

Greer, Leslie

From: Lazarus, Steven
Sent: Thursday, December 10, 2015 6:55 AM
To: Greer, Leslie
Cc: Riggott, Kaila; Martone, Kim; Hansted, Kevin
Subject: FW: OptiCare Eye Health Centers, Inc.
Attachments: SPrinter2715120916280.pdf

Leslie,

Please process the attached CON Determination.

Steve

Steven W. Lazarus

Associate Health Care Analyst
Division of Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue
Hartford, CT 06134
Phone: 860-418-7012
Fax: 860-418-7053



From: John Newman [<mailto:jnewman@jmeisner.com>]
Sent: Wednesday, December 09, 2015 4:06 PM
To: Lazarus, Steven
Subject: OptiCare Eye Health Centers, Inc.

Dear Steve,

Following up on our earlier discussion and your directions, I am forwarding the appended CON Determination Form on behalf of OptiCare Eye Health Centers, Inc. Please feel free to contact me should you require any clarification as to the submission. As the parties are hopeful of closing expeditiously on the matters described in the submission, your Timely attention and response to this matter is greatly appreciated.

Thank you,
John Newman



**State of Connecticut
Office of Health Care Access
CON Determination Form
Form 2020**

All persons who are requesting a determination from OHCA as to whether a CON is required for their proposed project must complete this Form 2020. The completed form should be submitted to the Director of the Office of Health Care Access, 410 Capitol Avenue, MS#13HCA, P.O. Box 340308, Hartford, Connecticut 06134-0308.

SECTION I. PETITIONER INFORMATION

If this proposal has more than two Petitioners, please attach a separate sheet, supplying the same information for each Petitioner in the format presented in the following table.

	Petitioner	Petitioner
Full Legal Name	OptiCare Eye Health Centers, Inc.	
Doing Business As		
Name of Parent Corporation	OptiCare Health Systems, Inc.	
Petitioner's Mailing Address, if Post Office (PO) Box, include a street mailing address for Certified Mail	Administrative Offices 87 Grandview Avenue, Waterbury, CT 06708	
What is the Petitioner's Status: P for profit and NP for Nonprofit	P	
Contact Person at Facility, including Title/Position: This Individual at the facility will be the	Ms. Nancy Noll, President, OptiCare Eye Health Centers	

Petitioner's Designee to receive all correspondence in this matter.	Ms. Nancy Noll	
Contact Person's Mailing Address, if PO Box, include a street mailing address for Certified Mail	OptiCare Administrative Offices 87 Grandview Avenue Waterbury, CT 06708	
Contact Person's Telephone Number	(203) 574-2020	
Contact Person's Fax Number	(203) 575-7774	
Contact Person's e-mail Address	nnoll@opticarepc.net	

SECTION II. GENERAL PROPOSAL INFORMATION

- a. Proposal/Project Title: Transfer of Ownership Interests in OptiCare Health Systems, Inc.
- b. Estimated Total Project Cost: \$ N/A _____
- c. Location of proposal, identifying Street Address, Town and Zip Code: 87 Grandview Avenue, Waterbury, CT 06708
- d. List each town this project is intended to serve: This project results in no change to OptiCare's services or primary service area, namely Waterbury and nearby municipalities principally in New Haven and Litchfield Counties.
- e. Estimated starting date for the project: Closing predicated on certain closing conditions, but expected to occur in the first quarter of 2016.

SECTION IV. PROPOSAL DESCRIPTION

Please provide a description of the proposed project, highlighting each of its important aspects, on at least one, but not more than two separate 8.5" X 11" sheets of paper. At a minimum each of the following elements need to be addressed, if applicable:

1. If applicable, identify the types of services currently provided and provide a copy of each Department of Public Health license held by the Petitioner.
2. Identify the types of services that are being proposed and what DPH licensure categories will be sought, if applicable.
3. Identify the current population served and the target population to be served.


SECTION V. AFFIDAVIT

(Each Petitioner must submit a completed Affidavit.)

Petitioner: OptiCare Eye Health Centers, Inc.

