

(3) If the financial plan is inadequate to correct the current or impending financial condition which necessitated the financial plan; or

(4) If the provider fails to implement the plan.

(g) The provider shall submit to the Department an annual progress report for the term of its financial plan and shall revise its financial plan if the Department determines that revisions are necessary.

(H) THE DEPARTMENT MAY DETERMINE THAT THERE EXISTS A SIGNIFICANT RISK OF THE FINANCIAL FAILURE OF A PROVIDER BASED ON ONE OR MORE OF THE FOLLOWING FINDINGS OR CIRCUMSTANCES:

(1) THE PROVIDER HAS FAILED TO MEET LOAN COVENANTS THAT GIVE A LENDER OR A BOND TRUSTEE THE OPTION TO EXERCISE REMEDIES ON ITS COLLATERAL;

(2) AN ACTUARIAL REPORT HAS BEEN PROVIDED TO THE DEPARTMENT REFLECTING SIGNIFICANT UNDERFUNDING OF FUTURE LIABILITIES THAT ARE UNLIKELY TO BE READILY ADDRESSED;

(3) THERE IS A SIGNIFICANT SHORTFALL BY THE PROVIDER IN MAINTAINING REQUIRED RESERVES FOR A SIGNIFICANT PERIOD OF TIME;

(4) A SIGNIFICANT BALLOON PAYMENT OR FUTURE LOAN PAYMENT WILL BECOME DUE WITHIN THE NEXT 12 MONTHS AND THE PROVIDER IS UNABLE TO DEMONSTRATE THAT IT WILL OBTAIN A MODIFICATION FROM ITS LENDER, HAVE THE RESOURCES TO MAKE THE PAYMENT, OR HAVE THE ABILITY TO REFINANCE;

(5) THERE IS A SIGNIFICANT DECLINING OCCUPANCY LIKELY TO HAVE A MATERIAL ADVERSE FINANCIAL IMPACT;

(6) THERE HAS BEEN A MATERIAL ADVERSE CHANGE IN DEBT SERVICE COVERAGE RATIO FOR AN EXTENDED PERIOD OF TIME THAT REDUCES THE RATIO TO LESS THAN 1.0;

(7) THERE HAS BEEN A SIGNIFICANT DECLINE IN ~~DAYS~~ DAYS CASH ON HAND THAT IS UNRELATED TO ADDITIONS TO PROPERTY, PLANT, AND EQUIPMENT OR OTHER COMMUNITY ENHANCEMENTS AND THAT COULD RESULT IN AN INABILITY TO PAY OBLIGATIONS OF THE PROVIDER AS THEY BECOME DUE;

(8) THERE HAS BEEN A SIGNIFICANT INCREASE IN THE OPERATING RATIO, ADJUSTED FOR UNREALIZED GAINS AND LOSSES ON INVESTMENTS, THAT COULD RESULT IN THE INABILITY OF THE PROVIDER TO MEET ITS OBLIGATIONS; OR

(9) THE REFUSAL OR INABILITY OF THE PROVIDER TO PROVIDE ACCURATE INFORMATION OR DATA REQUIRED TO BE SUBMITTED TO THE DEPARTMENT UNDER THIS SUBTITLE AND RELATED REGULATIONS.