

**REQUESTS TO APPROVE THE
ACQUISITIONS OF THE
OPERATIONS/BED RIGHTS OF:**

Western Maryland Facilities

**Cumberland Healthcare Center
Hagerstown Healthcare Center
Pleasant View Healthcare Center
Westminster Healthcare Center**

*** BEFORE THE
* MARYLAND HEALTH CARE
* COMMISSION
*
*
*

STAFF REPORT AND RECOMMENDATION

Table of Contents

I. INTRODUCTION	1
A. Applicants	1
B. Proposed Acquisitions	2
C. Facilities to be acquired-operations/bed rights	3
D. Procedural History	3
E. Comments by State Agencies	3
F. Comments By Public	3
II. REVIEW AND ANALYSIS OF ACQUISITION APPROVAL STANDARDS	4
ATTACHMENT A	15
ATTACHMENT B	16
Appendix 1	26
Appendix 2 Organizational Charts	27
Appendix 3	31

I. INTRODUCTION

As a result of 2024 legislation, the Executive Director of the Maryland Health Care Commission (MHCC or Commission) now has the authority to approve, approve with conditions, or deny nursing home acquisitions. Health-Gen. § 19-120.2. The Executive Director may also defer a decision on an acquisition request to the Commission. The Commission promulgated regulations in February 2025 incorporating the statutory requirements into its procedural regulations, at COMAR 10.24.01.21, and the State Health Plan chapter for nursing home services, COMAR 10.24.20. With nursing homes, different entities often own and control the real estate and improvements, operations, and bed rights¹ of the facility. An acquisition involving any component of a nursing home requires review.

The Executive Director deferred the decision on this acquisition request to the Commission.

This report is one of five reports covering a series of transactions involving the sale of the real estate, operations, and bed rights of all 18 nursing homes operated by CommuniCare Health Services in Maryland. CommuniCare is a privately held long-term care company that has been a major nursing home operator in Maryland for the past 10 years. The 18 facilities involved in this transaction span every region defined in the State Health Plan: Central Maryland (Anne Arundel, Howard and Baltimore Counties and Baltimore City), Southern Maryland (Prince George’s County), Montgomery County, Western Maryland (Carroll, Washington and Allegany Counties), and the Eastern Shore (Cecil and Wicomico Counties). The real property and bed rights for these facilities are largely owned by real estate investment trusts (REITs).

The majority of the proposed owners of these 18 facilities are owned by a variety of family trusts, however for the four facilities in Western Maryland, Jack Shelby will be the 100% owner. The set of acquisitions are divided into three groups based on the specific configuration of proposed owners involved and geographic location: Baltimore Metro, Potomac, and Western. The set of transactions reviewed in this staff report are the Western Maryland (Shelby) facilities and involve the sale of operations and bed rights for four nursing homes:

- Cumberland Healthcare Center (Allegany County)
- Hagerstown Healthcare Center (Washington County)
- Pleasant View Healthcare Center (Carroll County)
- Westminster Healthcare Center (Carroll County)

A. Applicants

The applicants of this request are facility-specific limited liability companies that are all ultimately owned by Jack Shelby. Jack Shelby is also the trustee that controls 80% of the trusts that will own the operations and bed rights of the Baltimore Metro and Potomac facilities. Full organizational charts for the four Western facilities are located at Appendix 2.

Applicant Contractors

¹ “Bed rights” are the legal rights associated with the Commission’s approval of nursing home beds, including the right to sell the beds to another person, but does not include approvals required by other State or federal entities.

After the acquisition of these facilities, the applicant will enter into an administrative services agreement with Health Consulting Services (HCS) for the operations of the facilities. Menachem Kosman and Moshe Pruzansky are the owners of HCS. Mr. Pruzansky and Mr. Kosman are also the managers of the holding company for the companies that owns each of the Potomac facilities. It is unclear whether they will also have a managing role in the holding companies for the Western facilities; however, given the connection between all the facilities, HCS is included in the quality review.

Precision Healthcare Services dba Dynamic Fiscal Services, LLC (Dynamic) provides consulting services to the applicants. The applicant states that Dynamic may or may not continue to be a consultant to the applicants after the transactions have closed; however, they will not have a role in ownership or management of these facilities. Robert Meisner and Michal Rodkin own Dynamic. Robert Meisner manages a limited liability company holding an indirect ownership interest in the real property applicants for the Baltimore Metro and Potomac facilities.

B. Proposed Acquisitions

The anticipated date of transfer is April 1, 2026. Separate entities will be acquiring the real property and improvements of the Western Maryland facilities. The organizational charts for the operations/bed rights are attached at Appendix 2. The real property purchasers submitted a request for exemption from the full acquisition review process. Under COMAR 10.24.20.06A(3), the Commission may exempt an acquisition from the full review process if the acquisition only involves changes of real property, provided that:

1. The real property purchaser does not have any overlapping ownership with the bed rights owner or operatorship of the nursing home;
2. The real property purchaser does not have any direct or indirect role in the operations or management of the nursing home; and
3. The bed rights owner provides the required notice and affidavit to the Commission.

The real property purchasers supplied the required notice, affidavit, and supporting documentation. There is no overlapping ownership between the proposed purchasers of real property and operations. In addition, staff reviewed the proposed lease agreement and determined that the agreement did not give the real property purchasers a material role in operations or management. The Executive Director granted an exemption.

The acquisition is structured so that the purchase price is allocated to the real property rather than the operations or bed rights. The purchase price for each facility is in Appendix 1. The applicants for the operations and bed rights included a letter from Benjamin Berger, CPA, demonstrating that the applicants have sufficient resources of five million for each facility to operate for 90 days. All facilities will take automatic assignment of the existing Medicare provider number.

C. Facilities to be acquired-operations/bed rights

Name	Beds	CMS rating	Medicaid %	Details
Cumberland Healthcare Center	134	2 stars	83.5%	Rural, on a campus with an Assisted Living
Hagerstown Healthcare Center	140	1 star	79.8%	Rural, very low occupancy
Pleasant View Healthcare Center	104	3 stars	86%	Rural, all quads
Westminster Healthcare Center	158	2 stars	78.1%	Rural, former SFF facility

A complete listing of ownership before and after is found in Appendix 3.

D. Procedural History

- Applications were received November 14, 2025
- Completeness questions were sent to the applicants December 16, 2025
- Acquisition notices to residents and staff were posted December 29, 2025. A copy of the notice for both operations and real property provided to residents, resident representatives, and employees of each facility was included in the applications. All applicants state that the notices were posted in prominent locations throughout the facility, hand delivered to residents and mailed to resident representatives. The applicants provided notice to the Commission when the notices were posted and accompanied each posting with an organizational chart of the new owners shown in Appendix 2 of this report.
- Completeness responses from the applicants were received on January 9, 2026

E. Comments by State Agencies

In accordance with regulations, a memo describing the transaction was sent to the Secretary of Health, the Attorney General, the Secretary of Aging, the State Long Term Care Ombudsman, and the Maryland Department of Health. No written comments were received.

