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# THE NOTICE

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Oklahoma State Department of Health

January 1, 2006

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## HEALTH RESOURCES DEVELOPMENT SERVICE REPORT

Certificate of Need, Workplace Medical Plan, Health Maintenance Organization and Independent Review Organization matters considered by the Health Resources Development Service are reported in The Notice. Your comments, evidence, and requests regarding these projects should be sent to the Oklahoma State Department of Health, Protective Health Services-0511, Health Resources Development Service, 1000 N. E. 10th, Oklahoma City, OK 73117-1299. The telephone number is (405) 271-6868.

### **I. Actions taken by the Oklahoma State Department of Health from December 1, 2005 to December 31, 2005 were as follows:**

#### **Certificate of Need Applications Approved:**

Colonial Lodge Care Center, McAlester, #05-095. Contact Person: Jeffrey Young, 405/624-2444. Purchase of 80 bed nursing center by The Oaks Healthcare Center – McAlester, LLC and subsequent lease by Black Diamond Investments II, LLC, both owned 33 1/3% by Johnathan G. Rhodes, 33 1/3% by Kelly D. Hardin, and 33 1/3% by Jeffrey W. Young. Cost: \$849,990 with \$240,000 annually for five (5) years Investigation transmitted 11/21/05. On 11/21/05 applicant requested extension decision to 12/9/05. On 11/21/05 Department transmitted letter agreeing to applicant filing response by 12/9/05 and decision by 12/23/05. Approved 12/22/05

Colonial Park Nursing Home, #05-115. Contact Person: Kelly Priegnitz, 949-255-7140. Acquisitions through merger with stock transfer by Sun Healthcare Group, Inc., a publicly traded corporation. Cost: \$163,527. Denied 11/15/05. Reconsideration hearing set for 12/05/05. Approved 12/5/05.

Forest Hills Health Care Center, #05-114. Contact Person: Kelly Priegnitz, 949-255-7140. Acquisitions through merger with stock transfer by Sun Healthcare Group, Inc., a publicly traded corporation. Cost: \$6,051,888. Denied 11/15/05. Reconsideration hearing set for 12/05/05. Approved 12/5/05.

Harrah Nursing Center, #05-117. Contact Person: Kelly Priegnitz, 949-255-7140. Acquisitions through merger with stock transfer by Sun Healthcare Group, Inc., a publicly traded corporation. Cost: \$200,427. Denied 11/15/05. Reconsideration hearing set for 12/05/05. Approved 12/5/05.

Lake Drive Home, Henryetta, #05-113. Contact Person: Kelly Priegnitz, 949-255-7140. Acquisitions through merger with stock transfer by Sun Healthcare Group, Inc., a publicly traded corporation. Cost: \$1,625,643. Denied 11/15/05. Reconsideration hearing set for 12/05/05. Approved 12/5/05.

The Mayfair, #05-119. Contact Person: Kelly Priegnitz, 949-255-7140. Acquisitions through merger with stock transfer by Sun Healthcare Group, Inc., a publicly traded corporation. Cost: \$3,918,352. Denied 11/15/05. Reconsideration hearing set for 12/05/05. Approved 12/5/05.

McLoud Nursing Center, #05-123. Contact Person: Jason Murray, 405-964-2961. Acquisitions through merger with stock transfer by Sun Healthcare Group, Inc., a publicly traded corporation. Cost: \$2,351,253. Denied 11/15/05. Reconsideration hearing set for 12/05/05. Approved 12/5/05.

Meeker Nursing Center, #05-118. Contact Person: Kelly Priegnitz, 949-255-7140. Acquisitions through merger with stock transfer by Sun Healthcare Group, Inc., a publicly traded corporation. Cost: \$158,047. Denied 11/15/05. Reconsideration hearing set for 12/05/05. Approved 12/5/05.

Pocola Nursing Center, Pocola, #05-098. Contact Person: Jack Atkinson, 405/330-1889. Acquisition by stock purchase of 90 bed nursing facility by Pocola Nursing Center, LLC, which is owned 100% by Chris Hensley. Cost: \$4000. Deadline for filing intent to participate is 11/10/05, and a decision is due 12/25/2005. Approved 1/5/06.

Rebold Manor, Okmulgee, #05-038. Contact Person: Michael DeYoung, 405/943-1144. Lease with acquisition of real property for 114 bed nursing facility by Rebold Manor, LLC, which is owned 99% by the Kenneth D. Greiner III Revocable Trust, Don Greiner, Trustee. Cost: \$273,600 annually for five (5) years. Deadline for filing intent to participate is 10/13/05, and a decision is due 11/28/05. Staff investigations of transmitted 11/28/05. Request for extension for the filing information in response to staff investigation by seven days. Request granted with decision deadline extension to 12/12/05. Approved 12/12/05.

Seminole Estates, #05-122. Contact Person: Gay Vaughn, 405-382-1127. Acquisitions through merger with stock transfer by Sun Healthcare Group, Inc., a publicly traded corporation. Cost: \$214,681. Denied 11/15/05. Reconsideration hearing set for 12/05/05. Approved 12/5/05.

South Park Health Care Center, #05-126. Contact Person: Marilyn Yeakley, 405-685-4791. Acquisitions through merger with stock transfer by Sun Healthcare Group, Inc., a publicly traded corporation. Cost: \$9,904,888. Denied 11/15/05. Reconsideration hearing set for 12/05/05. Approved 12/5/05.

Sweetbriar Nursing Center, #05-121. Contact Person: Lacey Meason, 405-933-1794. Acquisitions through merger with stock transfer by Sun Healthcare Group, Inc., a publicly traded corporation. Cost: \$418,681. Denied 11/15/05. Reconsideration hearing set for 12/05/05. Approved 12/5/05.

