

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445508	(X2) MULTIPLE CONSTRUCTION A. Building B. Wing	(X3) DATE SURVEY COMPLETED 01/20/2026
NAME OF PROVIDER OR SUPPLIER Obion County Nursing Home		STREET ADDRESS, CITY, STATE, ZIP CODE 1084 East County Home Road Union City, TN 38261	
For information on the nursing home's plan to correct this deficiency, please contact the nursing home or the state survey agency.			
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (Each deficiency must be preceded by full regulatory or LSC identifying information)		
<p>F 0835</p> <p>Level of Harm - Minimal harm or potential for actual harm</p> <p>Residents Affected - Few</p>	<p>Administer the facility in a manner that enables it to use its resources effectively and efficiently.</p> <p>**NOTE- TERMS IN BRACKETS HAVE BEEN EDITED TO PROTECT CONFIDENTIALITY** Based on facility policy review, Board of Examiners of Nursing Home Administrators (BENHA) review, facility benefit plan review, employee file review, employee W-2 form review, employee check stub review, timeclock punch detail review, bookkeeping system screenshot review, Certified Public Accounting (CPA) Firm documentation review, facility email review and interview, Administration failed to ensure appropriate checks and balances were implemented to prevent financial mismanagement of the payroll system and the facility checking account. Administration failed to ensure Medicare and Medicaid payments, insurance payments and private payments from residents, were protected from cash out by facility staff members when payroll, which was previously outsourced to another entity, was brought back into the facility on 1/1/2024. Three staff members (Administrator A, Social Worker (SW)/Bookkeeper #1 and Human Resources (HR)/Bookkeeper #2 cashed out thousands of dollars of vacation and holiday pay from 1/1/2024 through 9/30/2025. SW/Bookkeeper #1 and HR/Bookkeeper #2 reported excessive amounts of overtime from 1/1/2024 through 9/30/2025. The failure of Administration to provide oversight of payroll and facility staff who had access to payroll and the facility's checking account into which was deposited Medicare, Medicaid, private pay, and insurance funds, had the potential to affect 45 of 45 residents residing in the facility. The findings include: 1. Review of the facility policy titled, Administration of Facility, dated 4/9/2025, revealed .Facility will follow the accepted professional standards and principles of the various practice acts and regulations for the various licensed personnel within the facility. The facility will employ professionals necessary to carry out the provisions of requirements.An appropriately licensed Administrator, in good standing with the state in which the facility resides, will be appointed by the governing body to be responsible for the management and overall operation of the facility. 2. Review of the BENHA provided by the facility revealed the following: a. Administrator B became Administrator on 5/23/2005. b. Administrator C became Administrator on 4/1/2021. c. Administrator A became Administrator on 7/1/2023. 3. Review of the undated [NAMED FACILITY] BENEFIT PLAN, provided by the Current Administrator revealed the personnel plan implemented on 7/1/2023 by Administrator A was not approved by the Governing Body. Continued review of the plan revealed the following: a. Overtime could be redeemed at one and a half hours for cash or time off. b. A maximum of 96 vacation hours (12 days) could be carried over. c. A total of 12 holidays were given to staff. d. No more than 3 days (24 hours) of vacation time could be cashed out over a pay period. e. Compensatory time was given per prior agreement for overtime and could be banked in place of a cash payout at a maximum of 40 hours, and it was to be paid at one and a half hours. 4. Review of the employee file for SW/Bookkeeper #1 included the following: a. A document titled, JOB DESCRIPTION: BOOKKEEPER, dated and signed 11/4/2019, revealed .SUPERVISOR: ADMINISTRATOR.JOB SUMMARY.Assist Administrator in all phases of bookkeeping and management of office.Submit all reports required on a timely basis. Keep all payroll records.Maintain patient account records.Prepare statements and state [NAME],</p> <p>(continued on next page)</p>		

Any deficiency statement ending with an asterisk (*) denotes a deficiency which the institution may be excused from correcting providing it is determined that other safeguards provide sufficient protection to the patients. (See instructions.) Except for nursing homes, the findings stated above are disclosable 90 days following the date of survey whether or not a plan of correction is provided. For nursing homes, the above findings and plans of correction are disclosable 14 days following the date these documents are made available to the facility. If deficiencies are cited, an approved plan of correction is requisite to continued program participation.

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE	TITLE	(X6) DATE
FORM CMS-2567 (02/99) Previous Versions Obsolete	Event ID: 445508	Facility ID: 445508 If continuation sheet Page 1 of 13

