Emeriti) whose expertise lie in such areas as real estate, law, banking, financial services, health care, information technology and management. Directors may serve up to six consecutive one-year terms and serve without compensation for the good of ALC and its affiliates, including GCaH. Neither the Board of Directors nor any person involved in the management of ALC or GCaH have any financial interest in GCaH. Annually, the ALC Board of Directors appoints a Committee on Governance and Directors that, among other duties, is charged with the responsibility to review candidates and make recommendations on Board membership. After GCaH has commenced enrolling members, the ALC Board of Directors will appoint a GCaH member to serve on the Board in accordance with Section 10-427 of the Human Services Article of the Maryland Code. Details regarding the composition of the current Board of Directors of ALC may be found below.

No member of the ALC Board of Directors has been (i) convicted of, or pleaded nolo contendere to, a felony charge involving fraud, embezzlement, fraudulent conversion, or misappropriation of property; (ii) been held liable, or enjoined by a final judgment, in a civil action involving fraud, embezzlement, fraudulent conversion, or misappropriation as a fiduciary; (iii) been subject to an effective injunctive or restrictive order of a court of record arising out of or relating to business activity or health care, including any action affecting a license to operate any facility or service for aging, impaired, or dependent persons; or (iv) or had any state or federal license or permit suspended or revoked within the past ten (10) years as a result of an action brought by a governmental

agency arising out of or relating to business activity or health care, including any action affecting a license to operate any facility or service for aging, impaired, or dependent persons.

The Chief Executive Officer of ALC shall be the Chief Executive Officer of GCaH, carrying out the policies and programs of GCaH as approved by the ALC Board of Directors. Details regarding the officers of GCaH may be found below.

DIRECTORS

As explained above, GCaH operates under the supervision of ALC, its sole member. ALC's directors are:

ADM. WILLIAM O. STUDEMAN USN (RET.), *DIRECTOR EMERITUS* – Former Vice President & Deputy General Manager of Mission Systems at Northrop Grumman Corporation. Former Deputy Director of the United States' Central Intelligence Agency (George H.W. Bush and Clinton administrations), with two extended periods as Acting Director of Central Intelligence. Retired from the United States Navy in 1995 after almost 35 years of service. Director of the National Security Agency, 1988-1992; Director of Naval Intelligence, 1985 - July 1988. Recipient of numerous service commendations and citations, including the Navy Distinguished Service Medal, the Legion of Merit with two Gold Stars; awarded the William Oliver Baker Award by the Intelligence and National Security Alliance; AFCEA Distinguished Service Award for Intelligence Community support. Received service medals from the Governments of France, Brazil, and South Korea. Bachelor's degree in history from the University of the South; Master's degree in Public and International Affairs from George Washington University. Distinguished graduate of the Naval War College and National War College. Service to numerous corporate, university, and government boards. *DIRECTOR SINCE 2016.*

SUSAN WARD, *PRESIDENT* – Vice President, Baltimore Washington Medical Center, 1987 to 2022. Oversight of ancillary services; facilities engineering; construction management; coordination of architectural services and clinical planning. Assistant Vice President, St. Joseph Regional Medical Center, 1982-1989. Board of Directors, Baltimore Washington Emergency Physicians, Inc. and Washington PET Center, LLC. Advisory Board for Special Beginnings, Birth and Women's Center. Member, Maryland Association of Healthcare Executives and Associate of the American College of healthcare Executives. B.S. in Social Work, James Madison University; Master's Degree in Health Services Administration, George Washington University. *DIRECTOR SINCE 2016. Finance & Audit Committee Chair, Planning & Oversight Committee, Ginger Cove at Homme Sub-Committee, Executive Committee.*

ROBERT W. SHERER – Retired Naval Officer, 30 years naval service in surface warfare including Reactor Officer on the carrier USS Enterprise and command of frigate USS Patterson, Navy Section Military Assistance Group, Lisbon, Portugal and NROTC Unit at MIT; Former teacher of French to middle and high school students. Education: U.S. Naval Academy, 1961; University of Geneva, Switzerland as Olmstead Scholar – Licence ès Sciences Politiques, 1970; Boston University, MA in French Language and Literature, 1993. Service: Christ Episcopal Church, Poughkeepsie, NY, Treasurer and Investment Committee 2000-2003, Senior Warden (church council chair) 2003-2004. Ginger Cove Resident and His Ginger Cove Service Includes: Residents Club President 2015-2016; Buildings and Grounds Committee Chair 2007-2009; Energy/Environment Committee Chair 2007-2008; Budget and Finance Committee

Member 2015-2018; Nominating Committee Chair 2017-2018; Trip Committee Chair 2009-2014; Music Coordinator for Ginger Cove Catholic and Episcopal Communities; Ginger Cove Chorus Manager. *DIRECTOR SINCE 2019. Chair Governance & Directors Committee, Executive Committee.*

MARGARET M. JACKSON, CFP, AWM, DIRECTOR EMERITUS – Senior Vice President and Financial Advisor, RBC Wealth Management. Member of RBC's Senior Consulting Group and consistently named to the President's Council. Past president of the Women's Association of Financial Advisors. Currently serving on the Finance Committee of the Community Foundation of Anne Arundel County; former member of the Charitable Gift Planning Advisory Committee at Anne Arundel Medical Center and former board director of the YWCA of Annapolis and Anne Arundel County. Professional designations include Certified Financial Planner®, Certified Private Wealth Advisor®, Accredited Investment Fiduciary® and Accredited Wealth Manager. MBA – Loyola University; BA – University of North Carolina – Chapel Hill. *DIRECTOR SINCE JULY 2022.*

KAREN COFFMAN, VICE PRESIDENT – Lead Health Domain Specialist and Technical Lead, MITRE Corporation's CMS Alliance to Modernize Health Care (2007-2017); Head, Managed Care Department, Naval Health Clinic in Annapolis (1993-2006); Special Assistant to the Executive Director, Naval Medical Clinic in Annapolis (1988-1993); United States Department of Agriculture Food and Nutrition Service (1975-1988). Volunteer efforts include: Coordinated donations for troops collecting and mailing treats to troops overseas; Established bi-monthly training for Project Management Institute members; Voice of the People for MITRE's Baltimore staff; Treasurer of Annapolis Area Phi Mu Association; Past President and Treasurer of Greater Baltimore Alumnae Panhellenic Association. *DIRECTOR SINCE JUNE 2020, Governance & Directors Committee, Planning & Oversight Committee, Executive Committee.*

FRANCES R. HALL, SECRETARY – Retired; Associate Vice President for Student Programs Association of American Medical Colleges, Washington, DC 1991-2000; Assistant Dean Admissions and Financial Aid, Dartmouth Medical School, Hanover, NH 1975-1991; Director of Admissions and Financial Aid, Cedar Crest College, Allentown, PA 1970-1975; Assistant Director of Admissions, Middlebury College, Middlebury, VT 1965-1969; Science Instructor, Glen Rock NJ High School 1960-1964; Research Chemist, Union Carbide Corporation, Parma, OH 1957-1960. Awards, Middlebury College Alumni Association Award for Outstanding Service to the College; Ginger Cove Volunteer Appreciation Award. BA Chemistry, Middlebury College; EdM Education, Harvard University. Ginger Cove Resident. *DIRECTOR SINCE July 2022. Governance & Directors Committee, Planning & Oversight Committee, Executive Committee.*

LARRY SHUBNELL, CPA, MBA, Resident Member – Previously Member of Board of Directors, National Senior Campuses, Inc. servicing 15 senior living campuses in 11 states; Senior Managing Director Public Finance, Legg Mason, Baltimore, Maryland (20 years); Principal, Government Finance Associates, Inc.; Director, U.S. Treasury Department's Office of State & Local Government Fiscal Research; Budget Director, Maryland General Assembly; Staff Accountant/Auditor, Price Waterhouse Coopers. BBA Accountancy Notre Dame, MBA George Washington University, CPA Certificate, State of Maryland. *DIRECTOR SINCE Aug 2023. Finance & Audit Committee, Planning & Oversight Committee.*