Project Title: Transfer of Ownership Interests in OptiCare Health Systems, Inc.

I, Nancy Noll, President of OptiCare Eye Health Centers, Inc., hereby certify that the information contained in this certificate of need determination request is true and correct to the best of my knowledge and belief.


Signature _____ Date 12/9/2015

Subscribed and sworn to before me on December 9, 2015


Notary Public/Commissioner of Superior Court

My commission expires: _____

PROPOSAL DESCRIPTION

The Petitioner submits the appended CON Determination Request Form with respect to a proposed transfer of ownership interests in OptiCare Health Systems, Inc. (“Systems”). Systems is not a health care facility or provider. Systems is the corporate owner of OptiCare Eye Health Centers, Inc. (“Centers”). Centers owns the OptiCare ophthalmic ambulatory surgery center in Waterbury, Connecticut (the “Facility”) that has been closely affiliated with OptiCare, P.C. (“OptiCare”), a medical practice, headed by Dean Yimoyines, M.D. for several decades. The proposed transfer will entail a transfer of all ownership interests in Systems to Dr. Yimoyines, directly or through an entity he owns. The transfer will have no effect on the operations of the Facility, and the Facility will continue to be owned by Centers, which will remain wholly owned by Systems, as is the case currently.

BACKGROUND

OptiCare is an eye health practice that was founded by Dean Yimoyines, M.D and that works closely with Centers and the Facility to provide eye care services. Dr. Yimoyines is the Medical Director of the Facility and sits on the ambulatory surgery center board for the Facility. He will continue in those capacities. Additionally, Ms. Nancy Noll, the Facility’s current administrator and a member of the ASC Board also will remain in those capacities. Dr. Yimoyines and OptiCare have worked in concert for several years with Palisade Concentrated Equity Partnership, LP, a private equity fund that is the owner of Systems. In this transaction, Dr. Yimoyines, directly or through an entity he owns, will acquire all the ownership interests in Systems. This will result in each of Systems, Centers and OptiCare being physician controlled entities. The transfer of ownership interests in Systems results in no change in the relationship between Centers and the Facility. Centers will continue to be the sole owner of the Facility, and Systems, owned by Dr. Yimoyines, will be the sole owner of Centers. The Facility’s payor mix will not change, and the Facility will continue to be an active participant in the Medicaid program. The Petitioner believes that this reorganization of ownership interests in Systems does not require a CON.

DISCUSSION

Pursuant to § 19a-638 (a) (2) of the Connecticut General Statutes,, a CON is required when there is a “transfer of ownership” of an institutional health care provider such as the Facility. For the reasons set forth below, Petitioner respectfully believes that the proposed reorganization of ownership interests in Systems does not require a CON.

Conn. Gen. Stat. §19a-630(16) defines a “transfer of ownership” as a “transfer that impacts or changes the governance or controlling body of a health care facility, institution or group practice, including, but not limited to, all affiliations, mergers or any sale or transfer of net assets of a health care facility.”

Given that the proposed transaction has no impact on the ownership of the Facility, which will continue to be owned by Centers, Petitioner believes no CON required. This is particularly the case in light of the fact that this transfer will result in no change in clinical activities of the Facility.

For the reasons set forth above, the Petitioner respectfully requests that OHCA issue a determination that the proposed transfer of ownership interests in OptiCare Health Systems, Inc. does not require CON approval.

Greer, Leslie

From: Hansted, Kevin
Sent: Wednesday, December 16, 2015 7:09 AM
To: Greer, Leslie
Subject: FW: OHCA Determination Report #15-32052-DTR

Leslie, please add the below to the record.