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445508	(X2) MULTIPLE CONSTRUCTION A. Building B. Wing	(X3) DATE SURVEY COMPLETED 01/20/2026
NAME OF PROVIDER OR SUPPLIER Obion County Nursing Home		STREET ADDRESS, CITY, STATE, ZIP CODE 1084 East County Home Road Union City, TN 38261	
For information on the nursing home's plan to correct this deficiency, please contact the nursing home or the state survey agency.			
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (Each deficiency must be preceded by full regulatory or LSC identifying information)		
<p>F 0835</p> <p>Level of Harm - Minimal harm or potential for actual harm</p> <p>Residents Affected - Few</p>	<p>collect funds and credit to proper account. Pay bills and reconcile bank statements. Use time cards to prepare payroll bi-weekly. b. A document titled, PAY RATE ADJUSTMENT, dated and signed 8/17/2020, revealed a pay increase from \$13.39 to \$15.39 an hour. c. A document titled, PAY RATE ADJUSTMENT, dated and signed 11/2/2021, revealed a pay increase from \$17.00 to \$20.00 an hour. d. A document titled, [Named Facility] Employee Evaluation, dated 6/26/2022, revealed [Named Employee]. Social Services/Admissions. Prior pay rate \$20.00. New Pay Rate. \$20.75. There were no additional pay rate increases documented in SW/Bookkeeper #1's employee file. e. A document titled, JOB DESCRIPTION: SOCIAL SERVICE DIRECTOR, dated and signed 2/1/2023, revealed .SUPERVISOR: ADMINISTRATOR. Keep resident fund balance each day and reconcile patient account balance. Prepare a Quarterly Trust Report for each resident. Assist patient with personal and financial needs and pay bills for patients that have nursing home as Payee. Review of the employee file for HR/Bookkeeper #2 included the following: a. A document titled, JOB DESCRIPTION: BOOKKEEPER, dated and signed 2/1/2022, revealed .SUPERVISOR: ADMINISTRATOR. Assist Administrator in all phases of bookkeeping and management of office. Pay bills timely and make bank deposits .Keep all payroll records. Send [NAME], both private and state. Maintain patient account records. Prepare statements and state [NAME], collect funds and credit to proper account. Pay bills and reconcile bank statements. Use time cards to prepare payroll bi-weekly. b. A document titled, PAY RATE ADJUSTMENT, dated and signed 12/6/2022, revealed a pay increase from \$18.68 to \$20.00 an hour. There were no additional pay rate increases documented in HR/bookkeeper #2's employee file. Review of the employee file for Administrator A included the following: a. A document TO ALL EMPLOYEES, dated and signed 6/29/2011, revealed .New False Claims Education Policies and Requirements for Employees. A copy of our policy which addresses your role in preventing healthcare fraud, waste and abuse is attached. b. A document titled, PAY RATE ADJUSTMENT, dated and signed 5/11/2015, revealed a pay increase from \$29.76 to \$32.22 an hour for promotion to Assistant Director of Nursing. There were no additional pay rate increases present in Administrator A's employee file. c. A document from the State of Tennessee Division of Licensure and Health Related Boards dated 6/9/2023, informed Administrator A that her initial license to practice as a Nursing Home Administrator in Tennessee was approved. d. An undated, unsigned document titled, JOB DESCRIPTION: ADMINISTRATOR, revealed .The Administrator is responsible for every aspect of the operation of the nursing home. The Administrator, by appointment and by license, has corresponding authority to carry out these responsibilities within the guidelines, regulations and procedures of [Named Facility], state, federal and local regulatory bodies. [Named Facility] Board of Directors oversees the administration. Therefore, proposals must be directed to them for considerations and/or disposition. Implement procedures and controls necessary to provide quality patient care, meet budgetary projections and ensure the most efficient and economical operation possible. Supervise and provide guidance. Institute effective admission and collection practices that will ensure current status in accounts receivables. Determine relationships and procedures between state certifying agencies, the Medicaid fiscal intermediary, and the facility. Ensure that the facility follow procedures being used. Institute continuing procedures to limit overtime to minimum essential. Ensure compliance with stated, federal and local laws and regulations. Administer patient personal accounts, petty cash fund and vending fund. Certify invoices, payrolls and expense reports and ensure timely deposits. 5. Review of W-2 forms for 1/1/2023-12/31/2023, when payroll was outsourced, revealed the following: a. SW/Bookkeeper #1 was paid \$89,704.28. b. HR/bookkeeper #2 was paid \$85,978.86. c. Administrator A was paid \$103,458.72. 6. Review of the payroll check stub for SW/Bookkeeper #1 for the last pay period of 2024, revealed the following: a. Total pay was \$112,603.51. b. Regular pay was \$51,000. c. Vacation time cash out was \$6,200. d. Holiday cash out was \$7,600. e.</p> <p>(continued on next page)</p>		

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445508	(X2) MULTIPLE CONSTRUCTION A. Building B. Wing	(X3) DATE SURVEY COMPLETED 01/20/2026
NAME OF PROVIDER OR SUPPLIER Obion County Nursing Home		STREET ADDRESS, CITY, STATE, ZIP CODE 1084 East County Home Road Union City, TN 38261	
For information on the nursing home's plan to correct this deficiency, please contact the nursing home or the state survey agency.			
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (Each deficiency must be preceded by full regulatory or LSC identifying information)		
<p>F 0835</p> <p>Level of Harm - Minimal harm or potential for actual harm</p> <p>Residents Affected - Few</p>	<p>Bereavement pay was \$600. f. Overtime pay was \$26,353.51. g. Holiday pay was \$2,000. h. Bonus pay was \$250. i. Sick time pay was \$2,200. j. Other was \$12,400. Review of the payroll check stub for SW/Bookkeeper #1 for the pay period ending 9/27/2025 (a 9-month period), revealed the following: a. Total pay was \$137,631.13. b. Regular pay was \$41,200. c. Sick time pay was \$8,568. d. Vacation time cash out was \$20,792. e. Holiday pay cash out was \$11,232. f. Snow-day pay was \$48. g. Overtime pay was \$32,017.13. h. Holiday pay was \$1,848. i. Sick time pay was \$6,442. j. Vacation pay was \$6,400. k. Other was \$19,084. Review of the payroll check stub for HR/Bookkeeper #2 for the last pay period of 2024, revealed the following: a. Total pay was \$96,905.06. b. Regular pay was \$46,920. c. Sick time pay was \$2,024. d. Vacation time cash out was \$7,728. e. Holiday pay cash out was \$9,568. f. Overtime pay was \$19,075. g. Holiday pay was \$1,104. h. Bonus pay was \$100. i. Sick time pay was \$1,722. j. Vacation pay was \$1,980. k. Other was \$6,684. Review of the payroll check stub for HR/Bookkeeper #2 for the pay period ending 9/27/2025 (a 9-month period), revealed the following: a. Total pay was \$100,941. b. Regular pay was \$36,800. c. Sick time pay was \$4,232. d. Vacation time cash out was \$8,464. e. Holiday pay cash out was \$12,512. f. Overtime pay was \$24,081. g. Holiday pay was \$2,208. h. Vacation pay was \$5,596. i. Holiday cash out pay was \$3,180. j. Vacation cash out pay was \$3,868. Review of the payroll check stub for Administrator A for the last pay period of 2024, revealed the following: a. Total pay was \$128,213.36. b. Salary pay was \$94,023.60. c. Bonus pay was \$700. d. Sick pay was \$3,141.76. e. Vacation pay was \$4,851.04. f. Holiday cash out pay was \$15,821.92. g. Vacation cash out pay was \$9,675.04. Review of the payroll check stub for Administrator A for the pay period ending 9/27/2025 (a 9-month period), revealed the following: a. Total pay was \$143,530.56. b. Salary pay was \$77,837.12. c. Holiday pay was \$1,666.88. d. Bonus pay was \$5,840. e. Sick pay was \$4,712.32. e. Vacation pay was \$12,661.81. f. Holiday cash out pay was \$17,591.92. g. Vacation cash out pay was \$23,220.51. 7. Review of the time clock punches for SW/Bookkeeper #1 from 1/1/2024, when payroll was brought back into the facility, through 9/26/2025, revealed the following: a. Actual timeclock punches from 1/1/2024-2/6/2024; 2/9/2024, 2/12/2024, and 2/28/2024. b. Time was entered manually from 2/7/2024-2/8/2024 and 2/29/2024-9/26/2025. c. SW/Bookkeeper #1 reported 1,536.52 overtime hours from 1/1/2024-9/26/2025. Review of the time clock punches for HR/Bookkeeper #2 from 1/1/2024, when payroll was brought back into the facility, through 9/26/2025, revealed the following: a. Time was entered manually from 1/1/2024-1/6/2024 and 1/20/2024-9/26/2025. b. Actual timeclock punches for 1/9/2024 -1/19/2024. c. HR/Bookkeeper #2 reported a total of 1,250.90 overtime hours from 1/1/2024-9/26/2025. 8. Review of the Certified Public Accountant (CPA) Firm #1 contract dated 10/27/2025, revealed CPA Firm #1 was contracted to provide bookkeeping services, reconcile checking accounts with the monthly bank statements, make journal entries, compile income statements and balance sheet reports, provide payroll services, and make entries for the Tennessee Consolidated Retirement System (TCRS) deposits. Review of a spreadsheet provided by CPA Firm #1 dated 1/1/2024 through 10/9/2025 (a total of 19 months), revealed the following: a. SW/Bookkeeper #1 received a total of \$77,556.00 cash out for holiday and vacation time, which was \$58,556.00 more than the maximum benefit she was allowed to cash out per the facility policy. b. HR/Bookkeeper #2 received a total of \$62,892.00 cash out for holiday and vacation time, which was \$45,412.00 more than the maximum benefit she was allowed to cash out per facility policy. c. Administrator A received a total of \$83,822.24 cash out for holiday and vacation time, which was \$38,659.44 more than the maximum benefit she was allowed to cash out per the facility policy. d. The cash out over the maximum benefit allowed for these 3 employees was a total of \$142,627.44 over a period of 19 months. Review of the undated CPA Firm #1's Analysis of the payroll register from [Named Bookkeeping Program], to the facility board revealed, .I have run the</p> <p>(continued on next page)</p>		