F. Comments By Public

There were three written comments received by the public. A family member wanted to know if the acquisition would improve the care at the facility and included current concerns about care at the facility. Commission staff sent the concerns to the Office of Health Care Quality and followed up with the family. A second comment was a concern over whether the facility would still be enrolled in its Veterans contract for insurance. The applicants confirmed that they would continue to have the contract and Commission staff followed up with the family.

Lastly, the Commission received an anonymous comment that detailed multiple concerns about the transaction such as the lack of transparency of the applications and the proposed operator's history of quality performance. The comment is addressed in more detail in staff's public interest analysis.

II. REVIEW AND ANALYSIS OF ACQUISITION APPROVAL STANDARDS

10.24.20.06 SHP Nursing Homes Services: Acquisitions of Nursing Homes

A person seeking to acquire a nursing home shall meet the following acquisition approval standards.

(1) Quality.

An applicant shall meet the quality standard outlined in Regulation COMAR 10.24.20.05(A)(8): The applicant shall demonstrate that it will provide high quality of care, as determined by an assessment of the following information requested in(a)-(g).

- (a) An applicant shall report on its overall CMS Five Star Rating for all the nursing homes owned or operated by the applicant or a related or affiliated entity for three years or more, for the five quarterly refreshes for which CMS data is reported preceding the date of the applicant's letter of intent submission, or submission date for other Commission approval.**
 - (i) If the applicant or a related or affiliated entity owns or operates one or more nursing homes in Maryland, the CMS star ratings for Maryland facilities shall be used.**
 - (ii) If the applicant or a related or affiliated entity does not own or operate nursing homes in Maryland, the applicant shall select the state or states in which it owns the most facilities and the CMS star ratings for such facilities shall be used.**

Jack Shelby has had ownership interest in nine facilities in Texas and 23 in Florida within the last three years. Details on each of these facilities is included in Attachment B of the report.

HCS plans to provide administrative services and is owned by Mr. Kosman and Mr. Pruzansky. They also hold ownership interest in four facilities in Washington: Deanwood Rehabilitation and Wellness Center (1 star), Unique Rehabilitation and Health Center (3 stars), Serenity Rehabilitation and Health Center (3 stars) and Inspire Rehabilitation and Health Center (3 stars).

- (b) If any facilities identified under paragraph (a) has an average star rating below 3 stars, the applicant shall provide a detailed quality rating analysis demonstrating good cause for not meeting the CMS star rating threshold and that the applicant is likely to provide adequate quality of care in the nursing home subject to the request.**

Commission staff reviewed the Texas and Florida facilities in which Jack Shelby has an ownership interest. Overall, Mr. Shelby's Texas facilities hold an average CMS star rating of 3.73 stars. Of the nine Texas facilities owned by Mr. Shelby, three currently fall below the three-star average threshold: Palo Pinto Nursing Center (1.6), Whitehall Rehab and Nursing (2.2), and Park View Care Center (2.4). The applicants report that each facility has identified the causes of its lower rating and have implemented corrective measures to ensure continued improvement and quality of care. Palo Pinto had poor survey results because nursing staff lacked knowledge of their job duties. The facility will search for a new Director of Nursing (DON). Until a new DON is hired and trained regional nursing

and operations staff will cover the facility. Whitehall has had lapses in clinical oversight and care coordination that impacted resident outcomes. In response, the facility has implemented a detailed improvement plan emphasizing fall prevention, timely wound care, and medication review. Park View had a low star rating because of the lack of established systems, limited oversight, and deferred capital improvements under prior management. Since then, leadership has carried out extensive corrective actions, including replacing much of the staff and key department heads, implementing consistent training and monitoring processes, and completing critical facility upgrades to ensure regulatory compliance.

Of the 23 Florida facilities owned by Mr. Shelby, ten are rated below average. Four have a rating of one star (The Club Healthcare and Rehabilitation Center at the Villages, Sunset Lake Healthcare and Rehabilitation Center, North Beach Healthcare and Rehabilitation Center and Park Meadows Healthcare and Rehabilitation Center) and six have a rating of two stars (Rockledge Healthcare and Rehabilitation Center, Apollo Healthcare and Rehabilitation Center, Gardens Healthcare and Rehabilitation Center, Greenbrier Healthcare and Rehabilitation Center, Lexington Healthcare and Rehabilitation Center, and Lehigh Healthcare and Rehabilitation Center). The applicants report that each facility has identified the causes of its lower rating and have implemented corrective measures to ensure continued improvement and quality of care. The facility performance improvement plans include a focus on staffing, inspections, and quality measures.

Of the HCS facilities only Deanwood has an overall CMS star rating below three stars. Per the CMS care compare website, this facility has not had an annual survey since 2022 however the facility has had complaint surveys in 2024 and 2025. In 2024, Deanwood Rehabilitation and Wellness Center failed to provide appropriate treatment and care according to orders, residents' preferences and goals and ensure that the nursing home area is free from accident hazards. These citations were related to an outdated baseline care plan policy and a DNR form that was not signed by the social worker. In 2025, the facility failed to provide appropriate treatment and care according to orders, resident's preferences and goals, ensure that nurses and nurse aides have the appropriate competencies to care for every resident in a way that maximizes each resident's wellbeing and safeguard resident-identifiable information and/or maintain medical records on each resident that in accordance with accepted professional standards. All three of these harm tags were regarding a Trazadone medication error that the physician was not made aware of. Also in 2025 the facility received harm tags because it failed to honor the resident's right to a safe, clean, comfortable and homelike environment, including but not limited to receiving treatment and support for daily living safely. This citation was because of dust buildup in resident rooms, dirty privacy curtains, sticky floors, dirty trash bins, stained toilets, and flies in the facility. The facility submitted a plan of correction for each citation, which was reviewed and accepted.

(c) The applicant shall address whether any nursing home currently or previously owned by the applicant or a related or affiliated entity, within or outside the State, for the period of 3 years immediately preceding the submission of the letter of intent or request for other Commission approval was the subject of an enforcement action a special focus facility designation, or a deficiency involving serious or immediate

threat, actual harm, or immediate jeopardy to a resident. The applicant shall describe what measurable efforts it has taken to address the deficiencies.

As seen in Attachment B to this report, there were 13 Florida facilities and four Texas facilities owned by Jack Shelby that were the subject of an enforcement action, a special focus facility designation, or a deficiency involving serious or immediate threat, actual harm, or immediate jeopardy to a resident. The facilities created mandatory plans of corrections that focused on policy revisions, training, monitoring to ensure compliance and enhanced quality assurance programs.

(d) The applicant shall address whether any nursing home currently or previously owned by the applicant or a related or affiliated entity, within or outside the State, for the period of 3 years immediately preceding the submission of the letter of intent or request for other Commission approval was the subject of a lawsuit judgment or an arbitration finding, following a complaint filed by a resident, resident representative, or a government agency. The applicant shall provide an explanation of the circumstances surrounding the judgment or finding and subsequent actions taken.

None of the facilities that the applicants have an ownership interest in were the subject of a lawsuit.

(e) An applicant shall demonstrate appropriate infection prevention and control by providing the percent of residents receiving COVID, flu and pneumonia vaccinations, and the percent of staff receiving COVID, flu and pneumonia vaccinations at the nursing homes identified under (a).