JAMES H. BARNETT, CAPT (USN Ret.), Resident Member – COO SeaCure Associates LLC, and Consultant, KEYW Corporation; Corporate Staff, Northrop Grumman Corp (2006-2011); U.S. Senate Professional Staff, Senate Select Committee on Intelligence

(1998-2006) Liaison to Senators, Lott, DeWine, Snowe, Inhofe, and Mikulski. Served nearly 33 years in the United States Navy, retiring as a Captain (Cryptologist). Graduated from the United States Naval Academy 1969 and commissioned as a Surface Warfare Officer. After 2 years at sea, to include three deployments to Vietnam, volunteered and served in the Riverine Force in Swift Boats (PCFs) and Patrol Boats (Coast Guard WPBs) out of Cat Lo RVN. Served consecutive command tours in Korea and Japan, Executive Officer tours in Alaska and England, and 12 years (9 consecutive) in the Pentagon including service on Staff of the CNO, Secretary of Defense, Office of the Joint Chiefs of Staff, Secretary of the Air Force, and the NRO. B.S. US Naval Academy, M.S. University of La Verne. Numerous personal, service, and campaign awards. Former member of the Board of Advisors (Advanced Navy Program); former member of the AFCEA Intelligence Board; Senate Majority Leaders, "Rocket Scientist," Clerk of St Margaret's Church; Chairman of the Ginger Cove Buildings and Grounds Committee, member of the Ginger Cove Residents Club Executive Committee. *MEMEBR SINCE Jul 2023, Governance & Directors Committee, Chair-Planning & Oversight Committee, Executive Committee*

JOHN P. (JACK) EVANS, ESQ. – Attorney, Whiteford, Taylor & Preston L.L.P. (1988-present), Equity Partner (1992-2014), Senior Counsel (2014-present); Managing Partner, Towson Office; Executive Committee; Compensation Committee; Chair, Real Property & Banking Section; Chair, Computer & Technology Committee. Practice focused on real property, land use, financing. Adjunct professor, Johns Hopkins Carey Business School (Land Use and Infrastructure). Lecturer, MICPEL, various lending and real property topics. *Pro bono* experience: Counsel, Sandtown Habitat for Humanity (1988-2014), advised Board of Directors, settled 200+ homes; President and Vice President, Londontowne Symphony Orchestra; Director, Pro Bono Resource Center of Maryland (2006-2014); Director, Ballet Theatre of Maryland; Pro Bono Lawyer of the Year (Maryland State Bar Association; Whiteford, Taylor & Preston L.L.P.). *Education:* Juris Doctor, with honor, University of Maryland School of Law; Master of Arts, International Relations, Johns Hopkins School of Advanced International Studies; B.A., International Relations, Johns Hopkins University. *Other experience:* UNISERV staff, Teachers Association of Baltimore County, Maryland (public relations, publications, teacher representation). Assistant Public Relations Director, Baltimore Baseball Club, Inc. (community and media relations, promotions, publications, trade research). *MEMBER SINCE JULY 2023. Governance & Directors Committee, Planning & Oversight Committee*

RACINE WILLIAMS, MA CCHW – Support Planner for the Coordinating Center, Millerville, Maryland, 2005 to present. Intake Coordinator, Mentor, Inc. Landover, Maryland, 1999 – 2004. Clinical Coordinator, Mentor Inc. Atlanta, Georgia, 1997-1999. Intake Coordinator, Mentor in, Landover Maryland. Case Manager, Community Alternatives Unlimited, Chicago, Illinois, 1995 – 1997, Service Coordinator, Service Coordination Systems, Inc. Rockville, Maryland 1992 – 1995. Education and certifications – Certified Community Health Worker, MA, Counseling Psychology, Bowie State University. Certificate in Human Services, Bowie State University, BS Human Development & the Family, University of Nebraska. *MEMBER SINCE JULY 2023. Member, Ginger Cove at Home Sub-Committee*

JAMES ALLEN, MA, TREASURER – Executive Vice President, Booz, Allen, Hamilton 2004 – present. Jim has more than 40 years of cyber experience, including 24 years performing cyber and intelligence missions in the U.S. and abroad in Government service. Jim concluded a distinguished career with NSA as Deputy Director for Analysis and Production. Prior to joining NSA, Jim served in the U.S. Navy as a Cryptologic Officer and Surface Warfare Officer, with service afloat and ashore. He continues to serve as an advisor to the Intelligence Community, the Department of Defense, and other Government officials. Jim holds an M.A. in

Telecommunications from The George Washington University, an M.A. in National Security Studies from Georgetown University, and a B.A. with distinction in Russian from University of Virginia. Member since July 2024, Member, Finance & Audit Committee, Planning & Oversight Committee.

OFFICERS

GCaH's officers are:

CHARLES “CHIP” WARNER, Chief Executive Officer of ALC and GCaH, February 2025 – Present. Previously, he served for more than 15 years in leadership roles in senior living and services. This included time at Erickson Senior Living, where Chip served as Executive Director of Cedar Crest Village in Pompton Plains, NJ, and Riderwood Village in Silver Spring, MD. At Erickson, he also worked in corporate roles as VP of Corporate Operations and Regional VP of Operations. Most recently, Chip served as President and CEO at Vinson Hall Retirement Community in McLean, VA. In addition to his work in senior living, Chip held roles as Chief Operating Officer at the YMCA of Central Maryland and as a portfolio manager in the venture philanthropy field. He also served as an officer in the U.S. Navy, with assignments as a nuclear engineer on the aircraft carrier USS John C. Stennis and as an instructor of English Literature at the U.S. Naval Academy. He holds a BS in English from the Naval Academy, an MA in English Literature from the University of Maryland, and an MBA from Harvard Business School.

WILLIAM GIBSON, CPA, Chief Financial Officer, 2024 – Present. Bill is a licensed CPA with more than 30 years of experience with both public accounting firms and private companies. For the last 20 years, Bill's professional career has been in financial management predominantly with not-for-profit organizations in the senior living space with both retirement communities and skilled nursing facilities. In addition to coordinating the budgeting and financial reporting of organizations he has served, he has also led diverse departments from human resources, facilities, and IT. He has led organizations through debt refinancing and restructuring, as well as participated in forecasting and feasibility studies for campus repositioning initiatives.

PHYLLIS JOHNS BOULDEN, NHA, Executive Vice President of GCaH and Chief Operating Officer of ALC. Employed by Ginger Cove since November 1992. Positions held: Asst Director of Resident Services; Director of Resident Services; Assisted Living Director; Apartment Support Director and Administrator. B.S. Education Towson State University; M.A. with focus Health Care College of Notre Dame. Currently serving on The Board of Metro Maryland Youth for Christ, serving youth 11 – 19 years of age.

MEMBER ASSOCIATION AND MEETINGS

GCaH members may form an association, known as the “Ginger Cove at Home Member's Association.” The objective of the Ginger Cove at Home Member's Association would be to improve member experience through increased knowledge of services and policies and also provide a forum through which member suggestions or concerns may be communicated to management and members of the GCaH Board.

At least quarterly, GCaH shall hold a meeting open to all members at which an officer of GCaH shall present a summary of GCaH's operations, significant changes from the previous year's operations, and GCaH's goals and objectives for the next year. On behalf of ALC as the sole member

of GCaH, the ALC Board of Directors shall make provisions to receive and answer questions from members at the meeting.

