

June 26, 2019

VIA FEDERAL EXPRESS and ELECTRONIC MAIL (Mike.Rainville@CDPH.CA.gov)

Mike Rainville
CDPH L&C MS 0512
1615 Capitol Avenue
Sacramento, CA 95814

Re: The Springs Healthcare Center ("The Springs") SNF Application – Provisional License

Dear Mr. Rainville:

Thank you for your response to our skilled nursing facility application. We accept the terms and conditions associated with CDPH approving The Springs for a provisional license as you outlined in your attached June 25, 2019 letter. Please provide a draft of the formal agreement for our review to our consulting and administrative services provider, Pursue Health, LLC at the address below:

Jose Lynch, CEO
Pursue Health, LLC
400 Exchange, Suite 140
Irvine, CA 92602
(T): 714-673-6810
Jose.Lynch@PursueHealthLLC.com

Please note that the individual authorized to execute any licensing agreement on behalf of Temecula Valley Skilled Nursing and Rehabilitation Center, LP dba The Springs Healthcare Center is Jose Lynch, CEO.

We appreciate this opportunity to begin providing high quality care to patients in the Murrieta, California community. If you have any questions or need any additional information regarding The Springs or our licensing application please do not hesitate to contact Jose Lynch via telephone at 714-673-6810 or via electronic mail at Jose.Lynch@PursueHealthLLC.com. Thank you.

Sincerely,



Jose Lynch, CEO
Temecula Valley Skilled Nursing and Rehabilitation
Center, LP dba The Springs Healthcare Center



Shlomo Rechnitz, Partner
Temecula Valley Skilled Nursing and Rehabilitation
Center, LP dba The Springs Healthcare Center



KAREN L. SMITH, MD, MPH
State Public Health Officer & Director

State of California—Health and Human Services Agency
California Department of Public Health



GAVIN NEWSOM
Governor

June 25, 2019

Mr. Shlomo Rechnitz
Temecula Valley Skilled Nursing and Rehabilitation Center, LP
400 Exchange Suite 140
Irvine, CA 92602

RE: The Springs Healthcare Center SNF Application- Provisional License

Dear Mr. Rechnitz:

Thank you for your application to operate a new Skilled Nursing Facility (SNF) in Murrieta, California.

The California Department of Public Health (CDPH), Center for Health Care Quality received and evaluated the initial application from Temecula Valley Skilled Nursing and Rehabilitation Center, LP for operation of The Springs Healthcare Center. An analysis of compliance history over a three-year period for both federal deficiencies and state citations was conducted for the applicant and each individual with 5% or more ownership to determine the ability to deliver safe patient care pursuant to California Health & Safety Code section 1265.

After reviewing the compliance history over the past three years, CDPH has determined that a provisional license can be granted with the following outlined terms below. A provisional license period ensures both accountability for high quality of care for patients, while also providing The Springs Healthcare Center the ability to deliver Skilled Nursing Facility services in Murrieta, California.

PROVISIONAL LICENSE TERMS:

CDPH will agree to provisionally approve the application for initial licensure of The Springs Healthcare Center in Murrieta, CA subject to the following terms and conditions:

1. Extended Terms for Provisional License

- a. Initial one-year provisional license period, renewable for one additional one-year period (total potential provisional license period of two years)

- i. At the end of one year, three options exist: permanent license granted, 1-year provisional license renewed, or revocation of license
 - ii. Should the 1-year provisional license be renewed, at the end of 2 years, two options exist: permanent license granted or revocation of license
- b. CDPH reserves the right to unilaterally terminate this agreement based upon applicant's failure to comply with (1) the conditions in this document and (2) all applicable laws
- c. CDPH will consider the following to determine if a permanent license will be approved:
 - i. Results of investigations of all complaints, facility-reported incidents (FRIs), and surveys conducted at the facility
 - ii. Federal scope and severity deficiencies issued to facility
 - iii. State scope and severity citations issued to facility

2. Survey Process During Provisional Period

- a. In addition to the initial state licensing and CMS certification survey, every 9-15 months, an unannounced state re-licensing and CMS re-certification survey will be conducted at the facility. Therefore, during a two-year provisional period, up to three state and federal surveys could be conducted

3. Informal Conferences to Review Quality of Care

- a. Informal conferences between CDPH and the facility will be conducted every 6 months during the provisional licensure period(s) to review quality of care at the facility as indicated by complaints, FRIs, and surveys
- b. These informal conferences will occur at approximately the following intervals after the facility commences operations: 6 months, 12 months 18 months, 24 months

4. Prohibition of Staffing Shortage Waiver

- a. The facility will be prohibited from receiving a staffing shortage waiver during the provisional licensure period(s)

Formal agreement required: If the above terms are agreed to, the provisional license will not be issued unless and until the parties fully execute a mutually agreeable agreement that has been approved by all necessary control agencies.

Please direct all communication regarding these terms to:

Mike Rainville
Acting Deputy Director and Chief Counsel
California Department of Public Health
Mike.Rainville@cdph.ca.gov
(916) 445-7825

Thank you for your shared goals of increasing access to Skilled Nursing Facilities in California while ensuring high quality care for patients and communities. We look forward to hearing back from you within 30 days.

Sincerely,

A handwritten signature in blue ink that reads "C. Dean". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Charity Dean MD, MPH
Assistant Director
California Department of Public Health
Charity.Dean@cdph.ca.gov
(916) 558-1700

Cc: Mr. Jose Lynch
Contact of record for The Springs Healthcare Center
Temecula Valley SNRC, LP – Partner
Purse Health, LLC – CEO
400 Exchange, Suite 140
Irvine, CA 92602
Jose.lynch@purseuhealthllc.com