Attachment B to the acquisition application reports the percentage of residents and staff receiving COVID, flu, and pneumonia vaccinations at each of the facilities listed under paragraph (a). Most of the facilities reporting on the flu vaccine had very high vaccination rates, usually 100%. The COVID vaccination percentages vary between 0% to 60%. The pneumonia vaccine is given to residents only not staff, but similar to the flu it also has a high rate of administration, usually 100%.

(f) If the applicant or a related or affiliated entity owns or operates or previously owned Maryland nursing homes, it shall report its rating of overall care and percent satisfied for the most recent three years on the MHCC Family Experience of Care Survey, reporting on any trends in the results. If the facility's average rating of overall care is below 7.0, the applicant shall document efforts to improve the facility's rating.

All applicants state that this question is not applicable. Neither the applicants nor any affiliated entity owns or operates Maryland nursing homes.

(g) Quality Assurance.

(i) An applicant shall demonstrate that it has an effective quality assurance program in each nursing home facility that is owned or operated by the applicant or a related or affiliated entity for the period of 3 years immediately preceding the submission of the request for other Commission approval

- (ii) **An applicant that has never owned or operated a nursing home shall provide documentation that demonstrates a thorough understanding of assessing quality assurance in a long-term care facility or related facility/program. Include any documentation of a prior assessment that reviewed quality metrics, a review of operations, and regulatory compliance and include any subsequent follow up in the form of actions taken, results, or improvement plans**

Applicants provided the dates of the quality assurance meetings in the Texas facilities owned by Jack Shelby located in Attachment B to the report. They also included one Florida facility, Bristol SNF in the report. Additionally, the applicants state that after acquisition they will enter into an administrative services agreement with Health Consulting Services who will oversee the implementation of all quality assurance policies at the facilities and attached sample quality assurance policies and procedures.

In response to a completeness question, the applicants provided Attachment S to the applications which document quality assurance improvements implemented at the Texas facilities where Jack Shelby has ownership interest. These facilities include Whitehall Rehab and Nursing, Advanced Rehabilitation and Healthcare of Bowie, Clyde Nursing Center, Crowell Nursing Center, Palo Pinto Nursing Center, Prairie House Living Center, Santa Fe Health and Rehabilitation Center, Seymour Rehabilitation and Healthcare, and Park View. Additionally, one Florida Facility, Bristol SNF was included. The applicants state that Jack Shelby no longer holds ownership interest in the other Florida facilities, so quality assurance plans could not be obtained. The applicants provided resolution agreements for the rest of the Florida facilities but it remained unclear whether or not there was still ownership interest.

Staff Analysis

Although the overall quality scores for Florida are slightly below average, Texas is slightly above and the two together average around the three star score (3.06 stars)². In comparison, the applicants past performance is slightly higher than the eighteen CommuniCare facilities which currently average 2.38 stars. The low star ratings of the CommuniCare facilities underscore the need for quality assurance plans to monitor quality improvements in these nursing homes. For these four facilities in the Western Maryland region the current average is 2 stars. In terms of the inspection results for the facilities in which Jack Shelby has ownership, the corrective action plans for all deficiencies provided reasonable plans on how the facility would improve its staffing, quality measures and monitoring; all corrective action plans were accepted by the State. Because Jack Shelby has divested in all but one of the Florida facilities, quality assurance plans were only obtained for one Florida facility, Bristol SNF. Although the applicants provided resolutions for the Florida facilities showing Mr. Shelby was no longer involved, not all of the resolutions had dates or signatures. Given the low quality of some of the CommuniCare facilities to be acquired, and the lack of quality assurance plans from many of the facilities in other states, Commission staff recommends a condition that is focused on quality improvement located in the Staff

² To control for variation among states that results from differences in practices, the star ratings are based on the ranked performance of facilities within a state. The star ratings are curved, wherein 5-star ratings are reserved for the 10 percent of nursing homes that received the highest score, and 1- star ratings are reserved for the 20 percent of nursing homes that scored the lowest. The remaining 70 percent of nursing homes are evenly assigned 2, 3, and 4 stars.

Recommendation section of this report

(2) Multi-bedded Rooms.

If the nursing home to be acquired contains any resident rooms with more than two beds, submit a detailed plan outlining how the applicant intends to eliminate the resident rooms containing more than two beds within 3 years of the acquisition approval.

Summary of Facility Submissions and Waiver Requests

There are four facilities in the Western Maryland region. All four facilities currently operate triple- or quad-occupancy rooms, or both. The applicants submitted a plan to eliminate all triples and quads at Cumberland Healthcare Center by moving nursing home beds to the assisted living on the same campus. Applicants have requested waivers of the requirement to fully eliminate all rooms with more than two beds for the three remaining facilities.

COMAR 10.24.20.06C(3) provides that the Executive Director may grant a waiver, partial waiver, or extension if the acquirer can demonstrate that the requirement to eliminate all resident rooms containing more than two beds would (1) impose significant financial loss; (2) unreasonably reduce the number of nursing home beds in the jurisdiction; or (3) impede access to underserved or difficult-to-place residents. In addition, the acquirer must demonstrate that it has taken, or will take, reasonable steps to reduce the room density, which may include limiting new admissions and reconfiguring room assignments to avoid assigning more than two residents to a room.

The applicants primarily examined whether reconfiguration of existing space would allow them to reduce the number of resident rooms containing more than two beds and requested waivers for the facilities for which such reconfiguration would not eliminate the multi-bedded rooms. In support of their waiver requests, the applicants submitted a letter from an architect. The architect states that he used a laser scan to identify opportunities for the reconfiguration of the bed rooms. The architect also states he consulted various applicable building codes and requirements and that facilities with older layouts including triple and quadruple beds in a room can be challenging to modernize because the current rooms are often deeper and arranged differently.

The applicants have not provided any analysis that would demonstrate alternatives, such as, reducing capacity, which could be done by selling the beds or moving the beds between facilities. In a revised letter, the architect states the strategy was to eliminate any triple rooms first to bring more rooms into compliance. Additionally, the architect letter gives the following caveat: “the proposed reconfigurations...represent highly aggressive strategies that push the absolute boundaries of each facility's footprint. Please be advised that these updated strategies are strictly preliminary and conceptual in nature.”

Staff have considered the waiver requests for each facility, including evidence and proposed plans submitted by the applicants, occupancy rates and capacity, Medicaid participation rates, quality ratings, and local occupancy rates. As further detailed below, Staff recommends denial for two facilities and a partial grant of the other waiver request subject to conditions.

Hagerstown Healthcare Center (140 current beds)

Request: The facility’s non-compliant capacity is 16 multi-bedded rooms, all sourced from triple rooms. The preliminary feasibility study by GutVann Architecture (Attachment G) indicates that Hagerstown can convert ancillary space to reconfigure six beds but cannot eliminate all non-compliant capacity. The applicants state that the facility has a substance use disorder program which includes a psychiatric nurse practitioner and support groups through a contract with Brighter Days.

Number of remaining multi-bedded rooms: 10 rooms (30 beds)

Analysis: The occupancy rate for this facility is very low—below 50%. When staff requested verification from the applicants, they reported that the facility is only using 102 beds at the facility. The Commission has no record of the facility seeking a temporary delicensure of beds and has concerns as to why the applicants are seeking a waiver when 27% of the facility’s capacity is not being used. This facility has a significantly lower occupancy rate than the county average, and very low star rating, indicating significant safety and quality concerns.

