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# THE notice

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Oklahoma State Department of Health

October 1, 1998

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## **CONTINUUM OF CARE AND ASSISTED LIVING ACT UPDATE**

As of July 1, 1998, Oklahoma law requires a new type of license to operate a continuum of care facility or an assisted living service. That law, named the Continuum of Care and Assisted Living Act, provides the following:

No person shall establish, operate or maintain a continuum of care facility or assisted living center, or use in its name, logo, contracts, or literature the phrase "continuum of care facility" or "assisted living", nor imply that it is a continuum of care facility or assisted living center, unless that person first obtains a license as required by the Continuum of Care and Assisted Living Act.' (Title 63, Oklahoma Statutes, 1997 Supp. § 1-890.6)

The Act gives an existing nursing facility or residential care home the opportunity to obtain a new license and expand its levels of services. An existing facility or home that does not offer "assisted living" or "continuum of care facility" services is not required to convert to one of the new licenses. The facility or home that chooses not to convert must continue to comply with the Nursing Home Care Act or the Residential Care Act, respectively. However, a nursing facility or residential care home cannot represent or advertise its services as "continuum of care facility" or "assisted living" services unless it has a continuum of care facility or assisted living center license.

Copies of the Act, the Continuum of Care and Assisted Living Rules, and application forms are available from Health Facility Systems. Questions may be mailed to the address shown in the masthead, faxed to (405) 271-3442, or telephoned to Ms. Leslie Elliott or Ms. Darlene Sardis at (405) 271-6868. Or, contact the Department's Internet site at <http://www.health.state.ok.us> and look for information on continuum of care and assisted living under Programs for Special Health Services.

## **HEALTH RESOURCES DEVELOPMENT SERVICE REPORT**

Certificate of Need, Workplace Medical Plan, and Health Maintenance 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, Special 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 24, 1998 to September 23, 1998 were as follows.**

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

Westminster Village, Ponca City, #98-051. Contact Person: Norma Vanman, 580/762-0927. Add ten beds for a total of 58 licensed nursing facility beds. Cost: \$10,000.00. Approved: 08/31/98.

Independence Manor, Shawnee, #98-046. Contact Person: Nita Giles, 405/810-8155. Lease this 100 bed licensed nursing facility by Rose Manor, LLC, which is owned 100% by Linda Praytor. Cost: \$261,600.00 annually for 5 years. Approved: 08/31/98.

<p>This publication is issued by the Oklahoma State Department of Health, as authorized by J.R. Nida, M.D., Commissioner of Health. 2,200 copies were printed and distributed at a cost of \$660.00. Copies have been deposited with the Publications Clearinghouse of the Department of Libraries. If you wish to be placed on the mailing list for The Notice or if you have a change of address, you may notify us by mail at the address shown above, by FAX at (405) 271-3442 to the Attention of Kay Determan, or by E-mail at <a href="mailto:KAYD@HEALTH.STATE.OK.US">KAYD@HEALTH.STATE.OK.US</a>.</p>
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University Village, Tulsa, #98-033. Contact Person: George Stovall, 918/299-2661. Operating Agreement for this 70 bed nursing facility. Cost: \$528,300.00. Approved: 09/27/98.

Thomas Nursing Center, Thomas, #98-047. Contact Person: Nita Giles, 405/810-8155. Lease this 60 bed licensed nursing facility by TLC Health Care, Inc., which is owned 100% by Rocky Lemon. Cost: \$192,000.00 for one year. Approved: 09/07/98.

**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. This list was prepared on September 23, 1998.**

Choctaw Living Center, Choctaw, #97-064. Contact Person: Nita Giles, 405/810-8155. Replace 110 bed licensed nursing facility. Cost: \$1,800,000.00. Applicant filed a request for a stay in this matter on 05/20/98, and stay was granted 05/21/98.

Arlington Manor, Inc., Lawton, #98-029. Contact Person: William Matthey, 580/357-3126. Relocate this 54 bed facility. Cost: \$1,600,000.00. Extension of decision due was requested and granted for 10/15/98.

Riverside Health Care Center I, Jenks, #98-049. Contact Person: Nita Giles, 405/810-8155. Lease of this 102 bed licensed nursing facility by Jenks Living Centers, LLC, which is owned by Don Greiner (75%) and Mike Diamond (25%). Cost: \$242,437.00 for one year. Applicant proposes to merge Riverside I & II into one licensed facility following the acquisition. Deadline for filing notices of intent to participate is 08/21/98, and a final decision is due 10/05/98.

