THE NOTICE

Oklahoma State Department of Health

September 1, 2006

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 August 1, 2006 to August 31, 2006 were as follows:

Certificate of Need Applications Approved:

Oklahoma Behavioral Health System, #05-178. Contact Person: Ms. Patricia Roberts, 405-552-2233. Establish 36-bed psych hospital. Approved 5/9/06.

Certificate of Need Withdrawn/Denied/ Reconsideration:

Pleasant Manor Nursing Home/Infinia at Sapulpa, #06-053. Contact Person: Ms. Julia Sergeant, 801/295-8000. Annual Lease and Operations Transfer Agreement of 42 bed nursing facility with a 3-year lease, plus 3-year renewal. Cost: \$170,500. Filed 7/21/06. Withdrawn 7/28/06.

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. Deadline for filing intent to participate is 2/23/06. Decision is due 4/9/06. Staff investigation transmitted on 4/7/96. Applicant requested extension of deadline to file materials for decision on 4/24/06 to provide a response to Staff Investigation Report. Department transmitted letter agreeing to filing of materials to 4/24/06 and decision by 05/08/06. Disapproved 5/8/06. Agreed Order of Settlement, Case No. HRDS-2006-114 dated 7/20/06. Fine paid 7/20/06. Considered eligible for CN approval. Approved 7/20/06.

Willow Haven/Infinia of Tonkawa, #06-052. Contact person: Ms. Julia Sergeant, 801/295-8000. Operations transfer agreement of a 49 bed nursing facility. Cost: \$450, 000. Filed 7/21/06. Withdrawn 07/28/06.

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.

Brookside Nursing Center, #06-023. Contact Person: Daniel Vaughn, 770-255-1819. Purchase agreement 140 bed nursing facility. Cost: \$6,865,688. Deadline for filing notice of intent to participate is 8/10/06. Decision due 9/25/06.

Central Oklahoma Christian Home, #06-021. Contact person: Ms. Elizabeth Tyrrell, 405/552-2217. Asset purchase agreement for a 148 beds nursing facility by Central Oklahoma Christian, LLC, N-Vest Skilled Nursing of Oklahoma, LLC and Portland Realty, LLC. This provides that Portland Realty, LLC will acquire the real property and N-Vest Skilled Nursing of Oklahoma, LLC will acquire the remaining assets. Cost: \$3,000,000. Comment deadline 8/24/06. Decision due 10/9/06.

Colonial Manor Nursing Home, #06-044. Contact person: Mrs. Carrie Burnsed, 405/232-8700. Purchase of 100-bed facility. Cost: \$500,000. Deadline for filling notice of intent to participate is 8/24/06. Decision due 10/9/06.

This publication is issued by the Oklahoma State Department of Health, as authorized by the Commissioner of Health. Copies have been deposited with the Publications Clearinghouse of the Department of Libraries. The Notice is only available on our website at http://www.health.state.ok.us/program/condiv/ap/index.html

Page 2

THE NOTICE

Community Care Center, #06-020. Contact Person: Jeff Butcher, 479-410-1740. Acquisition through sublease of 55-bed nursing home. Cost: \$350,000; \$122,400 annual lease for 8 years. Deadline for filing notice of intent to participate is 8/4/06. Decision due 9/13/06.

Four Seasons Nursing Center of Durant, #06-024. Contact Person: Mr. Daniel Vaughn, 770-255-1819. Purchase agreement for 122 bed nursing home. Cost: \$7,161,012. Deadline for filing notice of intent to participate is 8/10/06. Decision due 9/25/06.

Lake Country Nursing Center, #06-025. Contact Person: Mr. Daniel Vaughn, 770-255-1819. Acquisition through lease 69 beds for nursing home. Cost: \$451,358. Deadline for filing notice of intent to participate is 8/10/06. Decision due 9/25/06.

Mooreland Heritage Manor, #06-042. Contact Person: Mr. Sherman Honea, 479/636-8078. Purchase Agreement of a 62 bed nursing facility owned by City of Mooreland/Mooreland Public Works Authority. Cost: \$425,000. Deadline for filling notice of intent to participate is 8/24/06. Decision due 10/9/06.

Oakridge Nursing Center, #06-026. Contact Person: Mr. Daniel Vaughn, 770-255-1819. Purchase agreement 104 beds for nursing home. Cost: \$8,762,943. Deadline for filing notice of intent to participate is 8/10/06. Decision due 9/25/06.