Recommendation: Commission staff recommends denial of this waiver.

Current Multi-Bed Configuration

	Private	Semi	Triple	Quad	Multi-bed Total
Beds	1	94	48	0	48
Bedrooms	1	47	16	0	16

Applicants’ Proposed Adjusted Multi-Bed Configuration

	Private	Semi	Triple	Quad	Multi-bed Total
Beds	1	112	30	0	30
Bedrooms	1	56	10	0	10

Facility Data

Occupancy	48.53%
Average Occupancy in jurisdiction	74.4% Washington County
Medicaid participation rate	79.8%, threshold is 46.7% in Washington County
CMS star rating, abuse flag	1 star

Pleasant View Healthcare Center (104 current beds)

Request: All 104 beds at this facility are located in rooms containing four beds. The feasibility study indicates that Pleasant View cannot convert any quad rooms and that construction solutions are infeasible. The applicants state that all 26 non-compliant bedrooms require a waiver.

Number of remaining multi-bedded rooms: 26 rooms (104 beds)

Analysis: The proposed plan leaves all 26 non-compliant rooms unchanged, with only quad bedrooms available to residents. The facility has lower occupancy rates than the county average. This facility is just over 100 beds, which is roughly the average nursing home size and reductions may cause financial hardship, although this is not indicated in the waiver application. In addition, the facility currently serves a very high Medicaid population (86%). Given the current occupancy rate in Carroll County, a large reduction of capacity could impact access to post-acute care for low-income seniors in the county. However, staff thinks the facility could convert 6 quads to semi-private without jeopardizing access. This could result in the elimination of 12 beds, which would result in raising the occupancy to 90%.

Recommendation: Commission staff recommends a partial waiver, requiring conversion of 6 quad rooms to semi-private, subject to the following conditions:

1. The facility must maintain 80% Medicaid participation rate.
2. The facility must continue to serve its existing resident populations, including those with complex needs, in-house dialysis, behavioral health and individuals with substance use disorders.

Current Multi-Bed Configuration

	Private	Semi	Triple	Quad	Multi-bed Total
Beds	0	0	0	104	104
Bedrooms	0	0	0	26	26

Applicants’ Proposed Adjusted Multi-Bed Configuration

No changes

Facility Data

Occupancy	74.43%
Average Occupancy in jurisdiction	80.7% Carroll County
Medicaid participation rate	86%, threshold is 50.5% in Carroll County
CMS star rating, abuse flag	3 stars

Westminster Healthcare Center (158 beds)

Request: The facility’s non-compliant capacity is 30 multi-bedded rooms, sourced from four quad rooms (16 beds) and 26 triple rooms (78 beds). The feasibility study indicates that Westminster’s unit layout significantly limits opportunities for reconfiguration; however existing ancillary space can accommodate 12 beds. The letter also states that structural limitations prevent further reductions. They seek a waiver to maintain 22 triple bedded rooms.

Number of remaining multi-bedded rooms: 22 rooms (66 beds)

Analysis: The proposed plan leaves 22 rooms out of compliance but eliminates all quad bedrooms. The facility claims financial distress, providing balance sheets and profit loss statements.³ This facility has a

³ Losses 2023 (508K), 2024 (936K) and, 2025 (654K)

relatively high Medicaid use rate but significantly lower occupancy rate than the local area average, and low star rating with an abuse flag, indicating significant safety and quality concerns. The current configuration of beds and multi-bed rooms may contribute to low quality scores. Removing 30 beds would raise the occupancy to 90 % so Commission staff does not think there would be an access issue to eliminate all multi-bedded rooms. The applicant can always seek a waiver if occupancy levels change post-acquisition.

Recommendation: Commission staff recommends denial.

Current Multi-Bed Configuration

	Private	Semi	Triple	Quad	Multi-bed Total
Beds	8	56	78	16	94
Bedrooms	8	28	26	4	30

Applicants' Proposed Adjusted Multi-Bed Configuration

	Private	Semi	Triple	Quad	Multi-bed Total
Beds	8	84	66	0	66
Bedrooms	8	42	22	0	22

Facility Data

Occupancy	70.53%
Average Occupancy in jurisdiction	80.7% Carroll County
Medicaid participation rate	78.1%, threshold is 50.5% in Carroll County
CMS star rating, abuse flag	2 stars, abuse flag

Staff Analysis

All of the facilities in the Western Maryland Region are located in counties designated as rural by the Maryland State Office of Rural Health. The proposed plan denies two requests for waivers for Hagerstown Healthcare Center and Westminster Healthcare Center. Both of these facilities are low quality and low occupancy. Over the course of the next three years if the facilities increase in occupancy they can come back to the Commission with a revised waiver request. The plan also recommends a partial waiver for Pleasant View, an all quad facility with an average rating.

(3) Medicaid Participation.

Except for nursing home beds contained in a continuing care requirement community exempt from CON regulation under § 19-114(d)(2)(ii) of the Health-General Article, an applicant for acquisition approval shall agree to serve and maintain a proportion of Medicaid days at the acquired facility that is at least equal to the proportion of Medicaid days in all other nursing homes in the jurisdiction or region, whichever is lower, calculated in accordance with COMAR 10.24.20.05A(2)(b).

The link to this information is: https://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs_ltc/hcfs_ltc.aspx

Staff Analysis

Each of the CommuniCare facilities currently maintains a Medicaid percentage rate that meets or exceeds the threshold for either county or HPR whichever is less. Access to Medicaid beds are essential to care for the vulnerable populations in nursing homes, providing financial support, skilled nursing services, and supporting both residents and families with dignity. The applicants agree to maintain the same compliance with Medicaid thresholds after the acquisitions. As part of the acquisition process the applicants will continue to submit Medicaid utilization data to the Commission for the next three years.

(4) Public Interest.⁴

An applicant shall demonstrate the proposed acquisition is in the public interest and will benefit residents, employees and the community.

The applicants submitted plans describing commitments to quality care, employee stability, and community engagement. They state that they will stabilize and upgrade facility assets to preserve an essential community resource. The facilities maintain high occupancy and serve a high proportion of Medicaid residents.

The applicants commit to providing equitable, high-quality care to all residents, regardless of race, ethnicity, disability, sexual orientation, gender, socioeconomic status, geography, language, or other factors affecting access and outcomes. To support quality care, the applicants executed administrative services contracts with Health Consulting Services, which will develop and oversee facility policies. (Application, Attachment F). The applicants also plan on facility renovations to improve the resident environment.

To support workforce stability, the applicants intend to retain 100% of non-management frontline staff. They also do not plan to replace Administrators or Directors of Nursing; if leadership changes occur, management will ensure appropriate new leadership training and licensure compliance. The applicants will provide ongoing staff training and professional development. The proposed acquiring entities notified current staff via FAQs that it does not plan to reduce wages or benefits and will honor seniority.