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445508	(X2) MULTIPLE CONSTRUCTION A. Building B. Wing	(X3) DATE SURVEY COMPLETED 01/20/2026
NAME OF PROVIDER OR SUPPLIER Obion County Nursing Home		STREET ADDRESS, CITY, STATE, ZIP CODE 1084 East County Home Road Union City, TN 38261	
For information on the nursing home's plan to correct this deficiency, please contact the nursing home or the state survey agency.			
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (Each deficiency must be preceded by full regulatory or LSC identifying information)		
<p>F 0835</p> <p>Level of Harm - Minimal harm or potential for actual harm</p> <p>Residents Affected - Few</p>	<p>payroll since January 1, 2024, when the nursing home took it over from the third party [Named Company to whom payroll was outsourced]. I have run it through the last pay date which was paid on October 3rd [2025] but cuts off on September 27th [2025]. I have attached a summary of each full-time current employee. I made the assumption that each employee carried over the maximum of 96 hours of vacation time and the current pay rate and added 152 hours of holiday pay, 5 days of holiday have not been earned yet. That is one category of holiday and vacation time that seems to represent the floor for what people should have gotten but within policy. I have also taken the liberty to calculate an additional 2 years during Covid that employees could not take any time off. This would represent to me the maximum that employees could have but is not within policy. We have 3 employees that far exceed the window, including 2 years outside of policy attached. Please see the attached. Review of an undated spreadsheet from CPA Firm #2 with salary information of the facility employees revealed the following: a. SW/Bookkeeper #1's salary was \$25.00 per hour. b. HR/Bookkeeper #2's salary was \$23.00 per hour. c. Administrator A's salary was \$49.09 per hour. 9. Review of the email memo from the current Administrator dated 12/23/2025, revealed .The way checks/accounts payable was handled before, was the three individuals [Administrator A, SW/Bookkeeper #1 and HR/Bookkeeper #2] in the administrative offices would decide what to pay, write the checks and sign the checks. It appears they paid what they wanted to, when they wanted. Review of the email from the facility's Business Office Manager (BOM) dated 1/9/2026, revealed the following: a. Administrator A, SW/Bookkeeper #1, and HR/Bookkeeper #2 were suspended without pay verbally and nothing was provided in writing. (Interviews revealed the suspension was completed on 10/3/2025.) b. Review of the (Named Bookkeeping Program) screenshot provided by the BOM revealed SW/Bookkeeper #1 changed her own pay in the payroll system on 8/6/2025 from \$25.00 an hour to \$28.00 an hour; on 10/1/2025 she changed her own pay from \$28.00 an hour to \$25.00 an hour. c. Review of the (Named Bookkeeping Program) screenshot provided by the BOM revealed the SW/Bookkeeper #1 changed Administrator A's payroll from \$1,963.60 a week (\$49.09 an hour) to \$52.09 and hour; on 10/1/2025, SW/Bookkeeper #1 changed Administrator A's pay in the payroll system from \$52.09 an hour to \$49.09 an hour. d. This was during the audit that was being conducted by CPA Firm #2. 10. During an interview on 12/22/2025 at 11:26 AM, the Chairman of the Governing Board/Body reported that CPA Firm #2 was awarded the yearly audit contract for the facility for the fiscal year (7/1/2024-6/30/2025). The Chairman stated CPA F notified the County Mayor and the County Mayor notified him that the audit identified employee salaries that were not in line with what they should be. The Governing Board/Body called an emergency meeting and decided to suspend Administrator A, SW/Bookkeeper #1, and HR/Bookkeeper #2 without pay. Those three employees were suspended on 10/3/2025 and are still suspended at this time. The Chairmen reported he identified weaknesses in Administrator A's business administration skills. The Chairman stated, .we were trying to help [Named Administrator A] survive.you can't know everything about everything. The Chairmen stated the communication process wasn't as smooth as it was when Administrator B (Administrator prior to Administrator A and Administrator C) was there and the Board was concerned about the aging accounts and the increase in accounts receivable. The Chairman said Administrator A, HR/Bookkeeper #2 and the SW/Bookkeeper #1 took the money from the bank account.The auditor [CPA F] and [Named CPA D] have both found discrepancies in the amount that was deducted from various individuals paychecks for their contributions to TCRS [State Consolidated Retirement System] but the amount submitted to TCRS was right.it was always paid right but the amount that came out of some individuals' account deductions did not match.I do know [Named SW/Bookkeeper #1 and HR/Bookkeeper #2's TCRS deductions] wasn't right and there were some others who wasn't right.Sometime during [Named Administrator C who Administrator Prior to Administrator A]</p> <p>(continued on next page)</p>		