Thank you,

Kevin T. Hansted
Staff Attorney
Department of Public Health
Office of Health Care Access
410 Capitol Ave., MS #13HCA
P.O. Box 340308
Hartford, CT 06134
Phone: 860-418-7044
Email: kevin.hansted@ct.gov



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From: Nancy Noll [mailto:nnoll@opticarepc.net]
Sent: Tuesday, December 15, 2015 3:42 PM
To: Hansted, Kevin <Kevin.Hansted@ct.gov>
Subject: RE: OHCA Determination Report #15-32052-DTR

Mr. Hansted - Thank you for your prompt review of the materials I submitted last Friday. I can confirm that the organizational chart reflects arrangements both before and after the transaction. The chart itself will not change, and my involvement, along with that of Dr. Yimoyines and others referenced in the attachment to the response will be the same and as listed on that chart both before and after closing, except that Dr. Yimoyines will be reappointed to the OptiCare Eye Health Centers, Inc. Board of Directors as a result of the transaction, and two members of that Board will resign. I am on the Centers Board now and will continue to hold that position.

The administrative and operational Boards and Committees as outlined in the attachment to my response last week will remain as they are now with no change after the closing. All the specific individuals listed in the

organizational chart that I submitted will hold those particular posts as identified in the chart both before and after the closing of the transaction.

Please let me know if I can provide you with any additional information or clarification, and thank you again for your prompt attention to this matter.

Regards,

*Nancy Noll
OptiCare, P.C.
87 Grandview Avenue
Waterbury, CT 06708
(203)465-1447
Fax (203)575-7444*



visit us at www.opticarepc.com

From: Hansted, Kevin [<mailto:Kevin.Hansted@ct.gov>]
Sent: Tuesday, December 15, 2015 10:41 AM
To: Nancy Noll
Subject: RE: OHCA Determination Report #15-32052-DTR

Dear Ms. Noll,

Thank you for the information. Does the organizational chart you provided represent the current organizational structure or post-transaction? If it is the current structure, please provide me with an organizational chart showing the post-transaction structure.

Thank you,

Kevin T. Hansted
Staff Attorney
Department of Public Health
Office of Health Care Access
410 Capitol Ave., MS #13HCA
P.O. Box 340308
Hartford, CT 06134
Phone: 860-418-7044
Email: kevin.hansted@ct.gov



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From: Nancy Noll [<mailto:nnoll@opticarepc.net>]
Sent: Friday, December 11, 2015 3:10 PM
To: Hansted, Kevin <Kevin.Hansted@ct.gov>
Subject: RE: OHCA Determination Report #15-32052-DTR

Good afternoon Mr. Hansted – I have responded below to your inquiries below. Please let me know if you will require anything further. Thank you in advance for your help.

*Nancy Noll
OptiCare, P.C.
87 Grandview Avenue
Waterbury, CT 06708
(203)465-1447
Fax (203)575-7444*



visit us at www.opticarepc.com

From: Hansted, Kevin [<mailto:Kevin.Hansted@ct.gov>]
Sent: Thursday, December 10, 2015 11:50 AM
To: Nancy Noll
Subject: OHCA Determination Report #15-32052-DTR

Dear Ms. Noll,

I am in receipt of your determination request regarding OptiCare Eye Health Centers, Inc. Please address the following questions at your earliest convenience:

1. Describe the nature of the affiliation between OptiCare, P.C. and the OptiCare ophthalmic ambulatory surgery center located in Waterbury ("Facility");
OptiCare, P.C. is owned 100% by Dean Yimoyines, M.D. The P.C., though independent, has worked closely with OptiCare Eye Health Centers, Inc. and the Surgery Center since the inception of the ASC in 1986. OptiCare P.C. does the vast majority (over 98%) of its surgical procedures at the ASC and has done so since 1986. Dr. Yimoyines, in the past, was an equity stake holder in OptiCare Health Systems and OptiCare Eye Health Centers, Inc.
2. Are the net assets of Facility being sold to Dr. Yimoyines?; and
No. This transaction just involves a reorganization of ownership interests in OptiCare Health Systems, Inc., so as to make that entity and OptiCare Eye Health Centers Inc. both exclusively physician controlled entities on a going forward basis.
3. Who currently governs and controls Facility and who will govern and control Facility post-transaction? (please provide evidence)
The ASC is owned exclusively by OptiCare Eye Health Centers, Inc. and is controlled by the Board of Directors of Centers. This will not change as a result of this transaction. On an administrative and operational level, the ASC Board of Directors at present is composed of the following members: Dean Yimoyines, M.D., President, Secretary and Director of OptiCare, P.C.; Nancy Noll, Vice President and Assistant Secretary of OptiCare, P.C.; President and Director of OptiCare Eye Health Centers, Inc.; President and Director of OptiCare