The applicant provided multiple letters of community support for HCS, the administrative services company the applicants propose to hire, from residents, families, physicians and other facilities that they have linkages with. The applicants state that the facilities will continue existing community engagement activities such as needs assessments to identify specific health care needs and challenges faced by the target population, as well as collaboration with local organizations, community leaders, and local hospitals to gain insight into the needs and preferences of the community. The applicants do not anticipate adverse effects on other community providers, as the transactions will not change the number of licensed beds.

Staffing and hospital readmissions are important measures to consider when evaluating whether a new operator will provide quality and accessible services. Jack Shelby has current ownership interest in nine

⁴ “Public interest” means the interests of the public in protecting competitive and accessible health care markets for prices, quality, choice, accessibility, and availability of all health care services for local communities, regions, or the State as a whole.

nursing homes in Texas and one in Florida. The applicant supplied the total nursing home hours per patient per day (HPPD) from 2019- 2025 in these facilities. (Completeness, Attachment P). The data shows that after Jack Shelby acquired the Texas facilities, the total nursing staff hours increased in all nine facilities. Even though, Shelby's Texas' facilities increased their numbers, their 2025 average of all the facilities is 3.50, which is lower than the 2025 national average of 3.97. The applicants note that they face ongoing issues with post-COVID staffing shortages and increased resident acuity.

In Attachment Q, the applicants provided four tables assessing hospital admissions and readmissions. First the rates of potentially preventable hospital readmissions within 30 days increased nationally from 7.67 in 2021 to 10.72 in 2025. Among the Jack Shelby facilities, eight of 32 (25%) performed below the national average (lower numbers are better for this measure). Secondly, for short-stay resident rehospitalizations, 13 of 32 facilities (41%) performed below the 2025 national average of 23.7 percent (lower numbers are better for this measure). For outpatient emergency department visits among short-stay residents, 20 of 32 facilities (63%) performed below the national average of 12 percent (lower numbers are better for this measure). Lastly, for hospitalizations per 1,000 long-stay resident days, performance was evenly split, with 16 facilities above and 16 below the national average of 1.9 (lower values indicate better performance for this measure).

Staff Analysis

In this standard the applicants discuss how the proposed acquisitions will be in the public interest and the positive impacts on quality care, employee stability, and community engagement. During the acquisition review the applicants distributed FAQs to the employees and provided dates for meeting with staff. Additionally, the Commission received two comments in writing from family members of residents. One questioned whether the Veterans insurance contract would remain in place, a second comment stated that if the care improved he was for the acquisition and if it declined he was against it. Commission staff followed up with both families. Lastly, the Commission received an anonymous comment that detailed concerns about the transaction such as the lack of transparency of the applications and the proposed operator's history of quality performance.

There is a significant overlap in interests between the operations, real property, and proposed vendors for the Baltimore Metro and Potomac facilities. While there appears to be greater separation between the parties for the Western facilities, Mr. Shelby has a significant connection to all 18 facilities involved in this transaction, and staff remains concerned about overlapping interests between the various individuals and entities involved. For example, applicants submitted multiple letters of support for HCS but will only be providing administrative services and it is unclear what relationship HCS has with the owners. The details of this transaction have changed multiple times during this review. Even if there is not overlapping interests at this time, there could be overlap in the future depending on whom the facilities contract for services. An overlap of interests between operations, real estate, and/or contractors creates incentives to overpay fees to consultants or overpay in rent, devoting less resources to patient care. Staff recommend a condition requiring regular reporting around the financial interests of overlapping parties for transparency.

III. STAFF RECOMMENDATION

Based on its review of the proposed applications, staff conclude that, subject to the recommended conditions below, the project complies with the acquisition standards in the State Health Plan, COMAR 10.24.20.06. Staff also conclude that the acquisition meets the applicable standards and is expected to have a positive impact.

In addition to the conditions recommended for specific facility that received a partial waiver of the requirement to eliminate resident rooms containing more than two beds, Commission staff recommend the following conditions on acquisition approval:

1. Within 90 days of the contract execution, applicants must submit a Quality Improvement Plan for the Commission staff's approval that is consistent with the CMS Quality Assurance and Performance Improvement (QAPI) plan for each acquired facility in collaboration with the real property owners. The Plans must include actions to eliminate documented harm tags and a detailed budget of planned quality improvement investments. If a facility has an overall rating below three (3) stars in the CMS Nursing Home Compare rating system, the plan must include measurable performance improvement goals to raise quality scores and associated quality metrics to an overall rating of 3 stars.
 - a. Each facility's plan, budget, and updates shall be single, consolidated submissions by the operations-acquiring entity. Commission staff will review the submitted Plans and budget and may recommend revisions prior to approval.
 - b. Applicants shall submit status updates on the Plan, including current expenditures on quality improvement, to the Commission every six months for the next three years, which the Commission may make public, in whole or in part.
 - c. The facility shall make demonstrable progress towards quality improvement to satisfy the terms of this condition.
2. Within 90 days of contract execution, applicants and affiliated entities must disclose any individuals that have a financial stake or managerial authority in both the applicant and any company that contracts with an acquired facility. Each disclosure shall identify: the name of the contracting entity, the services provided and associated fees, the individuals holding the financial interest and the value of the interest. If the payment for a specific contracted service exceeds fair market value, or upon the Commission's request, applicants must provide the Commission with an adequate justification for the payment. Applicants shall update this information on an annual basis as part of the post-acquisition report required by COMAR 10.24.20.06C(1).
3. If the applicant fails to meet any conditions on bed waiver approvals or conditions of the acquisition, the applicant may be subject to fines, penalties, and/or revocation of waivers of the requirement to fully eliminate rooms containing more than two beds.
4. For any facilities for which a waiver request was denied in whole or part, applicants must submit a detailed plan for how the applicant intends to eliminate or further reduce the resident rooms containing more than two beds within 90 days of contract execution.

ATTACHMENT A

Identify each person with an ownership interest in the acquiring entity or a related or affiliated entity; the percentage of ownership interest of each such person; and the history of each such person's experience in ownership or operation of health care facilities. Include the names and addresses of all healthcare facilities owned or operated by each individual within the last three years. (*This form is designed in WORD so that those completing it can expand the number of rows, as necessary.*)

Owner

Jack Shelby will be the 100% owner of these four facilities.

ATTACHMENT B

(If the acquiring entity owns facilities in Maryland, use only Maryland facilities in the analysis. If the acquiring entity does not own Maryland facilities, choose the State or states with the largest number of facilities for the analysis).