Riverside Health Care Center II, Jenks, #98-049. Contact Person: Nita Giles, 405/810-8155. Lease of this 85 bed licensed nursing facility by Jenks Living Centers, LLC, which is owned by Don Greiner (75%) and Mike Diamond (25%). Cost: \$202,031.00 for one year. Applicant proposes to merge Riverside I & II into one licensed facility following the acquisition. Deadline for filing notices of intent to participate is 08/21/98, and a final decision is due 10/05/98.

Bryant Village Nursing Home, Okla. City, #98-052. Contact Person: Nita Giles, 405/810-8155. Purchase of this 59 licensed nursing facility by Mediplex Continuum of Care Nursing Home at Bryant Village, Inc., which is owned by Humberto Zamora (49.98%), J.R. Kendrick, Sr. (48.02%) and LeMon Henderson (2%). Cost: \$888,555.00. Deadline for filing notices of intent to participate is 09/09/98, and a final decision is due 10/26/98.

Wildewood Manor Health Care Center, Okla. City, #98-053. Contact Person: Nita Giles, 405/810-8155. Purchase of this 107 licensed nursing facility by Mediplex Continuum of Care Nursing Home at Wildewood Manor, Inc., which is owned by Humberto Zamora (49.98%), J.R. Kendrick, Sr. (48.02%) and LeMon Henderson (2%). Cost: \$1,611,445.00. Deadline for filing notices of intent to participate is 09/09/98, and a final decision is due 10/26/98.

Grand Place Nursing Home, Sayre, #98-054. Contact Person: Nita Giles, 405/810-8155. Lease this 101 bed licensed nursing facility by Progressive Grand, Inc., which is owned 100% by Thomas W. Graves. Cost: \$228,000.00 annually for 2 years. Deadline for filing notices of intent to participate is 09/09/98, and a final decision is due 10/28/98.

Nowata Nursing Center, Nowata, #98-055. Contact Person: Jason Bell, 918/646-8454. Stock transfer of this 65 bed licensed nursing facility. Cost: \$383,538.00. Deadline for filing notices of intent to participate is 10/08/98, and a final decision is due 11/23/98.

Oak Dale Manor, Sand Springs, #98-056. Contact Person: Nita Giles, 405/810-8155. Lease of this 213 bed licensed nursing facility by TLC Health Care, Inc., which is owned 100% by Rocky Lemon. Cost: \$509,070.00 for one year. Deadline for filing notices of intent to participate is 10/01/98, and a final decision is due 11/16/98.

Pioneer Estate, Chandler, #98-057. Contact Person: Philip Holmes, 405/521-1507. Purchase this 49 bed licensed nursing facility by Bradco, Inc., which is owned by Philip Holmes (50%) and Patricia Holmes (50%). Cost: \$500,000.00. Deadline for filing notices of intent to participate is 10/01/98, and a final decision is due 11/16/98.

Jefferson County Care Center, Waurika, #98-058. Contact Person: Nita Giles, 405/810-8155. Lease 83 bed licensed nursing facility by Westbrook Healthcare, Inc., which is owned by Tom C. Coble (25%), Don N. Jackson (25%), Jonathan McAlister (25%), and Bill Hix (25%). Cost: \$132,000.00 annually for 20 years. Deadline for filing notices of intent to participate is 10/08/98, and a final decision is due 11/23/98.

The Mayfair, Tulsa, #98-059. Contact Person: Nita Giles, 405/810-8155. Lease of this 176 bed licensed nursing facility by Peak Medical Oklahoma No. 5, Inc., which is owned 100% by Peak Medical Corporation. Cost: \$564,349.00 annually for one year. Deadline for filing notices of intent to participate is 10/15/98, and a final decision is due 11/30/98.

South Park Health Care Center, Okla. City, #98-060. Contact Person: Nita Giles, 405/810-8155. Lease of this 375 bed licensed nursing facility by Peak Medical Oklahoma No. 4, Inc., which is owned 100% by Peak Medical Corporation. Cost: \$1,092,000.00 annually for one year. Deadline for filing notices of intent to participate is 10/15/98, and a final decision is due 11/30/98.

Southern Oaks, Pawnee, #98-061. Contact Person: Nita Giles, 405/810-8155. Lease of this 82 bed licensed nursing facility by Peak Medical Oklahoma No. 3, Inc., which is owned 100% by Peak Medical Corporation. Cost: \$241,864.00 annually for one year. Deadline for filing notices of intent to participate is 10/15/98, and a final decision is due 11/30/98.

