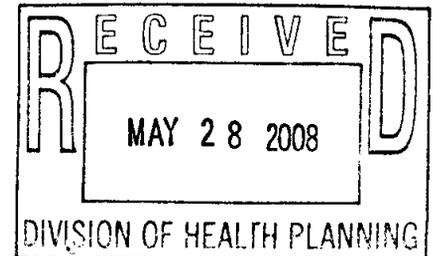


May 28, 2008

**VIA HAND DELIVERY**

Clyde L. Reese III, Esq.  
Executive Director  
Georgia Department of Community Health  
2 Peachtree Street, N.W., 5<sup>th</sup> Floor  
Atlanta, Georgia 30303-3159



Re: HMA Nursing Facility Relocation – SB433

Dear Clyde:

This firm represents Monroe Nursing Home Inc. d/b/a Park Place Nursing Facility ("Park Place"). Park Place provides skilled nursing services in Walton County, Georgia. There is also a freestanding nursing facility in Walton County at the campus of Walton Regional Medical Center. This facility is located at 330 Alcovy Street, Monroe, Georgia, and it is owned by Monroe HMA, Inc. ("HMA Nursing Facility").

Park Place contemplates a two-step transaction with HMA Nursing Facility. Park Place will first acquire the assets of HMA Nursing Facility, other than the real estate and physical structure itself. It is our understanding that this transaction will be exempt from CON review pursuant to O.C.G.A. 3164047(a)(9). In the second phase of the transaction, after July 1 2008, Park Place will relocate the assets acquired to an addition to its existing facility located at 1865 Bold Springs Road, Monroe, Georgia. This relocated facility will be in the same county as the HMA nursing facility.

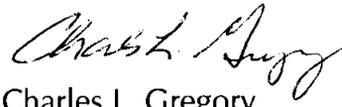
It is our reading of SB 433 that after the effective date of SB 433 (July 1, 2008) both steps of this transaction will be exempt from CON review. The acquisition of the assets of HMA Nursing Facility is currently exempt from CON review and will also be exempt from CON review after July 1, 2008. The relocation of HMA Nursing Facility will be exempt for CON review after July 1, 2008, regardless of the capital expenditure involved.

Would you please confirm that the acquisition of the assets of the HMA nursing facility by Park Place as well as the relocation of the facility to an addition to the existing Park Place facility will be exempt from CON review?

Another related question we have is whether it will be necessary for us for us to file a letter of non-reviewability or a determination request? We did not see any requirement in the statute but understand that the Department of Community Health is drafting regulations to implement the statute and that such letter might be required pursuant to the new regulations. We appreciate your attention to this and please let me know if you have any questions or need any further information.

Sincerely,

ARNALL GOLDEN GREGORY LLP



Charles L. Gregory

CLG:dae