Texas Quality Analysis***

Facility Survey Analysis Texas*	Overall star ratings	Surveys in the last 3 years	Citations **	Harm tags, nursing home failed to:
ADVANCED REHABILITATION AND HEALTHCARE OF BOWIE	4.8	11/13/24, 9/27/23	7,7	Ensure that a nursing home area is free from accident hazards, Protect each resident from all types of abuse, Report suspected abuse timely, Develop policies to prevent abuse, neglect and theft
CLYDE NURSING CENTER	5	4/24/25, 3/6/24, 2/9/23	1,2,5	None
CROWELL NURSING CENTER	5	2/12/25, 1/10,24	6, 3	None
PALO PINTO NURSING CENTER	1.6	8/25/24, 5/31/23	11,9	Ensure that a nursing home area is free from accident hazards, Implement a care plan that meets all the resident's needs
PARK VIEW CARE CENTER *abuse tag	2.4	12/5/24, 10/27/23	13,24	Protect each resident from all types of abuse (multiple), Develop policies to prevent abuse, neglect and theft
PRAIRIE HOUSE LIVING CENTER *November dropped to 4 stars	4.6	11/14/24 ,9/21/23	4,5	None
SANTA FE HEALTH & REHABILITATION CENTER	4	2/21/25, 1/25/24	5,7	None
SEYMOUR REHABILITATION AND HEALTHCARE	4	4/8/25, 2/29/24	3,8	None
WHITEHALL REHAB & NURSING*November increased to 3 stars	2.2	11/13/24	7,7	Ensure that a nursing home area is free from accident hazards, Protect each resident from all types of abuse, Report suspected abuse timely, Develop policies to prevent abuse,

				neglect and theft
--	--	--	--	-------------------

CMS Data accesses 11/21/25

*additional details in the applicant's 18 applications

**average number of health citations in Texas 8.9

*** The average of the overall star rating for the most recent five quarterly refreshes is 3.73 stars

Florida Quality Analysis**

Jack Shelby Owned Facilities Florida*	Overall star rating	Surveys in the last 3 years	Citations*	Harm tags, nursing home failed to:
BRISTOL SNF LLC	N/A	N/A	N/A	SFF ⁵ No data,
THE CLUB HEALTHCARE AND REHABILITATION CENTER AT THE VILLAGES	2	1/30/25, 10/19/23	9,9	None
WOODLAND GROVE HEALTHCARE	5	1/30/25, 3/16/23	0,3	None
KENDALL LAKES HEALTHCARE AND REHAB CENTER, LLC	5	8/21/25,4/18/24	1,3	None
SUNSET LAKE HEALTHCARE AND REHABILITATION CENTER LLC *abuse flag	1	4/16/25, 3/9/23	15,9	Protect each resident from all types of abuse, Administer the facility in a manner that enables it to use resources effectively and efficiently, Set up an ongoing quality assessment and assurance group to review quality deficiencies and develop corrective action plans, Ensure that a nursing home area is free from accident hazards
NORTH BEACH HEALTHCARE AND REHABILITATION CENTER, LLC	1	1/9/25, 8/31/23	10,16	Protect each resident from all types of abuse, Implement policies to prevent abuse, neglect and theft, Ensure that a nursing home area is free from accident hazards, Administer the facility in a manner that enables it to use resources effectively and efficiently, Set up an ongoing quality assessment and assurance group to review quality deficiencies and develop corrective action plans

⁵ A CMS special focus facility (SFF) a nursing home that has a history of serious quality issues and is included in a special program to stimulate improvements in the quality of care.

ROCKLEDGE HEALTHCARE & REHABILITATION CENTER LLC	2	4/3/25,7/13/23	8,21	None
APOLLO HEALTHCARE & REHABILITATION CENTER, LLC	2	6/8/24	8	None
VILLAGE PLACE HEALTHCARE AND REHABILITATION CENTER LLC *abuse flag	1	6/20/24	12	Protect each resident from all types of abuse, Ensure that a nursing home area is free from accident hazards, Ensure that nurses and nurse aides have the appropriate competencies to care for every resident in a way that maximizes each resident's wellbeing. Administer the facility in a manner that enables it to use resources effectively and efficiently
THE PONCE THERAPY CARE CENTER AND REHAB LLC	4	10/26/23	5	None
PARK MEADOWS HEALTHCARE & REHABILITATION CENTER LLC	1	11/15/24, 6/29/23	13,7	Ensure that a nursing home area is free from accident hazards, Ensure each resident receives and the facility provides food prepared in a form designed to meet individual needs, Administer the facility in a manner that enables it to use its resources effectively and efficiently. Set up an ongoing quality assessment and assurance group to review quality deficiencies and develop corrective plans of action.
VILLA HEALTHCARE & REHABILITATION CENTER LLC	4	9/28/23	8	None
GARDENS HEALTHCARE & REHABILITATION CENTER, LLC	3	1/25/24	5	Provide timely notification to the resident, and if applicable to the resident representative and ombudsman, before transfer or discharge, including appeal rights, Permit a resident to return to the nursing home after hospitalization or therapeutic leave that exceeds bed-hold policy.

GREENBRIAR HEALTHCARE REHABILITATION AND NURSING CENTER	3	7/17/25, 6/8/23	5,10	Ensure that a nursing home area is free from accident hazards and provides adequate supervision to prevent accidents.
THE LODGE HEALTHCARE AND REHABILITATION CENTER LLC	3	2/27/25, 11/16/23	10,6	Ensure each resident receives and the facility provides food that accommodates resident allergies, intolerances, and preferences, as well as appealing options.
WILTON MANORS HEALTHCARE & REHABILITATION CENTER LLC	4	3/21/24	6	Provide appropriate treatment and care according to orders, resident's preferences and goals.
LEXINGTON HEALTHCARE AND REHABILITATION CENTER LLC	3	7/17/25, 3/22/23	15,10	Ensure that a nursing home area is free from accident hazards and provides adequate supervision to prevent accidents.
LEHIGH ACRES HEALTHCARE & REHAB CENTER LLC	2	6/21/25, 10/26/23	9,11	Ensure that a nursing home area is free from accident hazards and provides adequate supervision to prevent accidents, Ensure that a nursing home area is free from accident hazards and provides adequate supervision to prevent accidents, Ensure that nurses and nurse aides have the appropriate competencies to care for every resident in a way that maximizes each resident's wellbeing, Administer the facility in a manner that enables it to use its resources effectively and efficiently, Protect each resident from all types of abuse such as physical, mental, sexual abuse, physical punishment, and neglect by anybody.
ISLE HEALTHCARE & REHABILITATION CENTER LLC	3	5/22/25, 6/29/23	4,2	Honor the resident's right to request, refuse, and/or discontinue treatment, to participate in or refuse to participate in experimental research, and to formulate an advance directive.
CARLTON SHORES HEALTHCARE AND	5	4/4/24	1	None

REHABILITATION CENTER, LLC				
SOUTH CAMPUS NURSING AND REHAB LLC	3	7/24/24, 3/15/23	10,11	None
NORTH LAKE NURSING AND REHAB LLC	2	5/16/24, 3/2/23	14,7	Ensure that a nursing home area is free from accident hazards and provides adequate supervision to prevent accidents.
TERRACE HEALTHCARE & REHABILITATION CENTER LLC	5	10/4/24, 6/7/23	4,7	None

CMS Data accessed 12/3/25

*average number of health citations in Florida 7.4

**The average of the overall star rating for the most recent five quarterly refreshes is 2.97 stars

Abuse citations Texas facilities:

PARK VIEW CARE CENTER

On 7/16/25 the facility was cited for actual harm because of a failure to protect residents from all types of abuse such as physical, mental, sexual abuse, physical punishment, and neglect. There was complaint filed for resident to resident physical abuse. The physical abuse that occurred was not documented on an undated care plan. The two residents were separated and assessed for pain by the nurse.