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445508	(X2) MULTIPLE CONSTRUCTION A. Building B. Wing	(X3) DATE SURVEY COMPLETED 01/20/2026
NAME OF PROVIDER OR SUPPLIER Obion County Nursing Home		STREET ADDRESS, CITY, STATE, ZIP CODE 1084 East County Home Road Union City, TN 38261	
For information on the nursing home's plan to correct this deficiency, please contact the nursing home or the state survey agency.			
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (Each deficiency must be preceded by full regulatory or LSC identifying information)		
<p>F 0835</p> <p>Level of Harm - Minimal harm or potential for actual harm</p> <p>Residents Affected - Few</p>	<p>tenure he jobbed out payroll to a firm in Florida. The Chairmen stated when Administrator C left that's when SW/Bookkeeper #1 and Administrator A recommended payroll be brought back in house and SW/Bookkeeper #1 could do payroll. The Chairman stated SW/Bookkeeper #1 did payroll, paid the monthly bills and kept up with the facility staff's compensation time. The Chairman was asked how Administrator A was held accountable for reporting the facility's management, operations, and finances. The Chairman stated, Usually in the monthly report. A lot of times with [Named Administrator A] it was verbal and not written. The Chairman was asked could you use the money that was taken by the 3 employees to better care for the residents. The Chairman stated, .with a not-for-profit organization that's how we spend it. The Chairman was asked how the actions of the three employees would have affected the residents had it not been brought to light when it was. The Chairman stated, .had it gone on.to the point of putting us out of business.[the facility] continued operating, with a strain, but we have. The Chairman was asked if he felt that the facility was administered in the manner that it should have been. The Chairman stated, Probably not. During an interview on 12/22/2025, the current Administrator stated, We are under a Medicare audit back to September.no [Medicare] money since then.nothing to do with this [the embezzlement of payroll allegation] it just all happened round the same time. The current Administrator reported in an email received on 12/23/2025, that the amount of money being held up from the Medicare audit was \$421,877.23. During an interview on 12/22/2025, Registered Nurse (RN) K reported that she was the Administrative Assistant to Administrator A. RN K stated Administrator A, SW/Bookkeeper #1 and HR/Bookkeeper #2 had access to sign off on facility checks and could do so without approval from the Governing Board/Body. RN K said all payroll related items were the responsibility of SW/Bookkeeper #1 and she would give information for TCRS to HR/Bookkeeper #2. RN K stated, .Somehow the payroll was split, the insurance and the taxes were split, and I don't know how much of it [Named SW/Bookkeeper #1] did and how much [Named HR/Bookkeeper #2] did. RN K stated payroll was brought back into the facility on 1/1/2024. RN K continued that SW/Bookkeeper #1 kept up with a list of staff's time off and employees would have to ask her how much time they had off. RN K was asked did anything over this time period make her suspicious of those three employees. RN K stated, Not 'til [until] after the fact.all 3 of them pulled up in new vehicles. RN K was asked when she was notified of these allegations. RN K stated, .I believe Tuesday [9/30/2025] or Wednesday [10/1/2025] [Auditors] said they would be wrapping it up and planned on leaving. Then they started asking payroll questions. At one point I know [Named SW/Bookkeeper #1] went into [Named Administrator A's] office and closed the door. Thursday [10/2/2025] came and they [Auditors] left, said they wouldn't be here on Friday but would not close the audit. Friday I was off.received a call from one of the board members that they [Named Administrator A, SW/Bookkeeper #1, and HR/Bookkeeper #2] were on administrative unpaid leave until further notice, and I would be doing payroll, accounts payable, billing, and everything. RN K stated she, the Chairman and the BOM were now on the checking account and it took two signatures for a check to clear the bank. RN K was asked how many hours the three suspended employees worked. RN K stated, If anybody was working overtime it would have been [Named Administrator A]. [Named SW/Bookkeeper #1 and HR/Bookkeeper #2] did not work overtime. They claimed overtime from what I have found since.I don't know how it [overtime] was tracked or if it was. During a telephone interview on 12/30/2025 at 3:08 PM, RN K stated that the facility did not have a computer system or any way for the employees to track their vacation, overtime, compensatory, and holiday time, but there was a spreadsheet with everyone's banked holidays, sick time, and vacation time and SW/Bookkeeper #1 kept up with that. RN K continued that she strictly went from what SW/Bookkeeper #1 told her was available to receive her time off and cash payouts. RN K stated, Quite honestly, when [Named</p> <p>(continued on next page)</p>		

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445508	(X2) MULTIPLE CONSTRUCTION A. Building B. Wing	(X3) DATE SURVEY COMPLETED 01/20/2026
NAME OF PROVIDER OR SUPPLIER Obion County Nursing Home		STREET ADDRESS, CITY, STATE, ZIP CODE 1084 East County Home Road Union City, TN 38261	
For information on the nursing home's plan to correct this deficiency, please contact the nursing home or the state survey agency.			
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (Each deficiency must be preceded by full regulatory or LSC identifying information)		
<p>F 0835</p> <p>Level of Harm - Minimal harm or potential for actual harm</p> <p>Residents Affected - Few</p>	<p>SW/Bookkeeper #1] was doing payroll she would come through the office and ask if I wanted to cash out any days and I said if I have them put a couple on there.according to our policy we were not allowed to cash in more than 3 days on a pay period.I know there were other employees that would cash out days. RN K denied previous knowledge of the excessive cash out of vacation and holiday time by Administrator A, SW/Bookkeeper #1 and HR/Bookkeeper #2 that was identified by the auditors. RN K stated she took care of any money that was coming in and took it to the bank, but she did not look at any of the money that was going out or any of the payroll. RN K was asked how often did SW/Bookkeeper #1 ask if she wanted to cash out time. RN K stated, Every pay period.it was like a common thing.if there was time I knew I had something coming up I would ask her to cash them in for me, I asked her if I needed a form or anything and she said I got it. RN K was asked did it seem like she was telling you that you had more time banked than you thought you should have. RN K stated, I know when I first started asking I had several banked vacation time and if it wasn't as low as I thought it should have been I would say something to [Named Administrator A] that I thought it should be lower.She [Administrator A] made the comment that she wanted us to use our time to get it off the books. There had been banked time because of Covid.nurses worked so many hours. RN K was asked where did the money in the bank account come from. RN K stated, It came from Medicare, Medicaid, private pay, insurances.was revenue from residents being in the facility.managed care.money that was collected and brought in.They [Administrator A, SW/Bookkeeper #1 and HR/Bookkeeper #2] took money from the account that could have been used for the facility, the residents, the staff to pay bills, so on and so forth. RN K told this surveyor that the SW/Bookkeeper #1 was going into the bookkeeping system and changing her rate of pay then going back in changing it back after the checks were printed. This surveyor attempted to reach HR/Bookkeeper #2 by telephone on 12/31/2025 2:59 PM and 3:01 PM. There was no answer, and a message was left requesting a return call. The HR/Bookkeeper #2 did not return the call. This surveyor attempted to reach SW/Bookkeeper #1 by telephone on 12/31/2025 at 3:02 PM. The message stated, The person you have dialed is not able to receive calls at this time. During a telephone interview on 1/8/2026 at beginning at 1:31 PM, the BOM said that she had worked at the facility since 11/3/2025 and was previously employed by the facility from 5/2014 to 10/2020, as the BOM and the Assistant Administrator. The BOM stated that she worked on accounts payable for the facility's checking account and the resident trust funds, and payroll was already outsourced when she was hired on 11/3/2025. The BOM was asked what money goes into the facility bank account and what payments come out of that account. The BOM stated, .it is funded with Medicare, Medicaid, private insurance, room rent, that's what it is funded by.All the payments that come out of the checking account are for utilities, services such as plumbing.payroll comes out, any accounts payable except for residents' money [residents' personal money is in the residents' Trust Fund]. The BOM was asked if something was needed for a resident's room, such as redoing their bathroom or adding a sink to their room, would that come out of that account. The BOM stated, Yes, ma'am, those would come out of the main account. The BOM stated that when she previously worked in the facility, she had access to the facility's checking account, she would write checks by hand to pay bills, print the invoices, and Administrator B would double check her. The BOM stated, He [Administrator B] and I were the only signing people on the checks. The BOM was asked was the cashing out of vacation and holiday time in place when she previously worked in the facility. The BOM stated, When I was here, if we ever let them cash out, [Named Administrator B] would have to approve it and no more than 3 days at a time [could be cashed out]. During an interview on 1/12/2026 at 9:57 AM, Administrator A stated she was promoted to Administrator on 7/1/2023. Administrator A stated employees had a lot of comp (compensatory) time built up from Covid that</p> <p>(continued on next page)</p>		