II. THE CONTINUING CARE AT HOME PROGRAM

THE LOCATION

The administrative offices of GCaH are located on the ground floor of the Heritage building which is on Ginger Cove's campus, a 30-acre beautifully wooded site on Gingerville Creek, which flows into the South River and Chesapeake Bay, just a short distance from Historic Annapolis. This location provides easy access and parking for GCaH members and prospects. Additionally, as some of the activities and events which are held at the Community will be offered to Members, it provides an opportunity for Members to become familiar with the beautiful location.



Ginger Cove at Home is Headquartered at Ginger Cove's CCRC Campus

THE PERSONNEL

The Chief Executive Officer of ALC also serves as the Chief Executive Officer of GCaH, carrying out the policies and programs of GCaH as approved by the ALC Board of Directors. GCaH also employs an Executive Director and Manager of Administrative Services, and contracts with third parties to provide Medical Director, Care Coordinator, and Occupational Therapist services. Members have access to the Luninis Walk-in Clinic, which is located on Ginger Cove's campus.

THE SERVICES

GCaH is organized and managed to provide persons 60 years of age or older care management and related services with the objective of permitting them to live in their home as long as possible. This program is designed to assist the roughly 85-90% of seniors who do not wish to move to a CCRC. In addition to helping people stay in their homes longer, the hope is that early care planning and intervention while they are well will reduce the chance of a health-related crisis occurring in the future.

As described in more detail below, GCaH's service offerings include (1) certain initial services, most of which are included in the Monthly Fees paid by members, and (2) certain long term care services for which GCaH will compensate members for their costs that are not covered by Medicare or other insurance. Compensation for long term care services is subject to certain limits, referred to as the Daily Per Service Benefit, the Daily Total Benefit, and the Lifetime Maximum Benefit. The services and fees are described in more detail below.

Initial Services: Except as otherwise specified below or in the Continuing Care at Home Agreement, the following initial services are included in the Monthly Fee:

- **Care Coordination:** Care coordination services are those that assist members to determine what services they need and when they need them and gain access to all services provided or coordinated by GCaH. Care coordination assists with the identification of needs and early intervention strategies to help prevent adverse events in the longer term. The Care Coordinator, through consultation with the member or member's representative, the member's personal physician, and the Medical Director, will formulate a care plan. The care plan follows the member and changes as his/her needs evolve over time. The care plan includes, as applicable, goals, assessments, interventions, and the type, duration, frequency, and quantity of services. The Care Coordinator will contact the member on a quarterly basis at a minimum and update the member's care plan as needed.
- **Home Inspection:** An Occupational Therapist will conduct a home evaluation to assess the member's functioning and safety within his/her home. The Occupational Therapist will provide a report that will provide recommendations that may help the member overcome or minimize any safety issues or functional limitations. Such evaluation will be made when continuing care at home services commence and then every two (2) years thereafter or sooner if deemed necessary by the Care Coordinator. The decision to proceed with such recommendations and the cost related thereto are the responsibility of the member.
- **Referral Service for Assistance with Home Maintenance and Repair:** We will contract with a referral service to facilitate the provision of maintenance and repair services at the member's home. The referral service will provide, or arrange for the provision of, home maintenance and repair services at the member's home at the member's sole cost and expense. GCaH, through the referral service, will check the liability insurance coverage and any applicable licenses and review the referral list for any changes in insurance coverage, licenses, or quality of service in accordance with applicable laws and regulations. GCaH will ultimately be responsible for the verification and review procedures in this paragraph.
- **Emergency Response System:** GCaH will provide an emergency response system which will provide two-way communication with the center at which the emergency response is to be coordinated. The cost associated with options that are above the base plan may be purchased by the member at an additional monthly cost.
- **Medically Necessary Transportation:** GCaH will provide, or arrange for the provision of, transportation to and from a scheduled medically necessary outpatient surgery or short stay procedure, such as a cataract removal, chemotherapy treatment, or surgical biopsy, subject to the Daily Per Service Benefit (which, for such transportation services, is \$47/hour and not to exceed \$94/day for the period July 1, 2024 through June 30, 2025), the Daily Total Benefit, and the Lifetime Maximum Benefit. For the avoidance of doubt, these transportation services do not include transportation for regular physician office visits, routine specialist appointments, or dialysis.
- **Ginger Cove's Wellness Center:** Members may use the gym, sauna and locker room facilities which are located on the Ginger Cove campus between the hours of 8:00AM and 6:00PM, Monday to Friday. This facility also has a state of the art GAITwell® system, which assists with gait performance, hopefully reducing the likelihood of a fall due to poor gait characteristics. An acknowledgement and release form as well as orientation program must

be completed before a GCaH member may use these facilities. Additionally, the Care Coordinator must approve the use of these facilities before such use may commence. There are also exercise classes available that may be offered from time to time based upon availability and, for some of these classes, there may be an additional fee.

- Luminis Walk-in Clinic on Ginger Cove's Campus: Ginger Cove also has an on-campus walk-in clinic that is operated in cooperation with Luminis Health. Services provided will be charged to the member and/or his/her insurance carrier as applicable. Clinic hours are from 8:30AM to 4:00PM, Monday to Friday.
- Therapy Services: Members may use Ginger Cove's well-appointed on-campus therapy gym for their physical, occupational and speech therapy needs on an outpatient basis. The member and his/her insurance plan will be billed for therapy services, as applicable. The use of these services requires registration with the Ginger Cove Business Office and appropriate physician orders.

Long Term Care Services: GCaH will compensate members for costs they incur to receive the following long term care services that are not covered by Medicare or other insurance and that are approved by the Care Coordinator and Medical Director, up to the Daily Per Service Benefit, the Daily Total Benefit, and the Lifetime Maximum Benefit:

- Companion Services: Companion services are non-medical services, such as assistance with meal preparation, light housekeeping, toileting, fellowship, etc. Members may select their preferred provider of companion services.
- Live-In Care: Live-in care means having an experienced caregiver move into a spare room in the member's home. Caregivers live with the member, offer support in any areas needed throughout the day, and sleep when the member sleeps during the night. Their goal is to help members stay as comfortable and independent as possible in their own home. Live-in care provides constant care without the upheaval of moving into a residential care home. Those receiving live-in care can stick to a familiar routine, keep much loved pets, and see friends and family when they want. Members may select their preferred provider of live-in care services.
- Home Health Services: Home health care is a wide range of health care services that members can get in their homes for an illness or injury that assist with activities of daily living. Members may select their preferred provider of home health services.
- Adult Day Care: Adult day care centers are designed to provide care and companionship for older adults who need assistance or supervision during the day. Programs offer relief to family members and caregivers, allowing them to go to work, handle personal business, or just relax while knowing their relative is well cared for and safe. Members may select their preferred provider of adult day care services.
- Assisted Living Facility Care: An assisted living facility is one that is appropriately licensed under state law to provide the level of assisted living care that a member requires. If recommended and approved by the Care Coordinator and Medical Director, members may receive services at an assisted living facility. Members may receive these services at Ginger Cove's assisted living facility (subject to bed availability and satisfying requirements for admission) or another licensed assisted living facility of the member's choice.

- **Nursing Facility Care:** A nursing facility is one that meets the Medicare definition of a skilled nursing facility and is appropriately licensed under state law to provide intermediate and skilled level nursing care services. After all Medicare or health insurance-covered nursing home days for which the member is eligible have been exhausted, a member's continued residence in a nursing facility may be recommended and approved by the Care Coordinator and Medical Director. Members may receive these services at Ginger Cove's nursing facility (subject to bed availability and satisfying requirements for admission) or another licensed nursing facility of the member's choice.

