

Healthcare Prospector

Profiles of Firms in Transition

January 2, 2006
Volume 3, Number 1
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Healthcare Prospector identifies healthcare providers and other healthcare entities in transition. Coverage includes hospitals, nursing homes, long-term care facilities, physicians' medical groups, ambulatory care and outpatient centers, mental health facilities, healthcare real estate investment trusts (REITs), and medical laboratory and diagnostic imaging services. The HCP is designed to support the marketing programs of professional firms and aid investors in identifying new opportunities and risks with profiles of entities that meet predetermined criteria. Data are compiled weekly and the Prospector is distributed by email every Sunday evening to arrive before 9:00 A.M. every Monday. For each business identified, the Prospector provides the trigger event and enough information to assess the prospect and make an initial evaluation of the opportunity.

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Prospector Profile Categories

In order to appear in the **Healthcare Prospector**, an event occurs or is reported which, in the opinion of the editors, might have a material or significant impact on the company. In cases where an event had previously been reported and there is a new development that the editors believe is important related to that event, the new development will be reported in the Prospector. The reported events are categorized as follows:

1. **Labor.** The entity is reported to have a significant staff, labor, or employment issue. Events reported include the election of a new senior officer or director, the termination of a physician or suspension of privileges, and a strike, labor unrest, or a union organizing campaign.
2. **Finance.** An event that results in or may result in a material change in the entity's financial condition.
3. **Transaction.** The entity is reported to be involved in a significant merger, acquisition, alliance, venture, asset purchase or sale, joint venture, and expansion or closure of services or facility.
4. **Litigation.** The entity is a party to, threatens, or is threatened with significant litigation or claims. Events reported include criminal felony charges filed against a company or officer, director, or physician; a class action suit; an internal investigation; and an anti-trust claim.
5. **Regulatory Issue.** The entity is reported to have a significant federal or state regulatory issue or JCAHO issue that will have or may have a significant impact on the entity.
6. **Miscellaneous.** Some other event is reported which, in the opinion of the editors, may have a significant impact on the profiled entity.

DISCLAIMER: The conditions for inclusion in the Prospector are selected by the editors because, in their opinion, the occurrence of such an event or the existence of such a circumstance may have a significant or material impact on the business. There are, however, other reasons why such facts or circumstances may exist. The inclusion of a profile suggests that the company may be of interest to professionals or others for specific reasons. Inclusion should not be construed to represent an analysis of the company or a definitive determination of the financial or operating condition of the company.

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**Prospector
Profile
06.0001**

American HealthChoice, Inc.

2221 Justin Road, Suite 119-154
Flower Mound, TX 75028
(972) 538-0122

NAICS	621111	
Employees	51	
Revenue	(mil)	\$5.26
Income	(mil)	(\$1.50)
Assets	(mil)	\$6.63
Liability	(mil)	\$3.80
(for the year ended 9/30/2004)		

Category: Finance

Event: American HealthChoice has notified the Securities and Exchange Commission that the filing of its annual report for the fiscal year ended September 30, 2005 will be delayed. The Company has received a preliminary commitment on new financing, which should be finalized by January 13, 2006. If successful, the financial statements will be revised accordingly.

Description: American HealthChoice is a medical services company comprised of a parent company and 35 owned and affiliated medical clinics in Texas and Tennessee. It owns a physical therapy facility at its largest chiropractic clinic.

Officers: Joseph W. Stucki (Chair, Pres. & CEO); John C. Stuecheli (CFO & Gen. Manager); V. John Mansfield (Dir.); James Roberts (Dir.); Jeff Jones (Dir.); Michael Smith (Dir.)

Auditor: Lane Gorman Trubitt, LLP

Securities: Common Stock-Symbol AMHI.OB; OTC BB; 110,009,259 common shares outstanding as of June 30, 2005.