Abuse citations Florida facilities:

SUNSET LAKE HEALTHCARE AND REHABILITATION CENTER

On 10/8/24 there was an evacuation before a hurricane. The transport that arrived did not have the proper lifts for wheelchair bound residents and there was no room for a female resident who was on a stretcher. EMS was called to assist and lifted her on the transport. When the transport arrived at safe location the resident was lifted by two therapy staff out of the transport and the right foot encountered the ground causing a fracture. The Administrator did not immediately report the incident, leading to resident neglect.

VILLAGE PLACE HEALTHCARE AND REHABILITATION CENTER

On 4/17/25 a cognitively impaired resident was found on the floor of the bedroom. The nurse did not document the fall or assess the resident. On 4/18/25 the resident verbalized pain in hip and knee to PT but it was not reported to nursing. The same day the Unit Manager ordered an x-ray which was never done but marked completed. On 4/24/25 the resident was transferred to the hospital. Then at the hospital a CT

scan showed multiple fractures. The facility failure to implement processes to prevent neglect created a likelihood of serious harm, serious injury or death of the resident and other residents from complication of falls, including untreated fractures which could result in severe pain, severe bone infection, delayed healing, and deformity.

Texas and Florida Vaccinations

List facilities that are required for review under 10.24.20.05(8)	c. % of residents and staff receiving Flu, COVID and Pneumonia vaccines					
	Flu		COVID		Pneumonia	
	<i>residents</i>	<i>staff</i>	<i>residents</i>	<i>staff</i>	<i>residents</i>	<i>staff</i>
<u>TEXAS</u>	00.0	6.8	0.5	.0	00.0	N/A
ADVANCED REHABILITATION AND HEALTHCARE OF BOWIE						
CLYDE NURSING CENTER	00.0	3.9	2.5	.5	00.0	N/A
CROWELL NURSING CENTER	00.0	4.0	8.0	.0	00.0	N/A
PALO PINTO NURSING CENTER	00.0	N/A	4.2	.8	00.0	N/A
PARK VIEW CARE CENTER	6.6	3.6	.0	.0	9.4	N/A
PRAIRIE HOUSE LIVING CENTER	00.0	4.6	6.3	.0	00.0	N/A
SANTA FE HEALTH & REHABILITATION CENTER	00.0	4.7	2.9	.1	00.0	N/A
SEYMOUR REHABILITATION AND HEALTHCARE	00.0	1.1	2.9	.0	9.4	N/A
WHITEHALL REHAB & NURSING	00.0	3.4	2.9	.0	00.0	N/A
<u>FLORIDA</u>	100.0%	7.5%	8.6%	0.8%	94.0%	N/A
THE BRISTOL CARE CENTER						
CLUB HEALTHCARE AND	0.0%	8.2%	0.0%	0.0%	100.0%	N/A

REHABILITATION CENTER AT THE V						
WOODLAND GROVE HEALTHCARE & REHABILITATION CENTER	100.0%	36.3%	34.9%	1.2%	99.4%	N/A
KENDALL LAKES HEALTHCARE AND REHAB CENTER	100.0%	20.9%	29.5%	0.0%	100.0%	N/A
SUNSET LAKE HEALTHCARE AND REHABILITATION CENTER	100.0%	41.4%	10.2%	76.8%	100.0%	N/A
NORTH BEACH HEALTHCARE AND REHABILITATION CENTER	100.0%	25.5%	0.0%	0.0%	99.7%	N/A
ROCKLEDGE HEALTHCARE & REHABILITATION CENTER	100.0%	20.0%	0.0%	0.0%	98.7%	N/A
APOLLO HEALTHCARE & REHABILITATION CENTER	100.0%	5.7%	0.0%	0.6%	100.0%	N/A
VILLAGE PLACE HEALTHCARE AND REHABILITATION CENTER	N/A	20.0%	0.0%	0.0%	100.0%	N/A
PONCE THERAPY CARE CENTER AND REHAB, THE	100.0%	1.7%	0.0%	0.0%	97.6%	N/A
PARK MEADOWS HEALTHCARE & REHABILITATION CENTER	100.0%	23.0%	0.0%	0.0%	99.6%	N/A
VILLA HEALTHCARE & REHABILITATION CENTER	100.0%	26.4%	11.1%	1.7%	100.0%	N/A
GARDENS HEALTHCARE & REHABILITATION CENTER	100.0%	34.8%	1.9%	0.0%	100.0%	N/A
GREENBRIAR HEALTHCARE REHABILITATION AND NURSING C	100.0%	4.8%	28.9%	0.0%	100.0%	N/A
THE LODGE HEALTHCARE AND REHABILITATION CENTER	100.0%	45.2%	9.6%	1.3%	100.0%	N/A

WILTON MANORS HEALTHCARE & REHABILITATION CENTER	100.0%	27.8%	7.3%	10.8%	99.0%	N/A
LEXINGTON HEALTHCARE AND REHABILITATION CENTER	100.0%	21.8%	34.0%	0.0%	79.5%	N/A
LEHIGH ACRES HEALTHCARE & REHAB CENTER	100.0%	18.2%	18.6%	10.0%	100.0%	N/A
ISLE HEALTHCARE & REHABILITATION CENTER	100.0%	23.3%	46.7%	0.6%	100.0%	N/A
CARLTON SHORES HEALTHCARE AND REHABILITATION CENTE	100.0%	18.5%	30.8%	0.0%	100.0%	N/A
SOUTH CAMPUS CARE CENTER AND REHAB	100.0%	10.0%	5.7%	0.6%	96.0%	N/A
NORTH LAKE CARE CENTER AND REHAB	100.0%	8.3%	58.1%	0.0%	100.0%	N/A
TERRACE HEALTHCARE & REHABILITATION CENTER	100.0%	13.7%	23.3%	14.8%	97.5%	N/A

HCS Washington DC Facilities

Flu vaccines	Stars	Facility	Notes	QA
Short stay- 56.23% Staff-19.56% LTC- 98.8%	1	Deanwood	Facility failed to provide appropriate treatment and care according to orders, resident’s preferences and goals and ensure that the nursing home area is free from accident hazards.	3/10/26 -the facility failed to maintain and implement an effective, comprehensive quality assurance and performance improvement (QAPI) program inclusive of all systems as evidenced by failing to ensure that they developed plans of action to identify quality deficiencies. Facility wrote a POC that was approved by the State.
Short stay -94.5% Staff-55.79% LTC- 98.2%	3	Inspire	8/9/23 facility failed to: Ensure that a nursing home area is free from accident hazards and provides adequate supervision to prevent accidents. Received a harm tag for injury due to fall precautions not being followed (resident left unattended in the bathroom). Plan of correction accepted. Paid \$11,921 in federal fines for its deficiencies in the last 3 years.	No QAPI issues last survey.
Short stay 94.5% Staff 55.7% LTC 98.2%	3	Serenity	Federal fines of \$47,684 in the last 3 years for deficiencies but no harm tags.	No QAPI issues last survey.
Short term -f-88%, staff 8.3% and LTC 99.5%	3	Unique	11/27/24 IJ Facility failed to: Ensure that a nursing home area is free from accident hazards and provides adequate supervision to prevent accidents. Residents do not follow smoking policy, unlit cigarettes on bedside table in room and lighting cigarettes off each other in courtyard. Listed as safe smoker but non-adherent to smoking policy. The Survey Team verified implementation of the corrective plan while onsite and the IJ was lifted. The plan included updating the smoking policy, education for all visitors to the facility and the use of smoking aprons. Federal fines: \$48,887 in 2024 and \$13,042 in 2023	No QAPI issues last survey.