Compensation for Long Term Care Services: In order to receive compensation for the long term care services listed above, the member must be certified by the Medical Director to be chronically ill. Costs for long term care services will be compensated by GCaH after the member incurs the expense. Members do not have to pay the incurred costs first before GCaH pays the member; GCaH will pay the member the incurred costs even if the member has not already paid those costs first. Compensation for long term care services is subject to the following limits:

- **Daily Per Service Benefit:** The Daily Per Service Benefit is the maximum dollar amount payable by GCaH to a member per day for each long term care service. The Daily Per Service Benefit for the period July 1, 2024 through June 30, 2025 is as follows:

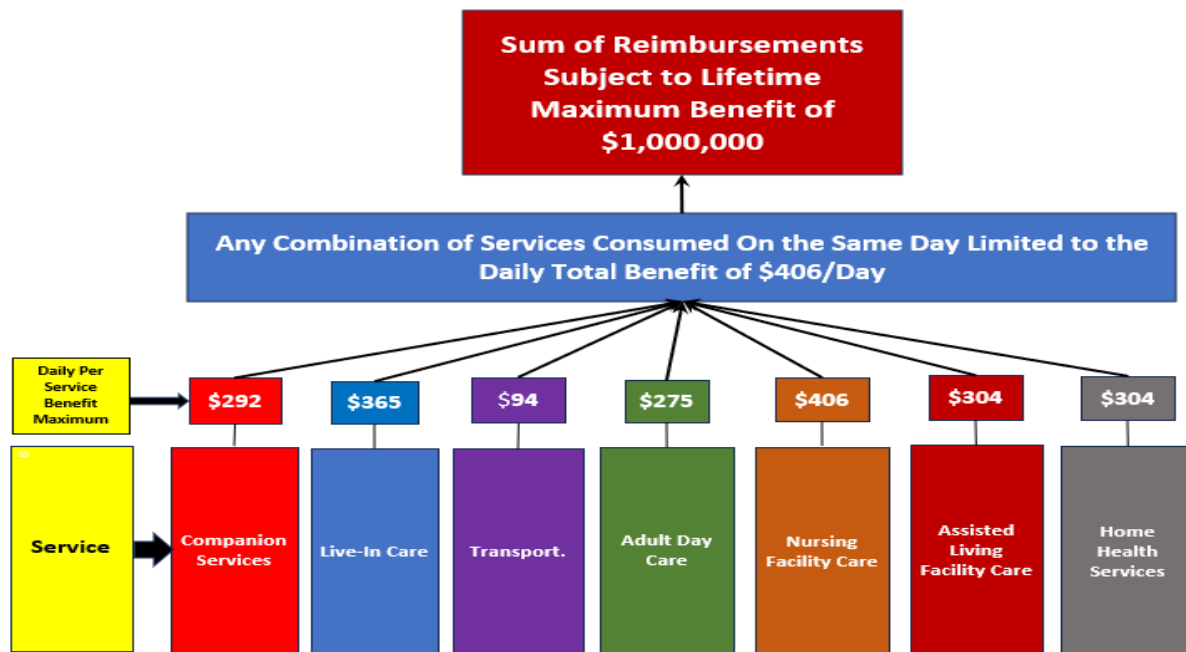
Daily Per Service Benefit Effective July 1, 2024 to June 30, 2025	
Service	Daily Per Service Benefit
Companion Services	\$292/day
Live-In Care	\$365/day
Home Health Services	\$304/day
Adult Day Care	\$275/day
Assisted Living Facility Care	\$304/day
Nursing Facility Care	\$406/day

- **Daily Total Benefit:** The Daily Total Benefit is the maximum dollar amount payable by GCaH to a member per day for all long term care services received by the member based on the Service Plan selected by the member. If a member receives multiple long term care services on a given day, the cost of each service will be subject to the Daily Per Service Benefit and the total for all services will be aggregated and applied against the Daily Total Benefit. The Daily Total Benefit will increase annually to equal the then-current private pay daily rate for a private room at Ginger Cove's skilled nursing facility. The historic increase in the private pay daily rate, which will equal the Daily Total Benefit, is as follows (based on a July 1st fiscal year):

Private Room Daily Rate	2018	2019	2020	2021	2022	2023	2024	2025
Amount	\$316	\$327	\$335	\$343	\$353	\$368	\$389	\$406
% Change		3.5%	2.4%	2.4%	2.9%	4.2%	5.75%	4.4%

- **Lifetime Maximum Benefit:** The Lifetime Maximum Benefit is the maximum dollar amount payable by GCaH to a member for all long term care services received by the member. The Lifetime Maximum Benefit is \$1,000,000 per member.

The following visual illustrates how these benefit limits work together (*note that the reimbursement rates below are effective for the period July 1, 2024 to June 30, 2025*):



Exclusions: Except as specifically described above, members will be solely responsible for services not covered by their medical and surgical insurance coverage and for payments exceeding their medical and surgical insurance coverage limits including but not limited to: audiological tests and hearing aids; eyeglasses and refractions; dentistry; dentures; dental inlays; organ transplants; orthopedic appliances; occupational, physical and speech therapy; podiatry; excessive incontinence care and supplies; hospitalization and professional care for psychiatric disorders; treatment for alcohol or drug abuse; medications; chiropractors; renal dialysis; extraordinary treatments; cosmetic treatments; and experimental treatments as reasonably determined by the Medical Director. Members are solely responsible for all medical, prescription drug, and supplemental/Medicare advantage insurance premiums, co-payments, and deductibles. GCaH will not pay for medical transportation except as described above. Funeral and burial services are not provided by GCaH. Under no circumstances will GCaH pay more than the Daily Per Service Benefit, the Daily Total Benefit, or the Lifetime Maximum Benefit.

Reduction in Services for Temporary Travel Outside of the Designated Service Area: GCaH is approved by the Department of Aging to provide continuing care at home services in the State of Maryland (the “Designated Service Area”). If a member wishes to travel temporarily (90 days or less) outside the Designated Service Area and continue to receive services, the member may do so under the following conditions: (i) the member must have been a resident of the Designated Service Area for a period of at least twelve (12) months following the date that he or she first began receiving continuing care at home services before traveling; (ii) the member’s personal physician must certify in writing that he or she is able to undertake such travel; and (iii) the member must provide his or her personal physician’s written certification to the Care Coordinator in advance of departure. The member’s care plan in effect prior to travel will remain in effect during travel. The member will be responsible for arranging for approved long term care services from providers and facilities in the area if outside the Designated Service Area, paying for such services, and requesting compensation from GCaH as specified in the Continuing Care at Home Agreement.

Reduction in Services When Home Site Has Been Permanently Changed to Outside of the Designated Service Area: If a member permanently changes his or her home site to outside of the Designated Service Area, the member is not excluded from continued membership in GCaH. However, the services that the member is eligible to receive and for which compensation is available will change as described in this section.

If a member permanently changes his or her home site to outside of the Designated Service Area but within the United States and the member was a resident of the Designated Service Area for at least twelve (12) months following the date that he or she first began receiving continuing care at home services, the services listed in the paragraph immediately below are portable and will continue to be available to the member, so long as the member informs the Care Coordinator, in writing, of the relocation within seven (7) days of relocation. The written notification must include (i) the member's new physical and mailing address, (ii) new telephone number and any other updated contact information (e.g., e-mail), (iii) new local emergency contact, (iv) the identity of the individual(s) residing with the member in the new home site, and (v) the member's new physician(s), including primary care and specialists.

If the aforementioned written notice is provided, GCaH shall continue to provide the following initial services: care coordination services, a care plan, home inspections, and an emergency response system. Referral for assistance with home maintenance and repair is not portable outside of the Designated Service Area. Long term care services are portable outside of the Designated Service Area, though they may need to be provided by providers other than Ginger Cove. The member is responsible for arranging for approved long term care services from providers and facilities in his or her area of outside of the Designated Service Area, paying for such services, and requesting compensation from GCaH as specified in the Continuing Care at Home Agreement.

THE FEES

Fee Overview: The cost of the program consists of: (1) a non-refundable processing fee of \$300 for an individual and \$450 for a couple submitted with an application for membership, (2) an upfront one-time payment of an Entrance Fee, and (3) a Monthly Fee.

