

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE

CERTIFICATE OF COMPLIANCE

This Certificate is hereby granted to NATIONAL HEALTH MANAGEMENT, INC.

To operate INDEPENDENCE COURT OF QUAKERTOWN

Located at 1660 PARK AVENUE, QUAKERTOWN, PA 18951

ADDRESS OF SATELLITE SITE ADDRESS OF SATELLITE SITE

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To provide Personal Care Homes

The total number of persons which may be cared for at one time may not exceed 120
or the maximum capacity permitted by the Certificate of Occupancy, whichever is smaller. (MAXIMUM CAPACITY)

Restrictions: _____

This certificate is granted in accordance with the Public Welfare Code of 1967, P.L. 31, as amended, and Regulations

55 Pa.Code Chapter 2600: Personal Care Homes

and shall remain in effect from July 21, 2011 until July 21, 2012,
unless sooner revoked for non-compliance with applicable laws and regulations.

No: 127030

Robert E. Robinson

ISSUING OFFICER

[Signature]

DIRECTOR

NOTE: This certificate is issued for the above site(s) only and is not transferable
and should be posted in a conspicuous place in the facility.

PW 628 - 01/11



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE
PO BOX 2675
HARRISBURG, PENNSYLVANIA 17105-2675

ADULT RESIDENTIAL LICENSING

AUG 02 2011

PHONE: (717) 783-3670
FAX: (717) 783-5662

Mr. Brian Harkins, President
National Health Management, Inc.
4415 Fifth Avenue
Pittsburgh, Pennsylvania 15213

RE: Independence Court of Quakertown
1660 Park Avenue
Quakertown, Pennsylvania 18951

Dear Mr. Harkins:

As a result of the Department of Public Welfare's licensing inspection on May 10, 2011 and May 11, 2011 of the above personal care home, the violations with 55 Pa.Code Ch. 2600 (relating to Personal Care Homes) specified on the enclosed Violation Report were found.

All violations specified on the enclosed Violation Report must be corrected by the dates specified on the Violation Report and continued compliance with 55 Pa.Code Ch. 2600 must be maintained. As soon as each violation is corrected, notify the Department's Regional Office of Adult Residential Licensing so that compliance can be verified.

A regular license is being issued based on the enclosed Violation Report. Your license is enclosed.



Sincerely,

A handwritten signature in black ink, appearing to read 'R. Melusky'.

Ronald Melusky
Acting Director

Enclosures
License
Violation Report

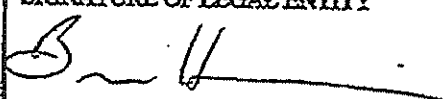
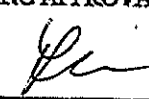
VIOLATION REPORT
PERSONAL CARE HOMES - 55 Pa.Code Chapter 2600

NAME AND ADDRESS OF PERSONAL CARE HOME Independence Court of Quakertown, 1660 Park Avenue Quakertown, PA 18951		CURRENT LICENSE NUMBER 127030	
INSPECTION DATES (include all dates of the inspection) 05/10/2011 and 5/11/11		REGIONAL REPRESENTATIVE Paul Metzger, Sanford Stone, Donald Erey	
PRINTED NAME AND TITLE OF LEGAL ENTITY REPRESENTATIVE SIGNING PLAN OF CORRECTION (Required on FIRST PAGE only unless multiple representatives produce the plan) Brian Harkins, President			
SIGNATURE OF LEGAL ENTITY 	DATE 6-7-11	REGIONAL LICENSING APPROVAL OF PLAN OF CORRECTION 	DATE 7/14/11

REGULATION 55 Pa.Code §2600	VIOLATION	DATE BY WHICH CORRECTION WILL BE COMPLETED	PLAN OF CORRECTION (include a step-by-step plan to correct the specific violation, as well as a plan to assure the violation does not recur)	DATE COMPLIANCE VERIFIED BY
2068 The home shall give the resident and the resident's designated person, an itemized account of financial transactions made on the resident's behalf on a quarterly basis.	Residents #1 and #2 had not received quarterly financial statements as required by this regulation. The last financial statements for these residents' accounts were from 6/1/10 to 12/31/10.	6/17/11	Quarterly Financial Audits have been completed on Resident 1 & 2. (ATTACHED) The employees responsible for completing the residents' financial transactions have been counseled to assure proper compliance with ^{state} Pennsylvania State regulations. The administrator or designee will assure that the quarterly audits are conducted in a timely fashion.	Steps have been taken to correct violation; full compliance is not verifiable 7/14/11 Date Initials (DPW) MHC

8/20/11 Financial records for all residents will be audited to ensure compliance. We 7/14/11

