
THE NOTICE

Oklahoma State Department of Health

August 1, 2001

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 June 24, 2001 to July 23, 2001 were as follows.

Certificate of Need Applications Approved:

Narconon Arrowhead, Canadian, #01-008. Contact Person: Michael St.Amand, 580/448-3904. Relocation of existing 105 beds from Newkirk to Arrowhead Lodge, Canadian, Oklahoma. The project involves a lease and the addition of 155 chemical dependency beds for a total of 230 chemical dependency treatment beds by Narconon of Oklahoma, Inc, a not-for-profit corporation. Cost:\$4,250,000.00 and an annual fee of \$360,000.00 for 30 years. Approved: 07/02/01.

Okemah Pioneer Nursing Home, Okemah, #01-004. Contact Person: Clifton Gooding, 405/948-1978. Lease of this 76 bed licensed nursing facility by Okemah Care Center, L.L.C., which is owned 100% by Alpha Care Properties, L.L.C., which is owned 100% by Doug Humphreys. Cost: \$63,000.00 annually for ten (10) years. Approved: 07/23/01

Certificate of Need Withdrawn/Denial/ Reconsideration:

The 89'er Guest House, Guthrie, #-00-035. Contact Person: Rick Cooper, 405/273-2282. Lease of this 100 bed licensed nursing facility by HIS Nursing Home Co. LLC IV, which is owned by Kenneth G. Harbeston & Joyce G. Harbeston, Trustees of the Harbeston Trust (7.5%); Galen Kirkland (7.5%); Jerry Scott (5%); Tim and/or Kym Tate (5%); Amy Fent (5%); Tamera Hennen (5%); Barbara Bess (3.75%); James & Cheryl Willis (1%); Brent & Sherry Todd (1%); Chester and/or Maureen Oliver, JT (2%); James Cooper, Jr. (4.25%); and Cooper Nursing Home Corp. (53%). Cost: \$140,165.88 annually for 5 years. Denied: 11/13/00. Request for reconsideration filed 11/27/00 and granted 12/06/00. Hearing rescheduled for 03/13/01 at the Oklahoma State Department of Health. Decision Pending.

Stratford Nursing Center, Stratford, #01-001. Contact Person: Randy Goodman, 405/737-8557. Lease of this 106 bed licensed nursing facility by Comprehensive Professional Services, L.L.C., which is owned by Shauna sue Morse (32%), Mildred Gail Chapa (31%), Sharon Rene Moore (31%), J. Calvin Johnson Revocable Trust (2%), Rod N. McKone (2%), and Shirley Johnson Living Trust (1.6%). Cost: \$86,625.50 annually for five (5) years. Denied: 05/21/01. Request for reconsideration filed 05/31/01 and granted 06/01/01. Hearing held 07/10/01 at the Oklahoma State Department of Health. The Department was ordered to withhold the issuance until the court has approved additional information requested.

Heritage Villa Nursing Center, Bartlesville, #01-002. Contact Person: Lisa McCusker, 413/448-2111. Lease of this 100 bed licensed nursing facility by Bartlesville Nursing Home Partnership which is owned by Fellowserve of Tyler, Inc. (50%) and New England Healthcare, Inc. (50%). Cost: \$50,000.00 annually for fifteen (15) years. Denied: 05/07/01. Request for reconsideration filed 5/11/01 and granted 5/16/01. Applicant withdrew reconsideration request 06/14/01. It was ordered that the denial of Certificate of Need application stands as denied 06/27/01.

Windlan Oaks Living Center, aka Frederick Nursing Center, Inc., Frederick, #001-003. Contact Person: Floyd Propps, 405/840-4220. Lease of this 110 bed licensed nursing facility by Cole Brothers, Inc., which is owned by Jay Cole and Gary Cole 50% each. Cost: \$108,000.00 annually for one (1) year. Disapproved: 06/18/01. Request for reconsideration filed 07/02/01 and granted 07/09/01. Information due from applicant by 07/24/01.

This publication is issued by the Oklahoma State Department of Health, as authorized by the 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. The Notice is now available on our website at www.health.state.ok.us. 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 KAYD@HEALTH.STATE.OK.US.

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Heritage Nursing Center, Muskogee, #01-005. Contact Person: Schuyler Montgomery, 918/683-9407. Purchase of this 119 bed licensed nursing facility by Healthcare Services Incorporated which is owned by Schuyler Montgomery (50%) and Tom Montgomery (50%). Cost: \$1,190,000.00. Denied: 6/25/01. Request for reconsideration filed 07/05/01 and granted 07/12/01. Pre-hearing conference is scheduled for 08/28/01 at the Oklahoma State Department of Health.