The amount of the Entrance Fee is based upon the following factors:

- The member's age at the time the application is submitted;
- Single or double membership;
- The Service Plan selected; and
- The Entrance Fee Refund Plan selected.

The amount of the Monthly Fee is based upon the following factors:

- Single or double membership; and
- The Service Plan selected.

Service Plans: There are four (4) Service Plan options. Each Service Plan provides a different level of benefit, referred to as the Daily Total Benefit. The Daily Total Benefit is the maximum dollar amount payable by GCaH to the member per day for long term care services received by the member. The Service Plan selected will affect the percentage of the Daily Total Benefit that is payable by GCaH and the Entrance Fee and Monthly Fee that the member will pay.

<u>Percent of Costs Covered by Service Plan Up to the Daily Total Benefit</u>				
<u>Type of Service</u>	<u>Platinum</u>	<u>Gold</u>	<u>Silver</u>	<u>Bronze</u>
Care Coordination	100%	100%	100%	100%
Adult Day Care	100%	80%	50%	25%
Companion Services	100%	80%	50%	25%
Live-In Care	100%	80%	50%	25%
Home Health Care	100%	80%	50%	25%
Emergency Response	100%	100%	100%	100%
Transportation	100%	100%	100%	100%
<u>Assisted Living Care</u>				
First 100 Days	100%	80%	50%	25%
Over 100 Days	100%	80%	50%	0%
<u>Nursing Home Care</u>				
First 100 Days	100%	80%	50%	25%
Over 100 Days	100%	80%	50%	0%

The Service Plans offered are designed to accommodate those who have long-term care insurance, which may provide overlapping coverage.

The fee schedules for each Service Plan are attached as **Exhibit A**.

Entrance Fee Refund Plans: There are two (2) Entrance Fee Refund Plan options:

- **90% Refund Plan:** Ninety percent (90%) the Entrance Fee is refundable (less permissible offsets as set forth in the Continuing Care at Home Agreement). *Example:* If the Entrance Fee is \$50,000, the Entrance Fee Refund would be 90% of \$50,000, or \$45,000.
- **0% Refund Plan:** The Entrance Fee Refund is reduced by five percent (5%) per month for twenty (20) months (less permissible offsets as set forth in the Continuing Care at Home Agreement), at which point the refundable amount of the Entrance Fee remains at zero percent (0%) for the duration of the Continuing Care at Home Agreement. *Example:* If the Entrance Fee is \$50,000 and the Continuing Care at Home Agreement terminates or the member dies in the fourteenth (14th) month of the Agreement, then the Entrance Fee Refund would be 35% (i.e., 100% - (5% x 13 months)) of \$50,000, or \$17,500.

Bridge Program: Members have an incentive option to become an independent living resident at Ginger Cove's CCRC. If the Member desires to do so, he or she may either: (1) cancel the GCaH membership and the Continuing Care at Home Agreement when the member is approved for admission and moves into the Ginger Cove CCRC, in which case the member will receive a full (i.e. 100%) credit for the Entrance Fee paid for the GCaH membership toward their CCRC entrance fee; or (2) maintain membership in GCaH and receive a 15% discount off of the entrance fee required to enter Ginger Cove's CCRC as an independent living resident. Certain exceptions may apply to these terms, as explained in the Continuing Care at Home Agreement.

CONTINUING CARE AT HOME AGREEMENTS

Upon deciding to become a member of GCaH, a future member will execute a Continuing Care at Home Agreement. In the event of a conflict between a provision of the Continuing Care at Home Agreement executed by a member and the terms of this Disclosure Statement, the provision of the Continuing Care at Home Agreement shall control.

All Continuing Care at Home Agreements are subject to acceptance by GCaH. After payment of the Entrance Fee, the member must have sufficient financial resources to permit payment of monthly charges for the selected plan, plus other personal expenses which may be reasonably expected, and to meet anticipated increases in the cost of living and increases in the service fee for either plan. GCaH may not terminate a Continuing Care at Home after it has been signed by both GCaH and the member, except for just cause as set forth in the applicable Residency Agreement.

In anticipation of meeting the needs of members over time, GCaH recognizes the need to be able to modify and develop new forms of its Continuing Care at Home Agreements. To meet those needs, GCaH reserves the right to offer new prospective members alternative forms of the Continuing Care at Home Agreement.

INSURANCE REQUIREMENTS

Members of GCaH must maintain and pay for medical, surgical, and prescription drug insurance provided by Medicare. This insurance must consist of (i) Medicare Parts A, B, and D and Medicare Supplemental Insurance; or (ii) a Medicare Advantage Plan. If a member is not eligible for the aforementioned coverage, the member must maintain other insurance providing coverage, which GCaH deems in its sole and reasonable discretion to be equivalent creditable coverage, until such time that the member is eligible for, carries, and pays for the Medicare coverage detailed above. Members are responsible for obtaining any required referrals and for submitting all claims for payment for health care services to Medicare and other applicable insurance carriers.

GCaH FINANCIALS

Reserve Requirements: Maryland law requires that GCaH maintain certain amounts in reserves for different purposes (e.g., operating reserves, capital reserves, and contract reserves). ALC, the sole member of GCaH, has funded these reserve requirements through loans that are subordinated to other creditors of GCaH, including trade creditors.

Investment Policy: GCaH's investment policy has the goal of maintaining all principal with relatively modest risk. GCaH's financial assets consist of (1) funds intended to be used to cover its short-term operating and program expenses and the eventual repayment to ALC for funding applicable reserve requirements and working capital advances, and (2) reserve funds, which are funds to be held in reserve which are required by state law. Required reserve funds will be held in cash or cash equivalents in order to earn market rates of interest. Mercer Investments LLC serves as investment advisor under an investment policy, which has been approved by the Ginger Cove Board of Directors. The investment policy is reviewed on an annual basis and investment performance is reviewed by the Board's Finance and Audit committee on a regular basis.

Financial Statements: An audited financial statement (**Exhibit B**) for ALC and GCaH is prepared for each completed fiscal year, which is from July 1 to June 30. A copy of audited financial statements is also available from the Ginger Cove Finance Office for review by each member or his or her financial or legal advisor upon request.

Long-Term Financing: GCaH has obtained loans from ALC to fund certain reserve requirements.

ALC has loaned \$1,500,000 to GCaH to fund its required reserves pursuant to a Loan Agreement and Notes issued by GCaH for the benefit of ALC. GCaH is obligated to pay back the entirety of the \$1,500,000 to ALC on or before January 1, 2030. ALC's entitlement to repayment of the loans is subordinated to the rights of other creditors of GCaH, including trade creditors.

GCaH has also obtained a revolving loan from ALC to fund working capital advances for GCaH's short term operating and program expenses. GCaH has ability to draw up to \$600,000 on the revolving loan from ALC pursuant to a Loan Agreement and Note issued by GCaH for the benefit of ALC. GCaH is obligated to pay back any and all monies drawn on the revolving loan on or before January 1, 2030.

Feasibility Study: As a part of becoming approved by the Maryland Department of Aging to begin operations for this program, ALC undertook a feasibility study to determine the scope and nature of the market demand for the GCaH product. The feasibility study's survey collected information through mail, telephone and focus group venues, as well as analysis of demographic information. These efforts were conducted by a firm that specializes in market demand studies and the results indicated demand to be more than adequate. The second major component of the feasibility study was an economic analysis and projection which was performed by an actuarial firm. The goal was to gain an understanding of the economic adequacy of this program over a twenty year period. The results of this analysis indicated appropriate economics, indicating that this program is economically viable. This analysis projected a breakeven at the end of the third year of operations.

The projected income state (**Exhibit C**), projected cash flows (**Exhibit D**), and projected balance sheet (**Exhibit E**) for GCaH are enclosed here.