Wewoka Nursing Home, #05-120. Contact Person: Elizabeth Permetter, 405-257-3393. Acquisitions through merger with stock transfer by Sun Healthcare Group, Inc., a publicly traded corporation. Cost: \$156,798. Denied 11/15/05. Reconsideration hearing set for 12/05/05. Approved 12/5/05.

### **Certificate of Need Withdrawn/Denied/ Reconsideration:**

Colonial Park Care Center, #05-094. Contact person: Jeffrey Young, 405/624-2444. Purchase of 55 bed nursing center by The Oaks Healthcare Center – McAlester, LLC and subsequent lease by Black Diamond Investments II, LLC, both are owned 33-1/3% by Jonathan G. Rhodes, 33-1/2% by Kelly D. Hardin, and 33-1/3% by Jeffrey W. Young. Cost: \$849,990 with \$240,000 annually for five (5) years. Investigation transmitted 11/21/05 applicant requested extension decision to 12/19/05. On 11/21/05 applicant requested extension decision to 12/9/05. On 11/21/05 Department transmitted letter agreeing to applicant filing response by 12/9/05 and from decision by 12/23/05. Denied 12/23/05.

II. The following Certificate of Need applications are complete and ready for review under the Long Term Care Certificate of Need Act, Certificate of Need Hearing Rules, and the Psychiatric and Chemical Dependency Facility Certificate of Need Act. The reviews below rely on submission of written evidence and argument instead of public hearings.

Medford Nursing Home (Servant Living Center-Medford, LLC), #05-160. Contract Person: Scott Pilgrim, 405/285-8177. Acquisition thru lease agreement. Purchase with lease; 84- bed facility; cost: \$300,000; \$10,000 annual lease for 20 years. Deadline for filing intent to participate is 12/29/05. Decision is due 2/13/06.

### **III. Applications filed with the State Department of Health under the Certificate of Need Program but not determined complete as of December 1, 2005, and which may be scheduled for reviews at later dates are:**

Cleveland Manor Nursing Home, #05-173. Contact Person: Jack Atkinson, 405/330-1889. Purchase of 90 bed nursing facility by Dugan for Specialty Care of Cleveland. Cost: \$2,000,000.

Montereau in Warren Woods, #05-181. Contact Person: Jesse Sias, 918/491-5288. Exemption for licensed 10-bed expansion to facility. Cost \$980,000.

Southwestern Convalescent Manor, #05-159. Contact person: Donald B. McCaskill, 405/238-5528. Purchase of 59 bed nursing facility; cost: \$1,275,000.

Watonga Nursing & Rehabilitation #05-151. Contact Person: Jack Atkinson, 405/330-1189. Acquisition by lease Of 75 bed nursing facility by Crestridge, LLC, which is owned 50% by Sarah Sims and 50% by James Sims. Cost: \$36,000 annually for five (5) years.

**IV. Exemption Requests filed with the State Department of Health under House Bill 2723 for exemption of Certificate of Need review as of December 1, 2005 are:**

Country Manor, #05-154. Management exemption replacement/relocation. Due 11/9/05. Pending.  
Crystal Wood Village Total Care Center, #05-153. Management exemption agreement. Approved 10/31/05.  
Crystal Wood Village Total Care, #05-176. Exemption Stock Transfer 11/21/05. Pending.  
Drumright Nursing, Home, #05-164. Exemption request based on ownership change. Approved 12/21/05.  
Eastwood Manor, #05-165. Exemption request based on ownership change. Approved 12/21/05.  
Fairfax Manor, #05-161. Exemption request based on ownership change. Approved 12/21/05.  
French Quarters Health Care Facility, #05-155. Exemption replacement/relocation. Due 11/9/05. Pending  
Greenbrier Nursing Home #2, #05-175. Exemption request to change in ownership. Due 11/10/05. Pending  
Hayes House Nursing Home, #05-163. Exemption Request based on ownership change. Approved 12/21/05.  
Homestead Nursing Home, Tulsa, 05-156. Exemption request replacement/relocation. Pending.  
Hominy Nursing Home, #05-016. Stock transfer. Pending.  
Hominy Nursing Home, #05-162. Exemption request based on ownership change. Pending.  
McCalls Chapel School, Inc, #05-177. Relocation of 4 beds. Due 12/16/05. Pending.  
Miami Nursing Center, #05-166. Exemption request based on ownership change. Approved 12/21/05.  
Oakridge Nursing Home, #05-167. Exemption request based on ownership change. Approved 12/16/05.  
Okemah Care Center, #05-127. Real estate transaction. Pending.  
Okmulgee Terrace Nursing Home, #05-168. Exemption request based on ownership change. Approved 12/21/05.  
Osage Nursing Home, #05-169. Exemption request based on ownership change. Approved 12/21/05.  
Pawhuska Nursing Home, #05-170. Exemption request based on ownership change. Approved 12/21/05.  
Rolling Hills Care Center, #05-157. Exemption Stock transfer. Pending  
Skiatook Nursing Home, #05-172. Exemption request based on ownership change. Pending.  
Skyview Nursing Center, #05-174. Exemption stock transfer. Pending.  
Yale Nursing Home (CN #05-171) Exemption request based on ownership change. Approved 12/21/05.

The State Department of Health has an Internet page, which may be accessed at <http://www.health.state.ok.us>. Electronic copies of rules and certain forms and reports are available at that site. From the OSDH home page, click on the "Programs" icon, then scroll down to "Protective Health Services."