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**Prospector
Profile
06.0002**

American Retirement Corporation

111 Westwood Place, Suite 200
Brentwood, TN 37027
(615) 221-2250

NAICS		623311
Employees		9,245
Revenue	(mil)	\$447.61
Income	(mil)	(\$11.32)
Assets	(mil)	\$746.48
Liability	(mil)	\$740.78
(for the year ended 12/31/2004)		

Category: Transaction

Event: American Retirement has completed a package of loans from Guaranty Bank to facilitate the expansion of its continuing care retirement community in Brandywine, Pennsylvania. The aggregate principal amount of the loans is \$25.8 million. The Company expects to begin construction of 28 additional entrance fee independent living units in two buildings, to be known as the Terrace Homes at Brandywine, in the first quarter. It expects to complete construction by the end of the year.

Description: The Company is senior living and healthcare services provider offering independent living, assisted living, skilled nursing and therapy services. It currently owns 27 communities, leases 43 communities, and manages six communities in 19 states.

Officers: W. E. Sheriff (Chair, Pres. & CEO); Gregory B. Richard (EVP & COO); Bryan D. Richardson (EVP & CFO); George T. Hicks (EVP-Finance & Internal Audit, Sec. & Treas.); H. Todd Kaestner (EVP-Corporate Dev't.); James T. Money (EVP-Sales & Mktg.); Terry L. Frisby (SVP-HR/Corporate Culture & Compliance); Ross C. Roadman (SVP-Strategic Planning & Investor Relations); Ron Aylor (SVP-Sales); Lee Anne Fein (SVP-Innovative Senior Care); Jack Leebron (SVP-Legal Services); Lee A. McKnight (SVP-Retirement Community Mktg.); Marla Sovereign (SVP-Assisted Living)

Auditor: KPMG LLP

Securities: Common Stock-Symbol ACR; NYSE; 31,568,210 common shares outstanding as of November 2, 2005.

19.50% note payable due September 30, 2007

10.00% convertible debentures due April 1, 2008

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**Prospector
Profile
06.0003****Baptist Hospital East**

4000 Kresge Way
Louisville, KY 40207
(502) 897-8100

NAICS	622110
Bed Capacity	407

Category: Transaction

Event: Baptist Hospital East is expanding its palliative care unit after receiving a \$500,000 donation from Clyde Ensor, a member of the hospital's board of directors. The hospital will add six rooms to the unit and convert existing rooms to private rooms. Work on the project began in November and is expected to be done in spring.

Description: Not-for-profit Baptist Hospital East, a member of Baptist Healthcare System, has specialized services for women's health, cancer, heart, orthopaedics, neurosurgery, emergency care, rehabilitation, sleep disorders, occupational health, and behavioral health, including psychiatric and chemical dependency care.

Officers: Susan Stout Tamme (Pres.); Tony Bohn (VP); Tom McGee (VP); Karen Newman (VP); Chris Roty (VP); Steve Warren (VP); Thomas Dedman (Medical Dir.)

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**Prospector
Profile
06.0004****Bloomington Hospital**

601 W. Second Street
Bloomington, IN 47403
(812) 336-6821

NAICS	622110
Employees	3,358
Bed Capacity	355

Category: Miscellaneous

Event: Bloomington Hospital has ended a seven-year agreement with Moore County Jail to provide medical services to its inmates. The Moore County Jail awarded a one-year, \$465,000 contract to Advanced Correctional Healthcare as part of efforts to cut medical costs. Hospital chief operating officer Larry Bailey said the hospital had been hoping to end its contract with the jail because of the legal liability of caring for inmates.

Description: Non-profit Bloomington Hospital offers heart services, cancer treatment, labor and delivery, emergency services, and psychiatry. It also operates a long-term care facility, as well as two "Hospitality Houses," which provide long-term pediatric care, rehabilitation, and specialized services for Alzheimer's patients.

Officers: Mark E. Moore (Pres. & CEO); Larry Bailey (COO); Jim Myers (CFO); Owen Slaughter (CMO); LeAnne Horn (Patient Safety Officer)

Notes: Sales: \$220.5 million

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**Prospector
Profile
06.0005**

Brookdale Senior Living Inc.