GCaH plans to begin operations after it has received an Initial Certificate of Registration for Continuing Care at Home from the Maryland Department of Aging and has made all arrangements with the personnel and vendors necessary to provide continuing care at home services.

INTERNAL GRIEVANCE PROCEDURE

GCaH has established an internal grievance procedure to address member grievances. A member, or a group of members collectively, may submit a grievance in writing to the Executive Director (or to a member of the Board of Directors if the complaint relates to the Executive Director), 4000 River Crescent Drive, Annapolis, MD 21401. GCaH will send a written acknowledgement to the member or group of members within five (5) days after receipt of the written grievance. GCaH will assign personnel to investigate the grievance. A member, or group of members, who files a written grievance is entitled to a meeting with management of GCaH within thirty (30) days after receipt of the written grievance in order to present the grievance. GCaH will provide a response within forty-five (45) days after receipt of the written grievance as to the investigation and resolution of the grievance.

Within thirty (30) days after GCaH provides its response to the grievance, a member, group of members, or GCaH may seek mediation through one of the community mediation centers in the State or another mediation provider. If a member, group of members, or GCaH seek mediation under the preceding sentence, the mediation shall be non-binding.

III. EXHIBITS

EXHIBIT A: FEE SCHEDULES

Ginger Cove at Home Platinum Plan Pricing

July 1st 2024 - Through June 30th 2025

Age at Joining	Platinum 90% Refund					Platinum 0% Refund			
	Single Entrance Fees	Couple Entrance Fees Per-Person	Single Monthly Fees	Couple Per-Person Monthly Fees		Single Entrance Fees	Couple Entrance Fees Per-Person	Single Monthly Fees	Couple Per-Person Monthly Fees
60	\$84,600	\$74,025	\$825	\$784		\$57,105	\$49,703	\$825	\$784
61	\$94,118	\$83,014	\$825	\$784		\$62,181	\$54,038	\$825	\$784
62	\$103,635	\$92,003	\$825	\$784		\$67,257	\$58,374	\$825	\$784
63	\$113,153	\$100,991	\$825	\$784		\$72,333	\$62,710	\$825	\$784
64	\$122,670	\$109,980	\$825	\$784		\$77,409	\$67,046	\$825	\$784
65	\$132,188	\$118,969	\$825	\$784		\$82,485	\$71,381	\$825	\$784
66	\$142,763	\$128,486	\$825	\$784		\$86,715	\$74,554	\$825	\$784
67	\$153,338	\$138,004	\$825	\$784		\$90,945	\$77,726	\$825	\$784
68	\$163,913	\$147,521	\$825	\$784		\$95,175	\$80,899	\$825	\$784
69	\$174,488	\$157,039	\$825	\$784		\$99,405	\$84,071	\$825	\$784
70	\$185,063	\$166,556	\$825	\$784		\$103,635	\$87,244	\$825	\$784
71	\$200,925	\$178,189	\$825	\$784		\$107,019	\$89,888	\$825	\$784
72	\$216,788	\$189,821	\$825	\$784		\$110,403	\$92,531	\$825	\$784
73	\$232,650	\$201,454	\$825	\$784		\$113,787	\$95,175	\$825	\$784
74	\$248,513	\$213,086	\$825	\$784		\$117,171	\$97,819	\$825	\$784
75	\$264,375	\$224,719	\$825	\$784		\$120,555	\$100,463	\$825	\$784
76	\$282,353	\$237,938	\$825	\$784		\$123,939	\$102,578	\$825	\$784
77	\$300,330	\$251,156	\$825	\$784		\$127,323	\$104,693	\$825	\$784
78	\$318,308	\$264,375	\$825	\$784		\$130,707	\$106,808	\$825	\$784
79	\$336,285	\$277,594	\$825	\$784		\$134,091	\$108,923	\$825	\$784
80	\$354,263	\$290,813	\$825	\$784		\$137,475	\$111,038	\$825	\$784
81	\$377,528	\$305,089	\$825	\$784		\$139,590	\$111,249	\$825	\$784
82	\$400,793	\$319,365	\$825	\$784		\$141,705	\$111,461	\$825	\$784
83	\$424,058	\$333,747	\$825	\$784		\$143,820	\$111,672	\$825	\$784
84	\$447,323	\$347,918	\$825	\$784		\$145,935	\$111,884	\$825	\$784
85	\$470,588	\$362,194	\$825	\$784		\$148,050	\$112,095	\$825	\$784
86	\$495,968	\$376,470	\$825	\$784		\$149,319	\$112,307	\$825	\$784
87	\$521,348	\$390,746	\$825	\$784		\$150,588	\$112,518	\$825	\$784
88	\$546,728	\$405,023	\$825	\$784		\$151,857	\$112,730	\$825	\$784
89	\$572,108	\$419,299	\$825	\$784		\$153,126	\$112,941	\$825	\$784
90	\$597,488	\$433,575	\$825	\$784		\$154,395	\$113,153	\$825	\$784

Ginger Cove at Home Gold Plan Pricing

July 1st 2024 - Through June 30th 2025

Age at Joining	Gold 90% Refund					Gold 0% Refund			
	Single Entrance Fees	Couple Entrance Fees Per-Person	Single Monthly Fees	Couple Per-Person Monthly Fees		Single Entrance Fees	Couple Entrance Fees Per-Person	Single Monthly Fees	Couple Per-Person Monthly Fees
60	\$76,140	\$66,094	\$714	\$678		\$48,645	\$42,300	\$714	\$678
61	\$84,177	\$72,439	\$714	\$678		\$53,298	\$45,473	\$714	\$678
62	\$92,214	\$78,784	\$714	\$678		\$57,951	\$48,645	\$714	\$678
63	\$100,251	\$85,129	\$714	\$678		\$62,604	\$51,818	\$714	\$678
64	\$108,288	\$91,474	\$714	\$678		\$67,257	\$54,990	\$714	\$678
65	\$116,325	\$97,819	\$714	\$678		\$71,910	\$58,163	\$714	\$678
66	\$125,843	\$106,279	\$714	\$678		\$74,871	\$61,335	\$714	\$678
67	\$135,360	\$114,739	\$714	\$678		\$77,832	\$64,508	\$714	\$678
68	\$144,878	\$123,199	\$714	\$678		\$80,793	\$67,680	\$714	\$678
69	\$154,395	\$131,659	\$714	\$678		\$83,754	\$70,853	\$714	\$678
70	\$163,913	\$140,119	\$714	\$678		\$86,715	\$74,025	\$714	\$678
71	\$176,603	\$150,165	\$714	\$678		\$90,099	\$76,352	\$714	\$678
72	\$189,293	\$160,211	\$714	\$678		\$93,483	\$78,678	\$714	\$678
73	\$201,983	\$170,258	\$714	\$678		\$96,867	\$81,005	\$714	\$678
74	\$214,673	\$180,304	\$714	\$678		\$100,251	\$83,331	\$714	\$678
75	\$227,363	\$190,350	\$714	\$678		\$103,635	\$85,658	\$714	\$678
76	\$242,168	\$201,454	\$714	\$678		\$106,173	\$87,032	\$714	\$678
77	\$256,973	\$212,558	\$714	\$678		\$108,711	\$88,407	\$714	\$678
78	\$271,778	\$223,661	\$714	\$678		\$111,249	\$89,782	\$714	\$678
79	\$286,583	\$234,765	\$714	\$678		\$113,787	\$91,157	\$714	\$678
80	\$301,388	\$245,869	\$714	\$678		\$116,325	\$92,531	\$714	\$678
81	\$319,365	\$257,501	\$714	\$678		\$118,440	\$93,060	\$714	\$678
82	\$337,343	\$269,134	\$714	\$678		\$120,555	\$93,589	\$714	\$678
83	\$355,320	\$280,766	\$714	\$678		\$122,670	\$94,118	\$714	\$678
84	\$373,298	\$292,399	\$714	\$678		\$124,785	\$94,646	\$714	\$678
85	\$391,275	\$304,031	\$714	\$678		\$126,900	\$95,175	\$714	\$678
86	\$412,425	\$315,664	\$714	\$678		\$127,958	\$94,964	\$714	\$678
87	\$433,575	\$327,296	\$714	\$678		\$129,015	\$94,752	\$714	\$678
88	\$454,725	\$338,929	\$714	\$678		\$130,073	\$94,964	\$714	\$678
89	\$475,875	\$350,561	\$714	\$678		\$131,130	\$95,175	\$714	\$678
90	\$497,025	\$362,194	\$714	\$678		\$132,188	\$95,387	\$714	\$678