Park Boulevard Care Center, #06-055. Contact Person: Ms. Carrie L. Burnsed, 405-232-8700. Purchase Agreement 2,270,000.00 paid over 20 years, 264,000 annual lease for 5 years. Deadline for filing notice of intent to participate 9/20/06. Decision due 10/6/06.

Plantation Village Nursing Center, #06-029. Contact Person: Mr. J. Michael DeYong, 405/943-6444. Purchase of a 100-bed nursing home facility by Altus Operations, LLC. Cost: \$6.5 million. Estimated annual lease \$372,000 for 5 years. Deadline for filing notice of intent to participate 7/31/06. Decision due 9/14/06.

Wagoner Community Hospital, #06-047. Contact person: Mr. Kenneth Hicks, 918/485-4515. Acquire through purchase a 60bed psych unit in Wagoner Community Hospital. Cost: Approximately \$1.5 Million. Deadline for filing notice of intent to participate is 8/24/06. Decision due 9/8/06.

III. Applications filed with the State Department of Health under the Certificate of Need Program, but not determined complete as of August 1, 2006, and which may be scheduled for reviews at later dates are:

Bixby Manor, #06-057. Contact Person: Scott Pilgrim, 405-285-8177. Purchase of 102 bed nursing facility with Subsequent Lease. Cost: \$2,000,000.00. Annual Lease \$210,000.00 for 20 Years. Filed 8/28/06.

Edwards Redeemer Nursing Center, #06-051, Contact Person: Laura L. Cross, 405-239-4300. Lease of 106 bed nursing facility. Cost: \$1,720,000, with \$264,000 a month lease for the next 5 years. Filed 7/18/06. Incomplete 7/8/1/06. Information due 11/6/06.

Geary Community Nursing Home, #06-054. Contact Person: Mr. Jack Atkinson, 405-330-1889. Facility Acquisition: Purchase of 67 bed nursing facility. Cost: \$220,000.00. Incomplete 8/11/06.

Parkland Manor Living Center, #06-056. Contact Person: Ms. Julie R. Justice 405-447-3911. Asset Purchase of 78 bed nursing Facility. Cost: \$1,801,956. Filed 8/9/06. Incomplete 8/26/06. Information due 11/22/06.

Sunset Estates of El Reno, #06-049. Contact Person: Dr. Rajesh Narula, 405/737-0881. Acquire through purchase of a 66 bed nursing facility. Cost: \$625,000. Filed 7/7/06. Incomplete 7/24/06. Information due 10/22/06.

Temple Manor Nursing Home #06-058. Contact Person: Ms. Nita R. Giles, 405-842-3800. Lease of 48 bed nursing facility. Cost: Annual lease \$573,110.00 for 10 years. Deadline for filing notice of intent to participate is 7/31/06. Decision due 9/14/06.

Tuttle Care Center, #06-059. Contact Person: Ms. Nita R. Giles, 405-842-3800. Lease of 52 bed nursing facility. Cost: Annual lease \$158,460.00 for 10 years. Filed 8/28/06.

Western Hills Care Center, #06-060. Contact Person: Ms. Nita R. Giles, 405-842-3800. Lease of 151 bed nursing facility. Cost: Annual lease \$381,744.00 for 10 years. Filed 8/28/06.

Page 3

THE NOTICE

Willow Park Care Center, #06-061. Contact Person: Ms. Nita R. Giles, 405-842-3800. Lease of 151 bed nursing facility. Cost: Annual lease \$457,380.00 for 10 years. Filed 8/28/06.

IV. Exemption Requests filed with the State Department of Health under 630.S.1-852.C for exemption of Certificate of Need review as of August 1, 2006 are:

Colonial Plaza Nursing Home, #06-019. Exemption new entity. with same stockholders. Approved 5/15/06 Gatesway Foundation Inc. III, #06-011. Exemption increase of beds, 5-bed expansion. Found incomplete on 2/16/06. Hominy Nursing Home, #05-016. Exemption stock transfer. Found incomplete 6/17/05. Hominy Nursing Home, #05-162. Exemption ownership change. Found incomplete on 11/18/05. Skiatook Nursing Home, #05-172. Exemption ownership change. Pending. Sunset Estates of El Reno, #06-048. Exemption management agreement. Approved 7/25/06. Wildwood Care Center, #06-017. Exemption stock transfer. Approved 5/15/06. Woodland Park Home, Inc., #06-018. Exemption stock transfer. Approved 5/15/06.

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."