330 North Wabash, Suite 1400
Chicago, IL 60611
(312) 977-3700

NAICS		623110
Employees		15,800
Revenue	(mil)	\$660.87
Income	(mil)	(\$9.79)
Assets	(mil)	\$746.60
Liability	(mil)	\$675.10
(for the year ended 12/31/2004)		

Category: Transaction

Event: Brookdale Senior Living has acquired six facilities that it has leased from Capstead Mortgage Corp. since 2002. The purchase is structured as a stock transaction, at a total cost of \$181 million, including a \$57.5 million cash payment paid to Capstead. The portfolio is comprised of six independent and assisted living facilities located in Florida, Georgia, Virginia, Ohio and Texas.

In other transactions, the Company has acquired two portfolios, one from Omega Healthcare Investors Inc. and another from Merrill Gardens. Brookdale purchased the Omega portfolio, with six facilities containing 237 beds, for \$20.5 million, and the Merrill Gardens portfolio, with four facilities containing 183 beds, for \$16.5 million.

Description: The Company is the third largest operator of senior living facilities in the U.S. based on total capacity with 384 facilities in 32 states.

Officers: Wesley R. Edens (Chair); William B. Doniger (Vice Chair); Mark J. Schulte (CEO); Mark W. Ohlendorf (Co-Pres.); John P. Rijos (Co-Pres.); R. Stanley Young (EVP & CFO); Kristin A. Ferge (EVP & Treas.); Deborah C. Paskin (EVP, Sec. & Gen. Counsel); Jeffrey S. Carroll (VP-Treasury Operations); Pamela Dietmeyer (VP-HR); Thomas W. Girard (VP & Controller); Joska J.W. Hajdu (VP-Dining Services); Paul N. Nigro (VP-IT)

Auditor: Ernst & Young LLP

Securities: Common Stock-Symbol BKD; NYSE
6.88% mortgage notes payable due 2008 through 2009
9.0% notes payable to former joint venture partners through 2008

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**Prospector
Profile
06.0006****Children's Healthcare Services**

8200 Dodge Road
Omaha, NE 68114
(402) 955-5400

NAICS	622110
Bed Capacity	144

Category: Finance

Event: Standard & Poor's Ratings Services raised its underlying rating to 'A-' from 'BBB+' on Nebraska Investment Finance Authority's \$52.5 million series 1997 bonds, issued for Children's Healthcare Services. The rating outlook is positive. According to the rating agency, the upgrade is based on the health system's maintenance of a healthy business position, measurable improvement in operations, and growth in liquidity. The health system has \$57.6 million of outstanding long-term debt.

Description: Children's Healthcare Services consists of the Children's Hospital of Omaha, a foundation, a home health unit, a joint venture with Creighton University that owns primary care pediatric clinics, and an insurance contracting vehicle.

Officers: Gary A. Perkins (Pres. & CEO); Kathy English (SVP & COO); Steve Lazoritz (VP-Medical Affairs)

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**Prospector
Profile
06.0007****Clarian Health Partners**

1600 Senate Boulevard
Indianapolis, IN 46202
(317) 962-2000

NAICS		622110
Employees		11,886
Bed Capacity		1,693
Revenue	(mil)	\$2,459.97
Assets	(mil)	\$2,990.91
(for the year ended 12/31/2004)		

Category: Transaction

Event: Clarian Health Partners' newly opened Clarian North Medical Center is planning a five-story expansion that would house doctors' offices. The hospital has already submitted its plans for a 133,000-square-foot tower to the Carmel Plan Commission for an initial reading. Hospital officials filed the proposal in case the health system needs another medical office building in the northern Indianapolis suburb. Clarian Health Partners' board of directors has yet to approve the proposed expansion.

Description: Clarian Health Partners is a large integrated delivery system which includes Methodist Hospital, Indiana University Hospital, Riley Hospital for Children, Clarian West Medical Center and Clarian North Medical Center.