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445508	(X2) MULTIPLE CONSTRUCTION A. Building B. Wing	(X3) DATE SURVEY COMPLETED 01/20/2026
NAME OF PROVIDER OR SUPPLIER Obion County Nursing Home		STREET ADDRESS, CITY, STATE, ZIP CODE 1084 East County Home Road Union City, TN 38261	
For information on the nursing home's plan to correct this deficiency, please contact the nursing home or the state survey agency.			
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (Each deficiency must be preceded by full regulatory or LSC identifying information)		
<p>F 0835</p> <p>Level of Harm - Minimal harm or potential for actual harm</p> <p>Residents Affected - Few</p>	<p>accumulated on the books. This practice started in 2020 and was approximately 3 years of holidays and vacation time that employees could not take off. Administrator A was asked how she kept up with the employees' time that accumulated on the books. Administrator A stated, The girl who did the payroll [SW/Bookkeeper #1] kept up with it on a spreadsheet.they couldn't look it up, they would ask her, and she would give them the information .They would just request to cash out. We had a policy in place.put in before me.and we could cash out that time that we had banked up to 3 days a pay period. They would turn it in to [Named SW/Bookkeeper #1]. Administrator A stated that she took over the spreadsheet with the employees' listed time maybe 2 payrolls before she left because she was concerned whether it was kept up with correctly. Administrator A stated she identified some missing sick time and fixed that but other than that she did not identify any problems. Administrator A stated, .only had it for a very short time.She [SW/Bookkeeper #1] should have deducted it during the payroll and sometimes she put a note in there, but I didn't see that consistently done when I took it. Administrator A stated her responsibilities related to payroll were to look over the time and watch for overtime, mainly for nursing and Certified Nursing Assistant (CNA) staff. Administrator A confirmed that payroll was brought into the facility at the beginning of 2024 and stated, .discussed it with the board.decided because they had done the payroll before [in the facility] that was an extra expense we could absorb by doing it in house. Administrator A was asked what checks and balances she had in place to ensure accurate accounting and payroll of employees. Administrator A stated, I, well, we checked the payroll, [Named SW/Bookkeeper #1] checked it and you know I kind of watched the figures every payroll and I entered them into the general ledger, and I never saw a big change in them. Administrator A stated SW/Bookkeeper #1 and HR/Bookkeeper #2 had access to the facility's bank account and all three of them could sign the checks. Administrator A was asked about her last check stub from 2024 and how she could have \$15,821.92 paid out in holidays and \$9,675.04 paid out for vacation time. Administrator A stated, I honestly don't know. I trusted [Named SW/Bookkeeper #1] to keep up with all of this time we couldn't take off.I didn't pay attention and I know that was wrong on my part.I didn't look at my check stubs.I don't even know what I made an hour.after all this came about.I'm scared to even look at my check stubs now because I don't know what happened.I truly just trusted the people working under me, which was very bad oversight. Administrator A reported that the Chairman told her SW/Bookkeeper #1 and HR/Bookkeeper #2 they were paying themselves overtime. I had no idea. I didn't check their time because I watched them come in every day and I watched them leave. I didn't look at their time because I didn't think I had to. Administrator A was asked did SW/Bookkeeper #1 and HR/Bookkeeper #2 work overtime. Administrator A stated, No.that's the only thing I really knew happened, no, they weren't working overtime. During a telephone interview on 1/13/2026 4:43 PM, CPA F reported her firm conducted the audit at the facility which began at the end of September 2025. CPA F continued that they immediately noticed a significant increase in salaries in the line items on the trial balance. CPA F stated .kind of jumping off the page that primarily our.office people.or at least the three [Administrator A, SW/Bookkeeper #1 and HR/Bookkeeper #2], primarily are paid way more than we're expected to see them be paid.we kept seeing this item in [Named bookkeeping system] online, called cash out.holiday and sick and vacation cash outs.Her [Administrator A] response was that the previous director [Former Administrator C] had allowed them to cash out their accrued PTO [paid time off]/sick time.they have sick and vacation.because of Covid times where they really weren't allowed to take off a lot is what she said. So, we start looking for compensated absences balances. CPA F stated the auditors asked for a report that listed the employees' time that was banked and the facility didn't have anything like that, and the cash outs weren't isolated to the office staff but were</p> <p>(continued on next page)</p>		

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445508	(X2) MULTIPLE CONSTRUCTION A. Building B. Wing	(X3) DATE SURVEY COMPLETED 01/20/2026
NAME OF PROVIDER OR SUPPLIER Obion County Nursing Home		STREET ADDRESS, CITY, STATE, ZIP CODE 1084 East County Home Road Union City, TN 38261	
For information on the nursing home's plan to correct this deficiency, please contact the nursing home or the state survey agency.			
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (Each deficiency must be preceded by full regulatory or LSC identifying information)		
<p>F 0835</p> <p>Level of Harm - Minimal harm or potential for actual harm</p> <p>Residents Affected - Few</p>	<p>seen across the board. CPA F stated, .I start looking.is this even real.looking at somebody that's gotten paid three times their salary amount in the front office.got all of these payroll reports out of [Named bookkeeping system] online.what actually cleared their bank account.I do that for the entire year it actually cleared the bank.and hit these people's bank accounts.So at that point I contacted the [County] Mayor because it's a county owned nursing home.he would have leadership authority.He had me up there with the commissioner's and the nursing home board.he did everything by the book when he got wind of this.and dismissed them [Administrator A, SW/Bookkeeper #1 and HR/Bookkeeper #2] immediately.we were talking about several hundred thousand we had come up with just in that office staff.A lot of the payroll fraud that we think happened was really related to these cash outs.it was like once that.payroll clerk [SW/Bookkeeper #1] figured out that she could pretty well put whatever she wanted in those cash outs and nobody was having to approve those.she took so much cash out.if she had never taken one day of PTO or sick or vacation time, she would have still grossly overpaid herself.there's no way for her accrual to have been as high as she paid herself.we ran all kinds of scenarios to try to make what she did make sense but it just did not. CPA F stated Administrator A should have seen it (what the auditors identified with payroll system). CPA F confirmed the time period for the facility audit was 7/1/2024-6/1/2025. Refer to F837</p>		