Forest Hills Health Care Center, Broken Arrow, #98-062. Contact Person: Nita Giles, 405/810-8155. Lease of this 159 bed licensed nursing facility by Peak Medical Oklahoma No. 2, Inc., which is owned 100% by Peak Medical Corporation. Cost: \$685,281.00 annually for one year. Deadline for filing notices of intent to participate is 10/15/98, and a final decision is due 11/30/98.

Grove Nursing Center, Grove, #98-063. Contact Person: Nita Giles, 405/810-8155. Lease of this 133 bed licensed nursing facility by Peak Medical Oklahoma No. 2, Inc., which is owned 100% by Peak Medical Corporation. Cost: \$487,087.00 annually for one year. Deadline for filing notices of intent to participate is 10/15/98, and a final decision is due 11/30/98.

Sweetbriar Nursing Center, Midwest City, #98-064. Contact Person: Nita Giles, 405/810-8155. Lease of this 187 bed licensed nursing facility by Peak Medical Oklahoma No.1, Inc., which is owned 100% by Peak Medical Corporation. Cost: \$540,600.00 annually for one year. Deadline for filing notices of intent to participate is 10/15/98, and a final decision is due 11/30/98.

The Gardens, Sapulpa, #98-065. Contact Person: Nita Giles, 405/810-8155. Lease of this 77 bed licensed nursing facility by Peak Medical Oklahoma No. 5, Inc., which is owned 100% by Peak Medical Corporation. Cost: \$382,951.00 annually for one year. Deadline for filing notices of intent to participate is 10/15/98, and a final decision is due 11/30/98.

The Lakes, Okla. City, #98-066. Contact Person: Nita Giles, 405/810-8155. Lease of this 110 bed licensed nursing facility by Peak Medical Oklahoma No. 3, Inc., which is owned 100% by Peak Medical Corporation. Cost: \$442,552.00 annually for one year. Deadline for filing notices of intent to participate is 10/15/98, and a final decision is due 11/30/98.

Green Country Care Center, Inc., Tulsa, #98-067. Contact Person: Nita Giles, 405/810-8155. Lease of this 114 bed licensed nursing facility by Peak Medical Oklahoma No. 5, Inc., which is owned 100% by Peak Medical Corporation. Cost: \$382,951.00 annually for one year. Deadline for filing notices of intent to participate is 10/15/98, and a final decision is due 11/30/98.

South Park East, Okla. City, #98-068. Contact Person: Nita Giles, 405/810-8155. Lease of this 47 bed licensed nursing facility by Peak Medical Oklahoma No. 5, Inc., which is owned 100% by Peak Medical Corporation. Cost: \$157,883.00 annually for one year. Deadline for filing notices of intent to participate is 10/15/98, and a final decision is due 11/30/98.

Rose Haven Health Care Center, Hugo, #98-070. Contact Person: Kelly Mitchell, 918/775-6200. Relocate this 44 bed licensed nursing facility. Cost: \$3,500,000.00. Deadline for filing notices of intent to participate is 10/08/98, and a final decision is due 11/23/98.

House of Hope, Inc., Grove, #98-048. Contact Person: George Pilkinton, 918/786-2930. Add 8 chemical dependency beds for a total of 20 beds. Cost: \$16,000.00. Deadline for filing notices of intent to participate is 10/22/98, and a final decision is due 12/07/98.

Tulsa Nursing Center, Tulsa, #98-069. Contact Person: Nita Giles, 405/810-8155. Lease of this 204 bed licensed nursing facility by Peak Medical Oklahoma No.25, Inc., which is owned 100% by Peak Medical Corporation. Cost: \$685,282.00 annually for one year. Deadline for filing notices of intent to participate is 10/15/98, and a final decision is due 11/30/98.

### **III. Applications filed with the State Department of Health under the Certificate of Need Program but not determined complete as of September 23, 1998, and which may be scheduled for reviews at later dates are:**

Heaven S'ent Mansion, El Reno, #98-071. Contact Person: Nell Lusty, 405/354-4834. Construct new 100 bed nursing facility. Cost: \$4,836,600.00. Application was found incomplete 09/21/98. Additional information is due by 12/04/98.

New Frontiers-Council Road, Okla. City, #98-072. Contact Person: Don Moore, 405/879-2254. New six bed facility for mentally retarded individuals located at 1301 N. Council Road by New Horizons, Inc., which is owned 100% by Donald R. Moore. Cost: \$130,000.00. Application was found incomplete 09/21/98. Additional information is due by 12/04/98.