Sherwood Manor Inc., Tulsa, #01-009. Contact Person: James Stein, 501/410-1740. Purchase 102 bed licensed nursing facility by CPC-Sherwood Manor, Inc., which is owned by H. Gordon Bone 100% with subsequent management agreement by Stein & Associates, LLC, which is owned by James Stein (40%), Paul Stein (40%) and Randall Cartwright (20%). Cost: \$3,060,000.00. Disapproved: 07/25/01.

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 July 23, 2001.

Binger Nursing Home, Binger, #01-007. Contact Person: Robert Cole, 405/557-7800. Purchase of this 65 bed licensed nursing facility by S.M.K. of Binger, Inc., which is owned by Larry J. Sparks (30%), Pat Kates (30%), Justin Price (10%) and James H. Martin (30%). Cost: \$1,000,000.00. Deadline for filing notices of intent to participate is 06/21/01, and a final decision is due 08/06/01.

The Wolfe Living Center at Summit Ridge, Harrah, #01-010. Contact Person: Nita Giles, 405/224-0237. Lease this 44 bed licensed nursing facility by Eldercare Retirement Management, Inc., which is owned by Glen Hamel (51%) and Steve Vogel (49%). Cost: \$71,160.00 annually for five (5) years. Deadline for filing notices of intent to participate is 07/19/01, and a final decision is due 09/04/01.

Crystal Wood Village Total Care Center, fka Tender Heart of Woodward, Woodward, #01-012. Contact Person: Jack Atkinson, 405/330-1889. Acquisition thru termination of lease of this 70 bed licensed nursing facility to NH Investments II, Inc., which is owned by SpiritBank (38.58%), The Stock Exchange Bank (7.02%), Stroud National Bank (6.75%), First State Bank (2.13%), RCB Bank (19.29%), Quail Creek Bank (18.33%) and First National Bank (7.72%). Cost: \$2,150,000.00. Deadline for filing notices of intent to participate is 08/15/01, and a final decision is due 09/28/01.

III. Applications filed with the State Department of Health under the Certificate of Need Program but not determined complete as of July 23, 2001, and which may be scheduled for reviews at later dates are:

Washita Valley Living Center fka Tender Heart of Pauls Valley, Pauls Valley, #01-013. Purchase of this 109 bed licensed nursing facility by NH Investments II, Inc., which is owned by SpiritBank (38.58%), The Stock Exchange Bank (7.02%), Stroud National Bank (6.75%), First State Bank (2.13%), RCB Bank (19.29%), Quail Creek Bank (18.33%) and First National Bank (7.72%) with subsequent lease to Washita Valley Living Center, Inc. which is owned 100% by Jack Justice. Cost: \$2,550,000.00. Additional information requested and due by 09/03/01.

Inverness Village, Tulsa, #01-014. Contact Person: Gregory Frogge, 918/582-1211. Establish a new 44 bed licensed nursing facility to be part of a continuum of care facility located at 4000 W. 71st Street, Tulsa, by Asbury Services, Inc., a not-for-profit organization. Cost: \$4,186,025.00. Additional information requested and due by 10/08/01.

Cherokee Manor, Cherokee, #01-015. Contact Person: Nita Giles, 405/224-0237. Purchase this 54 bed licensed nursing facility by Lightning Creek Investment Group, Inc., which is owned by Douglas G. Maddux (33.33%); Sherman D. Honea (33.33%); and Johnny W. Krouse (33.33%). Cost: \$625,000.00. Additional information requested and due by 10/10/01.

IV. The following applications have been accepted under the Health Maintenance Organization Rules or the Rules for Certified Workplace Medical Plans or the Rules for Independent Review Organizations. Anyone desiring to participate in the review process or request a public hearing on a health maintenance organization application must file a written notice of intent to participate.

Humana Workers' Compensation Services, Inc. acquired by Protegrity Services, Inc., WMP-99-002. Contact Person: Kay Tyler, 502/580-3732. Initial application to operate a workplace medical plan. Found incomplete 08/22/00.

OneComp Health Systems, WMP-00-001. Contact Person: Karen Barzar, 972/887-0489, ext. 231. Initial application to operate a workplace medical plan. Found incomplete: 06/22/00.

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Healthcrest PPO, Inc. d/b/a CompWorks, WMP-01-001. Contact Person: Rose McDannold, 918/579-5005. Certificate renewal application. Application for renewal withdrawn: 07/01/01.