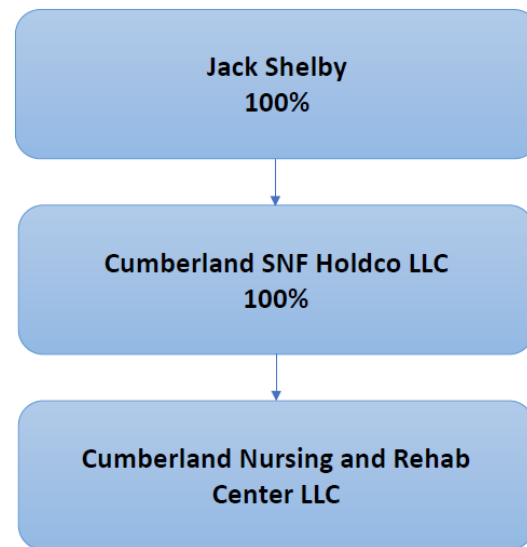
Appendix 1

Facility Name, Address, Medicare/Medicaid Number, Bed Count and Purchase Price

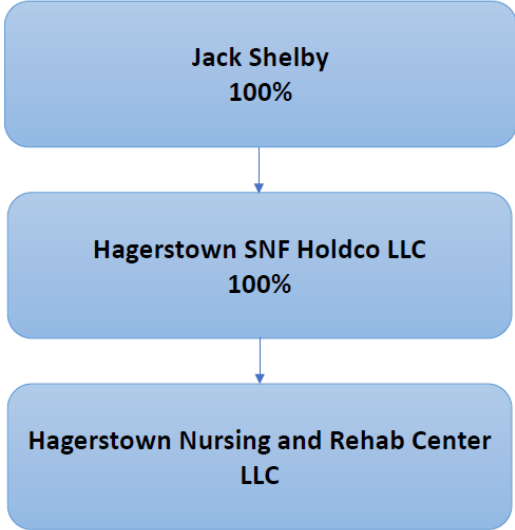
Name and Address	Medicare/Medicaid	Jurisdiction/HPR Beds and %	Beds/Price/Number of Admissions/Operating Revenue Last Year	Triple/Quad Beds
Cumberland Healthcare Center 512 Winifred Road Cumberland, MD 21502	Medicare – 215055 Medicaid – 424483400	Jurisdiction 134 beds and 13.5% HPR 536 beds and 10.7%	134 \$27,413,988 277 \$14,718,401	3 triple 24 quad
Hagerstown Healthcare Center 750 Dual Highway Hagerstown, MD 21740	Medicare – 215336 Medicaid – 300215200	Jurisdiction 140 beds and 12.3% HPR 536 beds and 10.7%	140 \$28,641,480 184 \$15,494,062	45 triple 0 quad
Pleasant View Healthcare Center 4101 Baltimore Natl Pike Mount Airy, MD 21771	Medicare – 215268 Medicaid – 271011100	Jurisdiction 262 beds and 18.4% HPR 536 beds and 10.7%	104 \$21,276,528 106 \$9,581,767	0 triple 104 quad
Westminster Healthcare Center 1234 Washington Road Westminster, MD 21157	Medicare – 215094 Medicaid – 500222200	Jurisdiction 262 beds and 18.4% HPR 536 beds and 6.1%	158 \$32,323,956 203 \$16,096,049	78 triple 16 quad

Appendix 2 Organizational Charts

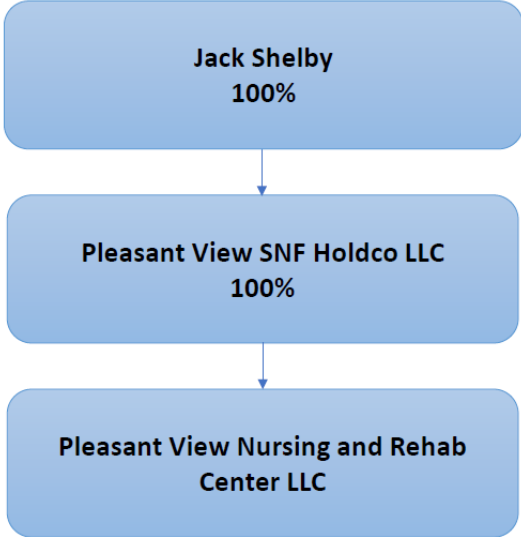
Cumberland Nursing and Rehab Center LLC



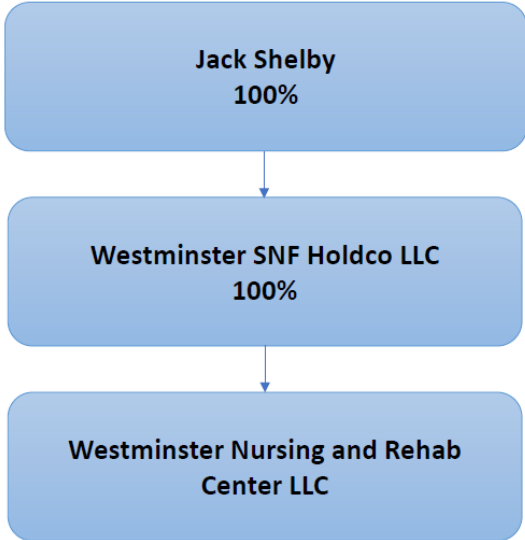
Hagerstown Nursing and Rehab Center LLC



Pleasant View Nursing and Rehab Center LLC



Westminster Nursing and Rehab Center LLC



Appendix 3

Cumberland Healthcare Center

Transaction	Before	After
Real Property	CCP Golden/7470 LLC	512 Winifred Road LLC
Bed Rights	CCP Golden/7470 LLC	Cumberland Nursing and Rehab Center LLC 512 Winifred Road
Operations	Winifred Leasing Co., LLC 10123	Cumberland Nursing and Rehab Center LLC

Hagerstown Healthcare Center

Transaction	Before	After
Real Property	CCP Golden/7470 LLC	1234 Washington Road LLC
Bed Rights	CCP Golden/7470 LLC	Westminster Nursing and Rehab Center LLC
Operations	Dual Leasing Co., LLC	Westminster Nursing and Rehab Center LLC

Pleasant View Healthcare Center

Transaction	Before	After
Real Property	OHI ASSET (MD) MOUNT AIRY, LLC	4101 Baltimore Natl Pike LLC
Bed Rights	OHI ASSET (MD) MOUNT AIRY, LLC	Pleasant View Nursing and Rehab Center LLC
Operations	Old National Leasing Co., LLC	Pleasant View Nursing and Rehab Center LLC

Westminster Nursing and Rehab Center LLC

Transaction	Before	After
Real Property	CCP Golden/7470 LLC	750 Dual Highway LLC
Bed Rights	CCP Golden/7470 LLC	Hagerstown Nursing and Rehab Center LLC
Operations	Washington (West) Leasing Co., LLC	Hagerstown Nursing and Rehab Center LLC