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445508	(X2) MULTIPLE CONSTRUCTION A. Building B. Wing	(X3) DATE SURVEY COMPLETED 01/20/2026
NAME OF PROVIDER OR SUPPLIER Obion County Nursing Home		STREET ADDRESS, CITY, STATE, ZIP CODE 1084 East County Home Road Union City, TN 38261	
For information on the nursing home's plan to correct this deficiency, please contact the nursing home or the state survey agency.			
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (Each deficiency must be preceded by full regulatory or LSC identifying information)		
<p>F 0837</p> <p>Level of Harm - Minimal harm or potential for actual harm</p> <p>Residents Affected - Few</p>	<p>Establish a governing body that is legally responsible for establishing and implementing policies for managing and operating the facility and appoints a properly licensed administrator responsible for managing the facility.</p> <p>Based on facility policy review, Board of Examiners of Nursing Home Administrators (BENHA) review, Governing Board/Body Meeting minutes review, Certified Public Accounting (CPA) Firm documentation review, and facility email review, the Governing Board/Body failed to provide oversight and implement appropriate checks and balances to prevent financial mismanagement of the payroll system and the facility bank account into which payments, including Medicare, Medicaid, insurance, and private payments from residents were deposited. The Governing Board/Body failed to appoint an Administrator who was held accountable to responsibly manage the facility and the payroll system and communicate all aspects of the facility's financial operations to the Governing Board/Body. The failure of the Governing Board/Body to provide oversight of the Administrator, the facility's payroll system and the facility's bank account had the potential to affect all residents in the facility. The facility's census was 45. The findings include: 1. Review of the facility policy titled, Governing Body, dated 10/9/2025, revealed .The facility will have a governing body, or designated persons functioning as a governing body, that is legally responsible for establishing and implementing policies regarding the management and operation of the facility.The governing body will appoint an administrator who is.Responsible for the management of the facility.Reports to and is accountable to the governing body.The governing body will have a process in place by which the administrator.Reports to the governing body.Method of communication between administrator and governing body.How the administrator is held accountable and reports information about the facility's management and operation (i.e., audits, budgets, staffing supplies, etc [et cetera-indicates further similar items included]. The facility was unable to provide a Governing Body policy that was in effect prior to the policy dated 10/9/2025. 2. Review of the BENHA provided by the facility revealed the following: a. Administrator B became Administrator on 5/23/2005. b. Administrator C became Administrator on 4/1/2021. c. Administrator A became Administrator on 7/1/2023. 3. Review of the Governing Board/Body Minutes dated 1/22/2024, revealed the payroll system was brought back into the facility after being outsourced to an outside firm. The facility switched to (Named bookkeeping system) for payroll. Review of the Governing Board/Body Minutes dated 6/24/2024, revealed that the accounting firm who usually conducted their Fiscal Year Audit was no longer conducting long-term care audits and Administrator A reported she called other firms for bids. Review of the Governing Board/Body Minutes dated 7/29/2024, revealed Administrator A reported to the Board that they only received one audit bid from CPA Firm #3. Review of the Governing Board/Body Minutes dated 8/26/2024, revealed CPA D reported a profit of around \$98,000 for the fiscal year 2023-2024. Review of the Governing Board/Body Minutes dated 10/28/2024, revealed Administrator A and CPA D were absent from the meeting and financials were not reported. Review of the Governing Board/Body Minutes dated 11/25/2024, revealed CPA D informed the Board that the auditors (CPA Firm #3) were looking at writing off approximately \$165,000 from previous years dating back to 2015. Continued review revealed Administrator A requested a longevity pay bonus of \$50 per year worked for full-time employees and \$25 per year worked for part-time employees which was approved by the Board. Review of the Governing Board/Body Minutes dated 3/24/2025, revealed CPA D reported revenue was down due to a shortened month and a lower census, with a loss of around \$191,000. Review of the Governing Board/Body Minutes dated 5/27/2025, revealed CPA D reported a loss of around \$25,000 as of April 2025 for the fiscal year 2024-2025. Review of the Governing Board/Body Minutes dated 7/28/2025, revealed CPA D reported a profit of \$38,079 for the fiscal year 2024-2025. Review of the Governing Board/Body Minutes dated 10/27/2025, revealed .The board discussed the current payroll</p> <p>(continued on next page)</p>		

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445508	(X2) MULTIPLE CONSTRUCTION A. Building B. Wing	(X3) DATE SURVEY COMPLETED 01/20/2026
NAME OF PROVIDER OR SUPPLIER Obion County Nursing Home		STREET ADDRESS, CITY, STATE, ZIP CODE 1084 East County Home Road Union City, TN 38261	
For information on the nursing home's plan to correct this deficiency, please contact the nursing home or the state survey agency.			
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (Each deficiency must be preceded by full regulatory or LSC identifying information)		
<p>F 0837</p> <p>Level of Harm - Minimal harm or potential for actual harm</p> <p>Residents Affected - Few</p>	<p>process and presented that [Named CPA D], with [CPA Firm #1], take over payroll until further notice. The board discussed the current policy/personnel manuals, and it was noted that the 2009 manual was approved by the board in September of 2009 and the 2021 manual was approved by the board in September .[of] 2021. After review of meeting records, it appears the 2022 and 2023 manuals were never presented to the board for approval. Key personnel positions that are currently vacant in the office were discussed namely, Social Services, Human Resources and Business Office Manager. The board discussed hiring an Interim Administrator. Review of the Governing Board/Body Minutes dated 11/24/2025, revealed the current Administrator introduced himself to the Board and his role as Interim Administrator was established during the current period of transition for the facility. Continued review revealed CPA Firm #1's financial reports revealed both monthly and year-to-date figures reflected a profit and the current Administrator indicated the office staff were diligently working to clarify payables and receivables for the facility. 4. Review of a spreadsheet provided by CPA Firm #1 dated 1/1/2024 through 10/9/2025, revealed Administrator A, SW/Bookkeeper #1 and HR/Bookkeeper #2 cashed out a total of \$142,627.44 over the maximum benefit they were allowed according to facility policy, during the 19-month period. Review of CPA Firm #1's undated Analysis of the payroll register from [Named Bookkeeping Program], to the facility board revealed, CPA D reported to the Governing Board/Body that 3 employees were identified who far exceeded the window for payroll payouts since it was returned to the facility from a third-party company. CPA D recommended, .I recommend that the board review the prior auditors' accruals for vacation, holiday and sick leave. I recommend that the board interview the prior administrators to discern how much time during Covid did the facility not allow people to take vacations. 5. Review of an email from the current Administrator dated 1/20/2026 at 2:21 PM, revealed he was unable to find a Governing Policy prior to the policy dated 10/9/2025. 6. During an interview on 12/22/2025 at 11:26 AM, the Chairman of the Board/Governing Body (Chairman) said there were seven board members, the board met monthly on the 4th Monday of the month in the County Mayor's Office, and the facility Administrator attended board meetings along with an employee (the SW/Bookkeeper #1) who typed up the minutes. The Chairman was asked what the responsibilities of the Board/Governing Body are. The Chairman stated, Mainly policy making and review. do not participate in any day-to-day activity of the facility. the only employee we have is the Administrator. I see us as an oversight committee we do set policy and expect the Administrator to enforce it. The Chairman was asked what process was in place to ensure the facility was appropriately administered. The Chairman stated, Facts we had was what was furnished by the Administrator [Administrator A]. I was out here [at the facility] frequently, [but] not as much as the last month. I've always questioned the Administrator and I kind of know what to expect. been on the board at least 15 years, I have been Chairman since 2022, the end of Covid. [Named Administrator B] retired. with [Named Administrator C] things didn't go well. [Named Administrator A] expressed interest in being trained. [Administrator C] trained [Administrator A], we [the Governing Board/Body] hired her [Administrator A]. I saw some weakness. The Chairman said he was unsure the exact date payroll was brought back into the facility, but (Named Registered Nurse (RN) K) would provide that date. The Chairman stated, .I wasn't getting what I felt like we need as a board every month and we talked again and decided to hire a local accounting firm to be an oversight and look at all transactions during the month and prepare the monthly financials for us primarily and income statement and a balance sheet. we are a standalone [facility not owned by a corporation]. our county commission has expressed they will not fund us. We have an independent audit every year. This year [2025] [Named CPA Firm #2]. is who we awarded the contract to. she [CPA F] notified [Named CPA D], our accountant, first [of apparent salary discrepancies]. wanted to know what some</p> <p>(continued on next page)</p>		