CorVel Corporation d/b/a CorVel Advocacy, WMP-01-002. Contact Person: Thomas Fondren, 405/848-3532. Certificate renewal application. Found incomplete: 04/01/01.

GENEX Services, Inc. d/b/a GENEX Care for Oklahoma, WMP-01-003. Contact Person: Polly McGraw, 610/964-5240. Certificate renewal application. Found complete: 07/23/01.

WorkNet, Inc. d/b/a WorkNet of Oklahoma, WMP-01-004. Contact Person: Christopher B. Lewis, 918/594-5288, Opt. #1. Certificate renewal application. Found complete: 07/23/01.

AmCare Health Plans of Oklahoma, HMO-01-006. Contact Person: Andria Stolhand, 918-610-5900. Annual license renewal. Deadline for filing notice of intent to participate is 07/16/01; and a final decision is due 08/13/01.

V. Critical Access Hospitals. The Health Care Financing Administration has authorized the Oklahoma State Department of Health to designate and survey rural nonprofit hospitals as Critical Access Hospitals.

As of July 23, 2001, the State Health Department has certified eighteen rural hospitals as Critical Access Hospitals (CAH). The hospitals are: 1. Anadarko Municipal Hospital, Anadarko, 2. Atoka Memorial Hospital, Atoka 3. Cimarron Memorial Hospital, Boise City 4. Drumright Memorial Hospital, Drumright 5. Healdton Municipal Hospital, Healdton 6. Jane Phillips Nowata Health Center, Nowata 7. Jefferson County Hospital, Waurika 8. Johnston Memorial Hospital, Tishomingo 9. Kingfisher Regional Hospital, Kingfisher 10. Lindsay Municipal Hospital, Lindsay 11. Mercy Health-Love County, Marietta 12. Pawhuska Memorial Hospital, Pawhuska 13. Prague Municipal Hospital, Prague 14. Roger Mills Memorial Hospital, Cheyenne 15. St. John Sapulpa, Sapulpa 16. Stroud Municipal Hospital, Stroud 17. Watonga Municipal Hospital, Watonga 18. Wetumka General Hospital, Wetumka.

Note: All the hospitals on this list have received approval for payment as a CAH from the HCFA Regional Office with the exception of Lindsay Municipal Hospital. The Lindsay Hospital opening is delayed until further notice.

OKLAHOMA STATE DEPARTMENT OF HEALTH 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) 271-5217. This list was prepared on July 23, 2001.

Anadarko Nursing Center, Inc., Anadarko, OK, and Binger Health Care, Inc., Binger, OK, (LTC-2000-14). The actions against these Nursing Home facility's arose out of the Oklahoma Department of Health's charges of violations of the Nursing Home Care Act, and Regulations for Licensure of Nursing and Specialized Facilities. Case Pending.

TLC Health Care, Inc., d/b/a Shawnee Colonial Estates Nursing Home and Rocky Lemon, Shawnee, OK, (LTC-2000-20). The action against this Nursing Home facility arose out of the Oklahoma Department of Health's charges of violations of the Nursing Home Care Act, and Regulations for Licensure of Nursing and Specialized Facilities. Decision appealed to Supreme Court. Case Pending.

Mid South Health, Inc, Atoka Colonial Manor Nursing Center (LTC 2001-08). Hearing scheduled for May 23, 2001 at 10:00 am, at the Oklahoma State Department of Health, 1000 N.E. 10th Street, Room 1102. Pending decision.

Gimmel Properties, Inc.. (LTC 2001-09). Hearing has been scheduled for April 6th, 2001 at 1:00 p.m., at the Oklahoma State Department of Health, 1000 N.E. 10th Street, Oklahoma City, OK., Room 307. The Judges decision is pending.

Barbara Savage d/b/a TLC, (LTC-2001-115). The action against this nursing home facility arose out of the Oklahoma Department of Health's charges of violations of the Nursing Home Care Act, and Regulations for Licensure of Nursing and Specialized Facilities. Hearing scheduled for August, 2, 2001 at 2:00 p.m., at the Oklahoma State Department of Health, 1000 N.E. 10th Street, Room 1102.

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Manor Care HS – Northwest (LTC-116). The action against this nursing home facility arose out of the Oklahoma Department of Health's charges of violations of the Nursing Home Care Act, and Regulations for Licensure of Nursing and Specialized Facilities. Motion to dismiss the appeal filed on June 19, 2001.

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.

OKLAHOMA STATE DEPARTMENT OF HEALTH

Special Health Services - 0511

1000 NE 10th Street

Oklahoma City, OK 73117-1299

Return Service Requested

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