

Health Facility Systems 1000 Northeast Tenth Street Oklahoma City, OK 73117-1299 Phone (405) 271-6868 Fax (405) 271-7360

THE NOTICE

March 1, 2009

Certificate of Need matters considered by Health Resources Development Service (HRDS) are reported in *The Notice*. Comments, evidence, and requests regarding these projects should be sent to the Department at the address and phone number above.

I. Actions taken by the Oklahoma State Department of Health from February 1, 2009, through February 28, 2009, were as follows:

Certificate of Need Applications Approved

Duncan Regional Hospital, #08-050. Contact person: Ms. Cindy Rauh, 580/251-8559. Establishment of a 12-bed inpatient geriatric psych unit within Duncan Regional Hospital. Cost: \$4,758,098. Filed: 11/8/08. Complete: 12/5/08. Deadline for filing notice of intent to participate ends: 1/1/09. Decision due: 2/15/09. Approved: 2/17/09.

Certificate of Need Withdrawn/Denied/Reconsideration

Quartz Mountain Care Center, #08-044. Contact person: Ms. Elizabeth Base, 405/447-3000. Lease of this 72-bed licensed nursing facility by Quartz Mountain Manor, L.L.C. The licensee is: Court Appointed Receiver, Jim Tacker, CJ 03-89. The Managing Member of Quartz Mountain Manor, L.L.C. is Elizabeth Base. Cost: \$500,000, with subsequent lease at annual lease of \$480,000 for 20 years. Filed: 10/16/08. Incomplete: 10/20/08. Additional information due: 1/20/09. The application was summarily dismissed as no response to the opportunity to respond was filed by 2/12/09.

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.

Brookhaven Hospital, #08-054. Contact person: Ms. Patricia Rogers, 405/235-9621. A 24-bed addition to the existing 40 bed licensed adult psychiatric hospital. Cost: \$1,823,900. Filed: 12/9/08. Incomplete: 12/11/08. Information due: 3/11/09. Complete: 2/19/09. Decision due: 5/4/09.

Lake Drive Home, #08-043. Contact person: Scott Pilgrim, 405/517-3820. Purchase of 60-bed licensed nursing facility by Lake Drive Holdings, LLC with a sublease to Lake Drive Cottages, LLC. The licensee is: Peak Medical Oklahoma Holdings-Lake Drive, Inc. Cost: \$625,000, at annual lease of \$120,000 and length of lease 20 years. The sole member and manager of Lake Drive Holdings, LLC and Lake Drive Cottages, LLC is Diakones Group, LLC, whose 99% member and manager is Scott Duane Pilgrim. Filed: 10/10/08. Complete: 12/29/08. Deadline for filing notice of intent to participate: 1/27/09. Decision due: 3/13/09.

Newkirk Nursing Center, #08-051. Contact person: Jeff Butcher. Purchase of this 43-bed licensed nursing facility by Newkirk Holdings, LLC. The licensee is: Newkirk Nursing Center, Inc. Cost: \$494,000. The

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persons with a controlling interest in Newkirk Holdings, LLC are Jeff Butcher and Chris Whitney, each owning 50% membership interest, and Jeff Butcher is the Managing Member. Filed: 11/24/08. Incomplete: 12/4/08. Information due: 3/8/09. Complete: 2/17/09. Deadline for filing notice of intent to participate: 3/19/09. Decision due: 4/30/09.

Pauls Valley Health Care Facility, #08-052. Contact person: Ms. Carrie C. Burnsed, 405/232-8700. Acquisition by sublease agreement between Woodlawn, L.L.C. and Pauls Valley Care Center, LLC. The licensee is: Woodlawn, L.L.C. Cost: annual lease of \$129,431.28 and length of lease 5 years, with option for three additional 5-year terms. The sole member of Pauls Valley Care Center, LLC is BK Strategies, LLC, whose sole member is Bart T. Reed. The managing member of Pauls Valley Care Center, LLC and BK Strategies, LLC is Bart Reed. Filed: 11/26/08. Incomplete: 12/11/08. Information due: 3/1/09. Additional information filed 1/16/09. Complete: 2/4/09. Deadline for filing notice of intent to participate: 3/2/09. Decision due: 4/16/09.

Pleasant Manor Nursing Home, #08-053. Contact person: Mr. Scott Pilgrim, 405/517-3820 or 800/237-7112. Facility acquisition by lease of this 142-bed licensed nursing facility by Sapulpa Holdings, LLC with a subsequent sub-lease to Arbor Village, LLC. The licensee is: Floyd Propps, d/b/a Propps Consulting, LLC, as receiver for Medi-Plex II Nursing Centers, Inc. Cost: \$0.00. Annual lease for 2008 is \$204,000; 2009 is \$210,000; 2010 is \$220,500; 2011 is \$231,600; 2012 is \$243,180, with 1.05 times the prior year's monthly rental for 2013 and thereafter. The sole member and manager of Sapulpa Holdings, LLC and Arbor Village, LLC is Diakones Group, LLC, whose 99% member and manager is Scott Duane Pilgrim. Filed: 12/1/08. Incomplete: 12/15/08. Additional Information due: 3/15/09. Complete: 2/4/09. Deadline for filing notice of intent to participate: 3/2/09. Decision due: 4/16/09.

III. Applications filed with the State Department of Health under the Certificate of Need Program, but not determined complete as of February 28, 2009, and which may be scheduled for reviews at later dates are:

Autumn Wood, #09-003. Contact person: Janice Shively, 918/341-7218. New 60-bed licensed nursing specialized facility for Alzheimer's residents. Cost: \$3,000,000. Filed: 2/12/09. Incomplete: 2/27/09. Information due: 5/27/09.

IV. Exemption Requests filed with the State Department of Health under 63 O.S. § 1-852(C) (D) for exemption of Certificate of Need review as of February 28, 2009 are:

Ada Retirement & Care Center, #09-001. Exemption – management agreement. Filed 1/15/09. Incomplete 1/21/09. Approved: 1/30/09

Cleveland Manor Nursing Home, #08-055. Exemption – stock transfer. Filed 12/11/08. Approved 12/12/08.

Country Club Care, #09-004. Exemption – stock transfer. Filed 2/25/09.

Grace Living Center-Altus, #09-002. Exemption – facility relocation. Filed 1/23/09. Incomplete 2/7/09.

Hominy Nursing Home, #05-016. Exemption – ownership change. Filed 1/26/05. Incomplete 6/17/05. Withdrawn 2/23/09.

Hominy Nursing Home, #05-162. Exemption – ownership change. Filed 11/3/05. Incomplete 11/18/05. Withdrawn 2/23/09.