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445508	(X2) MULTIPLE CONSTRUCTION A. Building B. Wing	(X3) DATE SURVEY COMPLETED 01/20/2026
NAME OF PROVIDER OR SUPPLIER Obion County Nursing Home		STREET ADDRESS, CITY, STATE, ZIP CODE 1084 East County Home Road Union City, TN 38261	
For information on the nursing home's plan to correct this deficiency, please contact the nursing home or the state survey agency.			
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (Each deficiency must be preceded by full regulatory or LSC identifying information)		
<p>F 0837</p> <p>Level of Harm - Minimal harm or potential for actual harm</p> <p>Residents Affected - Few</p>	<p>individual salaries were.[Named CPA D] didn't know.I don't know.I could tell you what salary of the Administrator was.she [CPA F] quoted some figures.we [the Governing Board/Body] checked.they [salaries] were not in line.she [CPA F] notified the mayor [County Mayor] and he notified me.we [Governing Board/Body] called an emergency meeting and voted to suspend those 3 individuals [Administrator A, the SW/Bookkeeper #1 and the HR/Bookkeeper #2] without pay and that's their status today.In our meeting the mayor and I were in agreement this needed to be a surprise swift removal. The Chairmen stated he was at the facility on Friday morning, 10/3/2025, and brought Administrator A to the County Mayor's Office, at which time the Vice-Chairman went to the facility with a Sheriff's Deputy and removed SW/Bookkeeper #1 and HR/Bookkeeper #2 from the facility without incident. The Chairman was asked to elaborate on the weakness he stated he saw in Administrator A. The Chairmen stated, More business administration.we're [Governing Board/Body] an oversight we're not in management.I had to watch and make sure I wasn't overstepping.that is oversight.if you see something that needs overseeing.I didn't think we were getting the financials we needed.we were still struggling with the software system.I think that's what [Named SW/Bookkeeper #1] was using [Named bookkeeping system] I know that's what we were using.we were trying to help [Named Administrator A] survive.you can't know everything about everything. The Chairman was asked how the conversation with Administrator A went (on 10/3/2025). The Chairman stated, She was totally surprised. She could answer some of the questions and said 'I need to check with [Named SW/Bookkeeper #1]' on some of them.we [Chairman and the County Mayor] stopped her.the mayor spoke up and said she is not there [Named HR/Bookkeeper #2 and SW/Bookkeeper #1] has been put out the building.that's when she [Administrator A] just melted.she answered some of their questions. The Chairman stated, .we don't [yet] know what affect it [the allegation of embezzlement from the payroll system] has on us. The Chairmen was asked about the communication process between the Governing Board/Body and Administrator A. The Chairmen stated the process wasn't as smooth as it was when Former Administrator B (Administrator prior to Administrator C and Administrator A) was there and the Board was concerned about the aging [accounts] and the increase in accounts receivable. The Chairman was asked did he think the lack of communication with Administrator A had anything to do with the alleged embezzlement. The Chairman stated, Not really, I think clean record keeping of comp [compensatory] time, vacation time, and sick time.keep in mind that all of this is alleged. We suspended them without pay on the results of the auditor [CPA F].until somebody tells us what they did and the amount they did, I think the suspension is the way to go. The Chairman was asked where did Administrator A, HR/Bookkeeper #2 and SW/Bookkeeper #1 take the money from. The Chairman stated, The bank account.Sometime during [Named Administrator C who was in that role prior to Administrator A]'s tenure he jobbed out payroll to a firm in [Named State] I think for \$70-90,000 a year. The Chairman stated the Governing Board/Body was not aware when Administrator C did this and that was part of the reason he was no long Administrator. The Chairmen stated, .when he left that's when [Named SW/Bookkeeper #1 and Administrator A] recommended it be brought back in house and that [Named SW/Bookkeeper #1] could do it.they never brought anything to our attention.and I asked questions, 'Are you having any trouble,' and she [Administrator A] said, 'Oh, no'.but I don't know what you do as a board member when you're told everything is okay. The Chairman stated SW/Bookkeeper #1 did payroll, paid the monthly bills and kept up with the facility staff's compensation time. The Chairman was stated HR/Bookkeeper #2, Administrator A, himself, and possibly the SW/Bookkeeper #1 had access to the facility's bank account. The Chairman was asked how Administrator A was held accountable for reporting the facility's management, operations, and finances. The Chairman stated, Usually in the monthly report. A lot of times with [Named Administrator A] it was verbal and not written. The Chairman reported</p> <p>(continued on next page)</p>		