Ginger Cove at Home Silver Plan Pricing

July 1st 2024 - Through June 30th 2025

Age at Joining	Silver 90% Refund					Silver 0% Refund			
	Single Entrance Fees	Couple Entrance Fees Per-Person	Single Monthly Fees	Couple Per-Person Monthly Fees		Single Entrance Fees	Couple Entrance Fees Per-Person	Single Monthly Fees	Couple Per-Person Monthly Fees
60	\$63,450	\$44,944	\$550	\$522		\$42,300	\$30,668	\$550	\$522
61	\$68,738	\$50,231	\$550	\$522		\$44,415	\$32,994	\$550	\$522
62	\$74,025	\$55,519	\$550	\$522		\$46,530	\$35,321	\$550	\$522
63	\$79,313	\$60,806	\$550	\$522		\$48,645	\$37,647	\$550	\$522
64	\$84,600	\$66,094	\$550	\$522		\$50,760	\$39,974	\$550	\$522
65	\$89,888	\$60,912	\$550	\$522		\$52,875	\$42,300	\$550	\$522
66	\$97,290	\$76,669	\$550	\$522		\$55,413	\$44,415	\$550	\$522
67	\$104,693	\$81,956	\$550	\$522		\$57,951	\$46,530	\$550	\$522
68	\$112,095	\$87,244	\$550	\$522		\$60,489	\$48,645	\$550	\$522
69	\$119,498	\$92,531	\$550	\$522		\$63,027	\$50,760	\$550	\$522
70	\$126,900	\$97,819	\$550	\$522		\$65,565	\$52,875	\$550	\$522
71	\$135,360	\$104,693	\$550	\$522		\$67,680	\$54,461	\$550	\$522
72	\$143,820	\$111,566	\$550	\$522		\$69,795	\$56,048	\$550	\$522
73	\$152,280	\$118,440	\$550	\$522		\$71,910	\$57,634	\$550	\$522
74	\$160,740	\$125,314	\$550	\$522		\$74,025	\$59,220	\$550	\$522
75	\$169,200	\$132,188	\$550	\$522		\$76,140	\$60,806	\$550	\$522
76	\$180,833	\$140,119	\$550	\$522		\$78,255	\$61,547	\$550	\$522
77	\$192,465	\$148,050	\$550	\$522		\$80,370	\$62,287	\$550	\$522
78	\$204,098	\$155,981	\$550	\$522		\$82,485	\$63,027	\$550	\$522
79	\$215,730	\$163,913	\$550	\$522		\$84,600	\$63,767	\$550	\$522
80	\$227,363	\$171,844	\$550	\$522		\$86,715	\$64,508	\$550	\$522
81	\$241,110	\$181,361	\$550	\$522		\$87,984	\$64,931	\$550	\$522
82	\$254,858	\$190,879	\$550	\$522		\$89,253	\$65,354	\$550	\$522
83	\$268,605	\$200,396	\$550	\$522		\$90,522	\$65,777	\$550	\$522
84	\$282,353	\$209,914	\$550	\$522		\$91,791	\$66,200	\$550	\$522
85	\$296,100	\$219,431	\$550	\$522		\$93,060	\$66,623	\$550	\$522
86	\$311,963	\$226,834	\$550	\$522		\$93,906	\$66,834	\$550	\$522
87	\$327,825	\$234,236	\$550	\$522		\$94,752	\$67,046	\$550	\$522
88	\$343,688	\$241,639	\$550	\$522		\$95,598	\$67,257	\$550	\$522
89	\$359,550	\$249,041	\$550	\$522		\$96,444	\$67,469	\$550	\$522
90	\$375,413	\$256,444	\$550	\$522		\$97,290	\$67,680	\$550	\$522

Ginger Cove at Home Bronze Plan Pricing

July 1st 2024 - Through June 30th 2025

Age at Joining	Bronze 90% Refund					Bronze 0% Refund			
	Single Entrance Fees	Couple Entrance Fees Per-Person	Single Monthly Fees	Couple Per-Person Monthly Fees		Single Entrance Fees	Couple Entrance Fees Per-Person	Single Monthly Fees	Couple Per-Person Monthly Fees
60	\$10,575	\$6,345	\$502	\$477		\$5,288	\$4,759	\$502	\$477
61	\$15,228	\$9,095	\$502	\$477		\$8,460	\$6,345	\$502	\$477
62	\$19,881	\$11,844	\$502	\$477		\$11,633	\$7,931	\$502	\$477
63	\$24,534	\$14,594	\$502	\$477		\$14,805	\$9,518	\$502	\$477
64	\$29,187	\$17,343	\$502	\$477		\$17,978	\$11,104	\$502	\$477
65	\$33,840	\$20,093	\$502	\$477		\$21,150	\$12,690	\$502	\$477
66	\$39,762	\$23,477	\$502	\$477		\$23,688	\$14,171	\$502	\$477
67	\$45,684	\$26,861	\$502	\$477		\$26,226	\$15,651	\$502	\$477
68	\$51,606	\$30,245	\$502	\$477		\$28,764	\$17,132	\$502	\$477
69	\$57,528	\$33,629	\$502	\$477		\$31,302	\$18,612	\$502	\$477
70	\$63,450	\$37,013	\$502	\$477		\$33,840	\$20,093	\$502	\$477
71	\$68,738	\$41,771	\$502	\$477		\$35,532	\$21,573	\$502	\$477
72	\$74,025	\$46,530	\$502	\$477		\$37,224	\$23,054	\$502	\$477
73	\$79,313	\$51,289	\$502	\$477		\$38,916	\$24,534	\$502	\$477
74	\$84,600	\$56,048	\$502	\$477		\$40,608	\$26,015	\$502	\$477
75	\$89,888	\$60,806	\$502	\$477		\$42,300	\$27,495	\$502	\$477
76	\$97,290	\$67,151	\$502	\$477		\$43,569	\$28,553	\$502	\$477
77	\$104,693	\$73,496	\$502	\$477		\$44,838	\$29,610	\$502	\$477
78	\$112,095	\$79,841	\$502	\$477		\$46,107	\$30,668	\$502	\$477
79	\$119,498	\$86,186	\$502	\$477		\$47,376	\$31,725	\$502	\$477
80	\$126,900	\$92,531	\$502	\$477		\$48,645	\$32,783	\$502	\$477
81	\$135,360	\$97,290	\$502	\$477		\$49,914	\$33,629	\$502	\$477
82	\$143,820	\$102,049	\$502	\$477		\$51,183	\$34,475	\$502	\$477
83	\$152,280	\$106,808	\$502	\$477		\$52,452	\$35,321	\$502	\$477
84	\$160,740	\$111,566	\$502	\$477		\$53,721	\$36,167	\$502	\$477
85	\$169,200	\$116,325	\$502	\$477		\$54,990	\$37,013	\$502	\$477
86	\$181,890	\$121,084	\$502	\$477		\$56,048	\$37,224	\$502	\$477
87	\$194,580	\$125,843	\$502	\$477		\$57,105	\$37,436	\$502	\$477
88	\$207,270	\$130,601	\$502	\$477		\$58,163	\$37,647	\$502	\$477
89	\$219,960	\$135,360	\$502	\$477		\$59,220	\$37,859	\$502	\$477
90	\$232,650	\$140,119	\$502	\$477		\$60,278	\$38,070	\$502	\$477