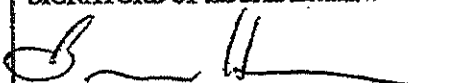

VIOLATION REPORT
PERSONAL CARE HOMES - 55 Pa. Code Chapter 2600

NAME AND ADDRESS OF PERSONAL CARE HOME Independence Court of Quakertown, 1660 Park Avenue Quakertown, PA 18951		CURRENT LICENSE NUMBER 127030	
INSPECTION DATES (include all dates of the inspection) 05/10/2011		REGIONAL REPRESENTATIVE Paul Metzger, Sanford Stone, Donald Frey	
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25d A home may not seek or accept payments from a resident in excess of one-half of any funds received by the resident under the Senior Citizens Rebate and Assistance Act (72 P. S. §§ 4751-1—4751-12). If the home will be assisting the resident to manage a portion of the rent rebate, the requirements of § 2500.20 (relating to financial management) may apply. There may be no charge for filling out this paperwork.	Contracts for residents #1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 did not include the home's policy regarding resident rent rebates.	6/15/11	Residents 1-13 have all been notified of our rent rebate funds policy and have signed a rent rebate funds addendum to our contract (attached) and other current residents have also been notified and the addendum will be signed as well. The residency contract has been updated to include the rent rebate funds policy for our residents.	7/14/11 UMC



VIOLATION REPORT
PERSONAL CARE HOMES - 55 Pa. Code Chapter 2600

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NAME AND ADDRESS OF PERSONAL CARE HOME Independence Court of Quakertown, 1660 Park Avenue Quakertown, PA 18951		CURRENT LICENSE NUMBER 127030	
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107c The home shall maintain at least a 3-day supply of nonperishable food and drinking water for residents.	The home has a written agreement with a bottled water provider that guarantees that drinking water will be delivered to the home within 24 hours if needed. The home did not maintain a one day supply of water which based upon the resident census at the time of this inspection would be 116 gallons.	5/13/11	120 GAL ^s of water ON HAND, ordered FROM Fee see's food Distributor (20 cases @ 6 Gal ^s Fee) - See attached Prosecco Receipt - Review policy & update employees to new water supply (attached)	7/10/11 LAL

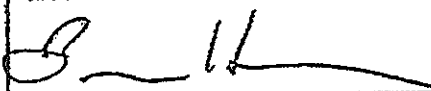

VIOLATION REPORT
PERSONAL CARE HOMES - 55 Pa. Code Chapter 2600

NAME AND ADDRESS OF PERSONAL CARE HOME Independence Court of Quakertown, 1660 Park Avenue Quakertown, PA 18951		CURRENT LICENSE NUMBER I27050	
INSPECTION DATES (include all dates of the inspection) 05/10/2011		REGIONAL REPRESENTATIVE Paul Metzger, Sanford Stone, Donald Frey	
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REGULATION 55 Pa. Code §2600	VIOLATION	DATE BY WHICH CORRECTION WILL BE COMPLETED	PLAN OF CORRECTION (include a step-by-step plan to correct the specific violation, as well as a plan to assure the violation does not recur)	DATE COMPLIANCE VERIFIED BY
1095 Cats and dogs present at the home shall have a current rabies vaccination. A current certificate of rabies vaccination from a licensed veterinarian shall be kept.	The home did not keep on file current rabies vaccinations of dogs who visit the home.	6/7/11	ALL Pet Treaty Animals Now Have Rabies Vaccination ON FILE AT Independence Court - ATTACHED ALL Employees, Residents & Families Have been notified THAT A Updated Rabies Vaccination Certificate MUST be on file PRIOR to bringing animal into the facility. The Receptionist HAS been Told to screen all visitors bringing pets into the facility for proper Rabies Vaccination Certificates.	7/14/11 WLC

VIOLATION REPORT
PERSONAL CARE HOMES - 55 Pa.Code Chapter 2600


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NAME AND ADDRESS OF PERSONAL CARE HOME Independence Court of Quakertown, 1660 Park Avenue Quakertown, Pa 18951		CURRENT LICENSE NUMBER 127056	
INSPECTION DATES (include all dates of the inspection) 05/10/2011		REGIONAL REPRESENTATIVE Paul Metzger, Sanford Stone, Donald Frey	
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SIGNATURE OF LEGAL ENTITY 	DATE: 6-7-11	REGIONAL LICENSING APPROVAL OF PLAN OF CORRECTION 	DATE 7/10/11

REGULATION 55 Pa.Code §2600	VIOLATION	DATE BY WHICH CORRECTION WILL BE COMPLETED	PLAN OF CORRECTION (include a step-by-step plan to correct the specific violation, as well as a plan to assure the violation does not recur)	DATE COMPLIANCE VERIFIED BY
§42a The medical evaluation shall include the following: (1) A general physical examination by a physician, physician's assistant or nurse practitioner. (2) Medical diagnosis including physical or mental disabilities of the resident, if any. (3) Medical information pertinent to diagnosis and treatment in case of an emergency. (4) Special health or dietary needs of the resident. (5) Allergies. (6) Immunization	Medical evaluations for residents #1, 2, and 3 lacked a listing of medication regimen. Repeated Violations: 05/10/2010	5/10/11 5/10/11 ONGOING	Medication regimen for Residents #1, 2, & 3 were reviewed and signed by PCP or attending. #5 attached Medical evaluations will be reviewed by Director of Resident Care or Designee when received. Any Medical Evaluation that is not completed will be returned to appropriate party for completion	7/14/11 WCL