### **IV. The following applications have been accepted under the Health Maintenance Organization Rules or the Rules for Certified Workplace Medical Plans.**

PacifiCare of Oklahoma, inc., HMO-98-006. Contact Person: Laura Brookins, 405/530-2254. Annual license renewal. Decision due 10/19/98.

Alliance HMO of Oklahoma, Inc., HMO-98-007. Contact Person: James Montford, 580/226-7222. Annual license renewal. Found incomplete 09/23/98; additional information due 10/23/98.

Concentra Managed Care, Inc., Oklahoma City, WMP-97-003. Contact Person: Christy Cunningham, 405/943-9709. Initial application to operate a workplace medical plan. Found incomplete 11/24/97, additional information filed 01/12/98 and 03/23/98.

GENEX Care for Oklahoma, Oklahoma City, WMP-96-004. Contact Person: Rae Hogan, 405/810-1200. Service area expansion. Found complete 06/08/98.

CRA Managed Care, Inc. dba Concentra, Oklahoma City, WMP-96-001. Contact Person: Martha Krivanek, 405/943-9709. Service area expansion. Found complete 06/01/98.

First Health Group Corp., Downers Grove, IL, WMP-96-08. Contact Person: Thomas J. Babbo, 630/241-7602. Service area expansion.

METRA COMP., Inc., Tampa, FL, WMP-96-009. Contact Person: Michael P. Read, 813/806-2151. Service area expansion.

**V. Critical Access Hospitals. The Health Care Financing Administration recently authorized the Oklahoma State Department of Health to start a Medicare Rural Hospital Flexibility Program. The Department may now designate rural nonprofit hospitals as Critical Access Hospitals.**

**A not-for-profit hospital with no more than 15 acute care beds that is located in a rural county and at least 35 miles from the nearest hospital may be certified as a critical access hospital. The hospital may have up to 10 additional swing beds, and the distance to the nearest hospital may be as low as 15 miles if the drive is by secondary roads. The critical access hospital can keep each patient no more than 96 hours. The critical access hospital may cut services and staffing to the point of closing the facility temporarily when no inpatients are present. An on-call emergency service must be provided. Critical access hospitals qualify for cost-based reimbursement, instead of payments based on Diagnosis Related Groupings (DRGs). In Oklahoma, the certified critical access hospital likely will be licensed as a rural primary care hospital.**

As of September 21, 1998, the following requests for designations as critical access hospitals have been filed with the State Health Department:

Lindsay Municipal Hospital, Lindsay.

## **NURSING AND SPECIALIZED FACILITY LICENSURE ACTION REPORT**

**Enforcement actions initiated against facilities licensed under the Nursing Home Care Act, the Residential Care Act, or Title 63 O.S. Article 7 (hospitals and related institutions) are reported below. This list does not include certification sanctions under the Medicare or Medicaid programs. Your questions regarding the status of enforcement actions, or scheduling of upcoming hearings, should be sent to this address: Oklahoma State Department of Health, Special Health Services-0511, Enforcement Hearing Clerk, 1000 Northeast Tenth, Oklahoma City, OK 73117-1299. The telephone number is (405) 271-6017. This list was prepared on September 23, 1998.**

Sparks Regional Medical Center, Home Health (SHS-HRI-98-03). The action against this home health care facility arose out of the Oklahoma State Department of Health's charges of failure to meet minimum standards. Petition dated May 14, 1998. Hearing held August 3, 1998. Settlement agreement entered 8/31/98.

Sunset Acres Retirement Center, (SHS-LTC-97-03). The action against this long term care facility arose out of the Oklahoma State Department of Health's charges of failure to meet minimum standards. Order to cease and desist was dated 4/28/97. Continued indefinitely.

Choctaw Living Center, (SHS-LTC-98-05). The action against this long term care facility arose out of the Oklahoma State Department of Health's charges of failure to meet minimum standards. Notice and Opportunity for Hearing dated 4/29/98. Hearing rescheduled for September 28, 1998.

**The State Department of Health has a Web page, which may be accessed at <http://www.health.state.ok.us>. Selected Certificate of Need laws, rules, forms and reports may be reviewed and copied from the department's Web pages.**

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**OKLAHOMA STATE DEPARTMENT OF HEALTH**

**Special Health Services - 0511**

**1000 NE 10<sup>th</sup> Street**

**Oklahoma City, OK 73117-1299**

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