Health Systems, Inc., Olga Konykhov, M.D., staff member of OptiCare, P.C., Lori Velleca, R.N., Director of Nursing. The Operating Room Committee of the ASC is comprised of the same individuals listed above, as well as Lorenzo Cervantes, M.D., staff member of OptiCare, P.C. and Meredith Gershon, M.D., staff member of OptiCare, P.C. We append the attached evidence supporting this governance and the operational units involved within the ASC.

Thank you,

Kevin T. Hansted
Staff Attorney
Department of Public Health
Office of Health Care Access
410 Capitol Ave., MS #13HCA
P.O. Box 340308
Hartford, CT 06134
Phone: 860-418-7044
Email: kevin.hansted@ct.gov

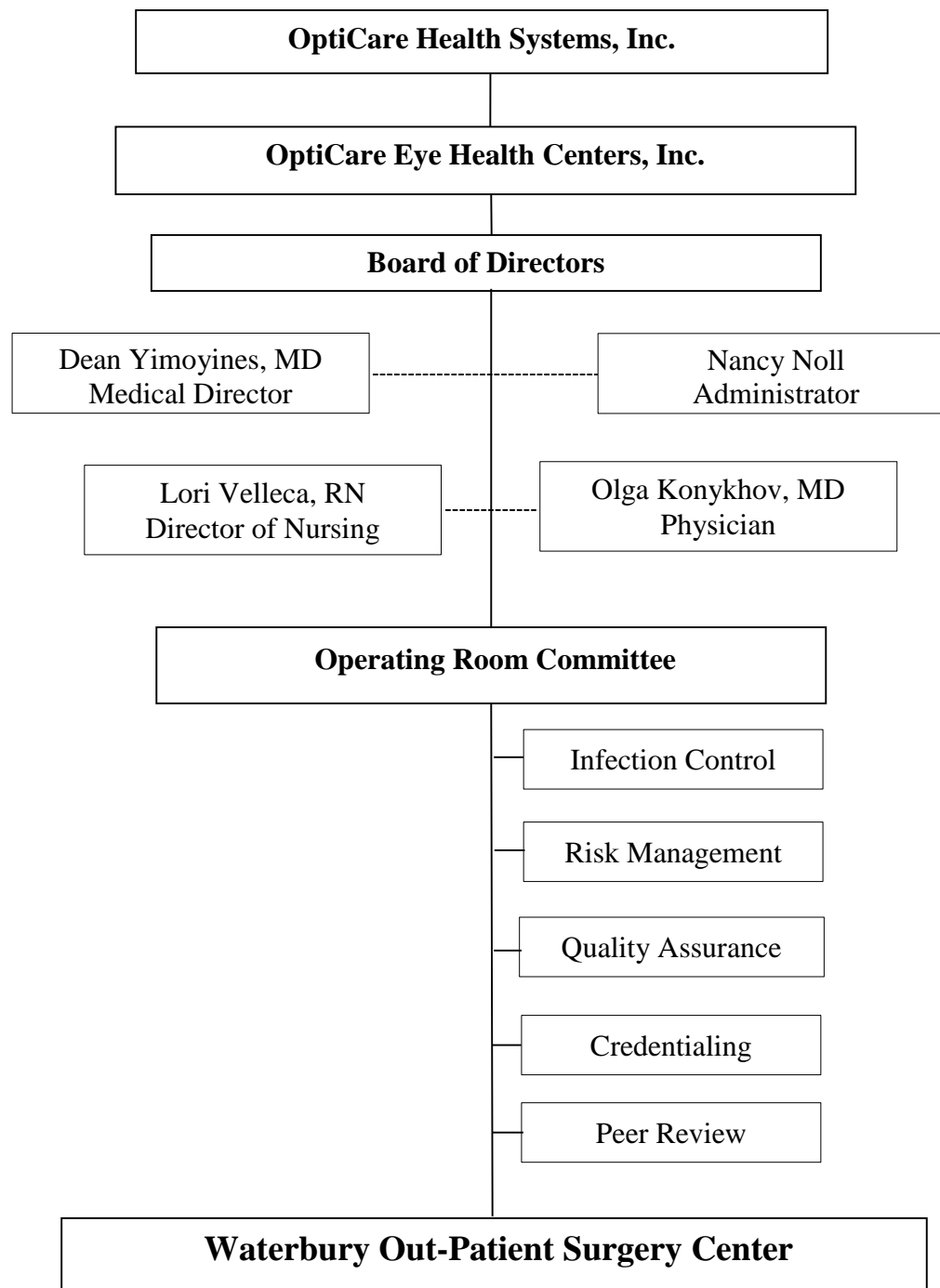


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OptiCare Eye Health Centers, Inc.
Waterbury Out-Patient Surgery Center
Organizational Chart
#3





STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

December 16, 2015

VIA FACSIMILE ONLY

Nancy Noll
President
OptiCare Eye Health Centers, Inc.
87 Grandview Avenue
Waterbury, CT 06708

RE: Certificate of Need Determination Report Number 15-32052-DTR
Corporate Reorganization of OptiCare

Dear Ms. Noll:

On December 10, 2015, the Office of Health Care Access ("OHCA") received your Certificate of Need ("CON") Determination Form on behalf of OptiCare Eye Health Centers, Inc. ("Centers") with respect to a corporate reorganization.

Centers is a for profit eye health center corporately owned by OptiCare Health Systems, Inc. ("Systems")¹. Centers owns an OptiCare ophthalmic ambulatory surgery center in Waterbury, Connecticut ("Facility"). The Facility is affiliated with OptiCare, P.C. ("OptiCare"), a medical practice headed by Deam Yimoyines, M.D. As proposed, Dr. Yimoyines, directly or through an entity he owns, will acquire all the ownership interests in Systems, the owner of Centers. The current boards of directors will remain the same after the transaction is complete with the exception of two members resigning. Additionally, there will be no sale or transfer of any assets as a result of the proposed transaction.