VIOLATION REPORT
PERSONAL CARE HOMES - 55 Pa. Code Chapter 2600

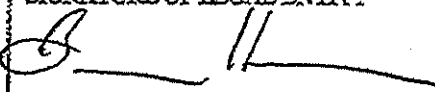

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NAME AND ADDRESS OF PERSONAL CARE HOME Independence Court of Quakertown, 1660 Park Avenue Quakertown, PA 18951		CURRENT LICENSE NUMBER 127050	
INSPECTION DATES (include all dates of the inspection) 05/10/2011		REGIONAL REPRESENTATIVE Paul Metzger, Sanford Stone, Donald Frey	
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REGULATION 55 Pa. Code §2600	VIOLATION	DATE BY WHICH CORRECTION WILL BE COMPLETED	PLAN OF CORRECTION (include a step-by-step plan to correct the specific violation, as well as a plan to assure the violation does not recur)	DATE COMPLIANCE VERIFIED BY
history. (7) Medication regimen, contraindicated medications, medication side effects and the ability to self-administer medications. (8) Body positioning and movement stimulation for residents, if appropriate. (9) Health status. (10) Mobility assessment, updated annually or at the Department's request.			* See page 599	

VIOLATION REPORT
PERSONAL CARE HOMES - 55 Pa. Code Chapter 2600

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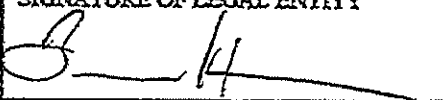

NAME AND ADDRESS OF PERSONAL CARE HOME Independence Court of Quakertown, 1660 Park Avenue Quakertown, Pa. 18951		CURRENT LICENSE NUMBER L27030	
INSPECTION DATES (include all dates of the inspection) 05/10/2011		REGIONAL REPRESENTATIVE Paul Metzger, Sanford Stone, Donald Frey	
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134a The original container for prescription medications shall be labeled with a pharmacy label that includes the following: (1) The resident's name. (2) The name of the medication. (3) The date the prescription was issued. (4) The prescribed dosage and instructions for administration. (5) The name and title of the prescriber.	Resident #13 receives Novolog 5 units at 12 Noon and also receives Novolog twice daily on a sliding scale based upon blood sugar readings. The pharmacy label for the Novolog lacked the physician's directions for the sliding scale administration.	5/11/11	An additional vial was received on 5/11/11 with directions for sliding scale, as prescribed	Steps have been taken to correct violation; full compliance is not verifiable Date <u>7/14/11</u> Initials (DPW) <u>VTC</u>
		9/20/11	A one-time full audit of all current medications will be conducted.	
		5/11/11 ongoing	Director of Resident Care or Designee will conduct audits to assure continued compliance. The audits will be a sample of residents' medications and conducted on a monthly basis.	

Labels are checked daily by the nurse receiving medications.

VIOLATION REPORT
PERSONAL CARE HOMES - 55 Pa.Code Chapter 2600

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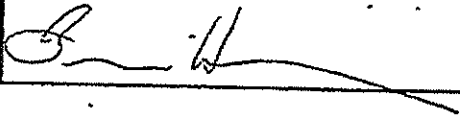

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187d The home shall follow the directions of the prescriber.	Resident #13 is to receive Amlodipine 5 mg every morning unless the resident's systolic blood pressure measures less than 110. On 5/1/11, 5/2/11, and 5/5/11 the medication was administered, but the systolic blood pressure measurement had not been recorded. Therefore it could not be determined that the prescriber's directions had been followed.	6/7/11 6/7/11 on going	An inservice was held on proper procedures for medication administration and documentation. The Director of Res Care or Designee will conduct audits to ensure continued compliance. The ongoing audits will be a sample of residents' medications and MARs.	Steps have been taken to correct violation; full compliance is not verifiable 7/14/11 Date Initials (DPW) JMC

8/20/11
 A one-time full audit of all current medications, MARs, and physician's orders will be conducted.

VIOLATION REPORT
PERSONAL CARE HOMES - 55 Pa. Code Chapter 2600

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NAME AND ADDRESS OF PERSONAL CARE HOME Independence Court of Quakertown, 1660 Park Avenue Quakertown, PA 18951		CURRENT LICENSE NUMBER 127030	
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254c Resident records shall be stored in locked containers or a secured, enclosed area used solely for record storage and be accessible at all times to the administrator or the administrator's designee, and upon request, to the Department or representatives of the area agency on aging.	The door to the resident record room on the second floor was unlocked, and the room was left unattended.	5/17/11	Lock changed to a Commercial Storage Lock that automatically STAYS locked. See Attached Lock's Receipt.	LRC 7/14/11
		5/31/11	Staff were instructed to keep all records in a confidential area and manner.	LRC 7/14/11