EXHBIT B: AUDITED FINANCIAL STATEMENT

EXHIBIT C: PROJECTED INCOME STATEMENT

Ginger Cove at Home Proforma Income Statement - as of August 2024						
Members EOY	17.9	41.3	63.9	85.6	106.1	125
Revenues:	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Price Increase		4.0%	4.0%	4.0%	4.0%	4.0%
Monthly Fees	76,846	256,965	474,899	701,876	935,997	1,175,538
Net Patient Service Fees	851	5,770	17,600	38,951	70,585	110,680
<u>Earned Entry Fees</u>	<u>97,171</u>	<u>243,483</u>	<u>395,647</u>	<u>553,897</u>	<u>718,478</u>	<u>889,642</u>
Total Operating Revenues	174,869	506,218	888,146	1,294,724	1,725,060	2,175,859
Expense Increase Assumptions						
General Expense Inflation	0.0%	3.5%	3.5%	3.5%	3.5%	3.5%
Wages	0.0%	3.5%	15.0%	15.0%	4.0%	3.8%
Marketing & Sales	0.0%	3.5%	3.5%	3.5%	3.5%	3.5%
Occupational Therapy	0.0%	7.5%	7.5%	7.5%	4.0%	3.5%
Care Coordinator	0.0%	20.0%	25.0%	8.0%	8.0%	8.0%
Expenses:						
Salaries & Wages	\$ 260,400	\$ 269,514	\$ 309,941	\$ 356,432	\$ 370,689	\$ 383,663
Contract Labor - Care Coordinator	51,000	61,200	76,500	82,620	89,230	96,368
Contract Labor - Occupational Therapy	21,600	23,220	24,962	26,834	27,907	28,884
Medical Director	32,160	33,286	34,451	35,656	36,904	38,196
Office Supplies	2,400	2,484	2,571	2,661	2,754	2,859
Postage	4,800	4,968	5,142	5,322	5,508	5,701
Dues & Subscriptions	2,400	2,484	2,571	2,661	2,754	2,974
Office Equipment Lease	2,400	2,484	2,571	2,661	2,754	2,850
Travel/Gas etc.	6,000	6,210	6,427	6,652	6,885	7,126
Computer Software & Equip	1,200	1,242	1,285	1,330	1,377	1,425
Meetings & Seminars	2,000	2,070	2,142	2,217	2,295	2,375
Education	6,000	6,210	6,427	6,652	6,885	7,126
Business Meals	1,200	1,242	1,285	1,330	1,377	1,425
Staff Mileage	1,860	1,925	1,992	2,062	2,134	2,209
Building Repair & Maint	699	724	749	775	802	831
Supplies- Other	175	181	187	194	201	208
Bank Charges	9,500	9,833	10,177	10,533	10,901	11,283
Bank Charges - LOC Fee and Interest on \$1.0 Million	10,250	10,250	10,250	10,250	-	-
Legal	10,000	10,350	10,712	11,087	11,475	11,877
Miscellaneous Expense	1,200	1,242	1,285	1,330	1,377	1,425
Sponsorship Fees	-	-	-	-	-	-
Computer Software Maint Fees	3,000	3,105	3,214	3,326	3,443	3,563
Actuary	10,000	10,350	10,712	11,087	11,475	11,877
Shared Services - Parent	36,000	37,260	38,564	39,914	41,311	42,757
Other Consulting/Prof	9,600	9,936	10,284	10,644	11,016	11,402
Marketing & Sales	190,010	196,660	203,543	210,667	218,041	225,672
Depreciation	12,000	18,000	20,000	22,000	24,000	14,000
<u>Other Office Expense</u>	<u>6,240</u>	<u>6,458</u>	<u>6,684</u>	<u>6,918</u>	<u>7,161</u>	<u>7,411</u>
Total Operating Expenses	\$ 694,094	\$ 732,887	\$ 804,631	\$ 873,818	\$ 900,657	\$ 925,488
Operating Cost Inflation		5.6%	9.8%	8.6%	3.1%	2.8%
Care Services Expenses						
Members Using Partial Daily Coverage	1,752	18,434	55,376	119,451	210,396	321,405
<u>Members Using Max Daily Coverage</u>	<u>1,682</u>	<u>12,982</u>	<u>40,266</u>	<u>92,064</u>	<u>172,803</u>	<u>279,206</u>
Total Care Services Expenses	3,434	31,416	95,642	211,515	383,199	600,611
Total Operating Expenses	697,528	764,303	900,273	1,085,333	1,283,856	1,526,099
Income/(Loss) From Operations - Pre Investment Income	(522,659)	(258,086)	(12,127)	209,391	441,203	649,761
Investment Income at 3% of Investment Accounts	-	15,929	44,969	98,984	151,056	165,639
GAAP Income	(522,659)	(242,157)	32,843	308,375	592,260	815,400

EXHBIT D: PROJECTED CASH FLOWS

Ginger Cove at Home Proforma Statement of Cash Flows						
Category	Year1	Year 2	Year 3	Year 4	Year 5	Year 6
Net Income	(522,659)	(242,157)	32,843	308,375	592,260	815,400
Less Increase in AR	-	-	-	-	-	-
Less Amort EF	(97,171)	(243,483)	(395,647)	(553,897)	(718,478)	(889,642)
Net EF Receipts	1,651,913	2,487,296	2,586,788	2,690,259	2,797,869	2,909,784
Plus Depreciation	12,000	18,000	20,000	22,000	24,000	14,000
Capital Spending	(60,000)	(30,000)	(10,000)	(10,000)	(10,000)	(10,000)
(Inc)/Dec - Unrestricted Investments	-	(812,376)	(700,549)	(2,144,156)	(709,465)	(336,371)
(Inc)/Dec - Restricted Reserves	(743,371)	(1,156,785)	(1,486,545)	(248,510)	(1,907,402)	(2,414,886)
Change in Cash	240,711	20,495	46,889	64,071	68,783	88,285

EXHBIT E: PROJECTED BALANCE SHEET

Ginger Cove at Home Pro-Forma Balance Sheet						
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Cash - Operations	240,711	261,206	308,095	372,167	440,950	529,235
	-	-	-	-	-	-
AR - Member - 20 days	-	-	-	-	-	-
Unrestricted Investments	-	812,376	1,512,924	3,657,080	4,366,545	4,702,916
Restricted Investments						
Operating Reserve	102,829	111,946	132,041	159,500	188,978	226,815
Capital Reserve BOY	500,000	500,000	500,000	500,000	500,000	500,000
Contract Reserve EOY	140,542	1,288,211	2,754,661	2,975,712	4,853,636	7,230,686
Total Reserves	743,371	1,900,157	3,386,702	3,635,212	5,542,614	7,957,501
Intangible Assets - Org Costs						
Property & Equipment						
Leasehold Imp Imp	60,000	90,000	100,000	110,000	120,000	130,000
Less Accumulated Dep	(12,000)	(30,000)	(50,000)	(72,000)	(96,000)	(110,000)
Total PPE - Net	48,000	60,000	50,000	38,000	24,000	20,000
Total Assets	\$ 1,032,082	3,033,738	5,257,722	7,702,459	10,374,110	13,209,652
Working Capital Lond	-	-	-	-	-	-
Capital Reserve Loan						
Organization Loan						
Accounts Payable	-	-	-	-	-	-
Unearned Entry Fees	1,554,742	3,798,554	5,989,695	8,126,057	10,205,448	12,225,591
Retained Earnings	(522,659)	(764,816)	(731,973)	(423,598)	168,661	984,061
Total Liabilities & Equity	1,032,082	3,033,738	5,257,722	7,702,459	10,374,110	13,209,652
	-	-	-	-	-	-