Connecticut General Statutes § 19a-638(a)(2) requires CON authorization for the "transfer of ownership of a health care facility". Connecticut General Statutes § 19a-630(14) defines a "transfer of ownership" as "a transfer that impacts or changes the governance or controlling body of a health care facility..." Since there will be no impact or change to the governance or controlling body of the Facility, which will continue to be owned by Centers, OHCA hereby determines that a *CON is not required* for the proposal.

Sincerely,

Kimberly R. Martone
Director of Operations

C: Rose McLellan, License and Applications Supervisor, DPH, DHSR.

¹ Systems is not a health care facility as defined by Connecticut General Statutes § 19a-630.

An Equal Opportunity Provider

(If you require aid/accommodation to participate fully and fairly, contact us either by phone, fax or email)

410 Capitol Ave., MS#13HCA, P.O.Box 340308, Hartford, CT 06134-0308

Telephone: (860) 418-7001 Fax: (860) 418-7053 Email: OHCA@ct.gov

Olejarz, Barbara

From: Nancy Noll <nnoll@opticarepc.net>
Sent: Wednesday, December 16, 2015 11:07 AM
To: Olejarz, Barbara
Subject: RE: Determination

Received. Thank you very much.

*Nancy Noll
OptiCare, P.C.
87 Grandview Avenue
Waterbury, CT 06708
(203)465-1447
Fax (203)575-7444*



visit us at www.opticarepc.com

From: Olejarz, Barbara [mailto:Barbara.Olejarz@ct.gov]
Sent: Wednesday, December 16, 2015 11:02 AM
To: Nancy Noll
Subject: Determination

12/16/15

Attached is the determination for Report Number: 15-32052-DTR. Please let me know that you have received the email.

Thanks

Barbara K. Olejarz
Administrative Assistant for Kimberly Martone
Office of Health Care Access
Department of Public Health
Phone: (86) 418-7005
Email: Barbara.Olejarz@ct.gov



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