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445508	(X2) MULTIPLE CONSTRUCTION A. Building B. Wing	(X3) DATE SURVEY COMPLETED 01/20/2026
NAME OF PROVIDER OR SUPPLIER Obion County Nursing Home		STREET ADDRESS, CITY, STATE, ZIP CODE 1084 East County Home Road Union City, TN 38261	
For information on the nursing home's plan to correct this deficiency, please contact the nursing home or the state survey agency.			
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (Each deficiency must be preceded by full regulatory or LSC identifying information)		
<p>F 0837</p> <p>Level of Harm - Minimal harm or potential for actual harm</p> <p>Residents Affected - Few</p>	<p>the Governing Board/Body was very trusting of Administrator A. The Chairman was asked would the money missing from the facility's bank account affect the residents. The Chairman stated, It does not affect their day-to-day health care or services we provide. In the long run, of course it will. The Chairman was asked should the Governing Board/Body have been aware of this alleged embezzlement of the payroll system. The Chairman stated, You second guess yourself all the time. [Named CPA D] said 'if I [CPA D] had taken over payroll earlier maybe this could have been prevented'.honestly, I thought I had asked the Administrator [Administrator A].there again I operated on the answers we got. The Chairman was asked did this situation change how you will provide oversight going forward. The Chairman stated, Oh, yes. This surveyor attempted to interview the Vice-Chairmen on 12/26/2025 at 12:33 PM. A message was left with a return number to call. The Vice-Chairman called back on 12/26/2025 at 12:56 PM and left a message for this surveyor to return his call. This surveyor attempted to call the Vice-Chairman on 12/26/2025 at 1:28 PM and 1:35 PM and reached his voicemail both times. A message was left with no return call. During a telephone interview on 12/26/2025 at 12:47 PM, Board Member G was asked what types of checks and balances were in place to prevent financial mismanagement of the facility. Board Member G stated, I would say maybe verification of 2 people [signature] checks, us looking at financial records, using audits.until this audit we had never seen any kind of misappropriation of funds.they [Administrator A, SW/Bookkeeper #1 and HR/Bookkeeper #2] never did present their salaries, we knew what they were supposed to be getting.I was hit pretty hard.I think [Named CPA D] was blind-sighted.it blew his mind.His role was to watch what we were spending our money on. He was going by what he was given.I look back and I can see the cause.when people get backed up in a corner.when [Named SW/Bookkeeper #1] had a house fire during Christmas time of last year.totally lost everything she had.we as individuals helped her out of pocket to get back on her feet, then [Named Administrator A] was having some issues with a [family member], physical and health wise.financially strapped on that.bingo there's a cause.a motive.She would bring us the financials in the sense of month to month where we were spending our money, didn't break down everybody's salary.expenses for cafeteria and maintenance, she broke all that down for us.day to day running, operation of things going on with an employee .she would bring us a check register, but not salaries of employees. During a telephone interview on 12/26/2025 at 1:56 PM, Board Member I explained the checks and balances the Governing Board/Body implemented to prevent financial mismanagement of the facility were the annual audit every year. Board Member I stated, .as far as the board having a lot of oversight, visibility.we didn't have a lot of visibility. Board Member I explained that Administrator A reported the total salaries at the board meetings. Board member I was asked per the Governing Body policy which stated the Governing Body will have a process in place by which the administrator is held accountable and reports information about the facility's management and operation (i.e., audits, budgets, staffing supplies, etc.), how did the Governing Body accomplish this with Administrator A. Board member I stated, I think that is where we kind of dropped the ball.I was never ever given a copy of the policy manual.was discovered through this, 2 or 3 different revisions of the policy manual floating around.[Administrator A] had changed some of the policies without board approval. Board Member I agreed it would be the Governing Body's expectation that policy changes would be brought before the Governing Board/Body for approval. During a telephone interview on 12/26/2025 at 2:30 PM, Board Member J stated, .I do feel responsible because I am on that board. But if we had known anything about it.when we got the spreadsheet every month, none of that was on there. We did have the salaries as a blanket and I do remember saying, 'the gross and net, we don't have a big margin,'. Board Member J was asked about the 2023 Personnel Handbook change. Board Member J stated, That's the big thing right there.they</p> <p>(continued on next page)</p>		

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445508	(X2) MULTIPLE CONSTRUCTION A. Building B. Wing	(X3) DATE SURVEY COMPLETED 01/20/2026
NAME OF PROVIDER OR SUPPLIER Obion County Nursing Home		STREET ADDRESS, CITY, STATE, ZIP CODE 1084 East County Home Road Union City, TN 38261	
For information on the nursing home's plan to correct this deficiency, please contact the nursing home or the state survey agency.			
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (Each deficiency must be preceded by full regulatory or LSC identifying information)		
F 0837 Level of Harm - Minimal harm or potential for actual harm Residents Affected - Few	[facility staff] kept pulling out policy's and the auditors had another policy they were given.was an HR [Human Resources] problem which became a money problem.you start giving people the option to cash in, they're going to do it.the way the [policy] wording was is just horrible. During a telephone interview on 12/26/2025 at 4:07 PM, Board Member G stated she was a member of the Governing Board/Body and had held that position for several years. Board Member G said Administrator A would tell what was going on with the facility and just report all of the salaries together. Board Member G denied that Administrator A, SW/Bookkeeper #1 and HR/Bookkeeper #2 ever reported to the Board that they were turning in hours worked at home. Board Member G stated she was completely blind sighted by the whole situation. During a telephone interview on 1/13/2026 4:43 PM, CPA F reported that during the facility audit for the fiscal year from 7/1/2024 through 6/30/2025, the auditors quickly identified significant increase in salaries for Administrator A, SW/Bookkeeper #1 and HR/Bookkeeper #2. Once the auditors verified this salary increase was actually real and had cleared the employees bank accounts, CPA F notified the County Mayor. CPA F stated she was brought before the County Commissioners and the Nursing Home Board (Governing Body). CPA F explained the three employees were suspended. CPA F was asked should the board have oversight to know what's going on with payroll. CPA F stated, Yes.of course they don't have to report budget, they have to have a budget.some of this is due to the cost report that they have to do.their line items, the way they had it broken down.we saw payroll go up \$400,000 dollars.as a board member unless you had.done the math, you would have just seen a moderate increase in compensated absences.it was kind of buried down in there, but at the end of the day should they have seen this, yes, absolutely one hundred percent they should have.Just like [Named Administrator A] should have seen it. During a telephone interview on 1/14/2026 at 8:18 AM, the Chairman was asked did the board review the prior auditors' accruals for vacation, holiday and sick leave as recommended by CPA D in his report. The Chairman stated, I don't think so, I may be wrong.he presented it to the board.there wasn't any discussion that I remember. The Chairman was asked did the board interview the prior Administrators to discern how much time during Covid the facility did not allow people to take vacations, as recommended by CPA D in his report. The Chairman stated, I'm not sure that the board has met, we met in November.we don't meet in December.Meet 4th Monday of January but I don't think we have discussed that letter from him. Refer to F835		