Officers: Daniel F. Evans, Jr. (Chair, Pres. & CEO); Richard Graffis (EVP & CMO); Marvin Pember (EVP & CFO); William Stephan (SVP-Community Relations & Communications)

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**Prospector
Profile
06.0008****Concord Hospital, Inc.**

250 Pleasant Street
Concord, NH 03301
(603) 225-2711

NAICS	622110
Employees	2,700
Bed Capacity	209

Category: Transaction

Event: Concord Hospital plans to add two more stories and 40 more beds to a four-story building being built on the east side of its campus. The expansion would add \$8 million and 48,000 square feet to the hospital's project, bringing the total price tag to \$58 million. This addition is scheduled to have a public hearing at the Concord Planning Board on January 18 and will have a Certificate of Need hearing at the end of the month. The new construction is scheduled to be finished in spring of 2007. The entire project, which includes renovating the emergency room, is slated to be done in 2008.

Description: Not-for-profit Concord Hospital is a regional medical center offering acute-care services in 50 medical specialties and subspecialties. It is an affiliate of Capital Region Health Care.

Officers: Michael Green (Pres. & CEO); Joe Conley (COO); Bruce Burns (CFO); Deane Morrison (CIO); Diane Allen (VP-Operations & CNO); Leon Cornell (VP-HR); Ray Gerbi (VP-Facilities); Louis Josephson (VP-Behavioral Health); Kevin McCarthy (VP-Operations); Marjo Mitchell (VP-Physician Services); Roxanne Olason (VP-Operations); Pamela Puleo (VP-Philanthropy & Public Affairs); Scott Sloane (VP-Finance); Kristine Terrio (VP-Operations); James Thorne (VP-Operations)

Notes: Sales: \$206.9 million

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**Prospector
Profile
06.0009****Covenant Healthcare**

400 W. River Woods Parkway
Milwaukee, WI 53214
(414) 465-3000

NAICS 622110
Employees 9,000
Bed Capacity 807

Revenue (mil) \$788.00
Assets (mil) \$640.00
(for the year ended 6/30/2004)

Category: Labor

Event: Covenant Healthcare president and chief executive officer Paul Dell Uomo will retire January 31 after more than five years of running Milwaukee area's second-largest healthcare system. John Oliverio, president and chief executive of parent Wheaton Franciscan Services, will take over direct responsibility for Covenant on February 1.

Description: Catholic, not-for-profit Covenant Healthcare is one of the largest integrated regional healthcare delivery systems in Wisconsin. It includes four acute care hospitals, three transitional and extended care facilities, a home health and hospice agency, a network of physician clinics outpatient centers, and a full service medical and pathology laboratory. It is a subsidiary of Wheaton Franciscan Services, Inc.

Officers: Paul Dell Uomo (Pres. & CEO); Bill Blum (Interim CFO)

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**Prospector
Profile
06.0010****El Camino Hospital**

2500 Grant Road
Mountain View, CA 94040
(650) 940-7000

NAICS	622110
Employees	2,198
Bed Capacity	395

Category: Transaction

Event: El Camino Hospital has decided to shut down its 60-bed subacute-care unit this month to accommodate the growing need for acute-care beds. The closing will affect 41 jobs. The hospital hopes to open a new acute care facility in 2009.

Description: Not-for-profit El Camino Hospital is a full-service, acute care community hospital serving the communities of Mountain View, Los Altos, Los Altos Hills, Sunnyvale, Cupertino and parts of Palo Alto and San Jose.

Officers: Lee Domanico (CEO); Cecile Currier (VP-Corporate & Community Health Services); Jon Friedenber (VP-Strategy & External Relations); Marla Gularte (CFO); Mark Zielazinski (CIO); Ann Fyfe (VP-Business Dev't.); Charlene Gliniecki (VP-HR); Joan Kezic (VP-Payor Relations); Ken King (VP-Facilities Services); Diana Russell (VP-Patient Care Services); Don Stovall (VP-Clinical & Support Services)

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**Prospector
Profile
06.0011****Elliot Hospital**

One Elliot Way
Manchester, NH 03103
(603) 669-5300

NAICS	622110
Bed Capacity	296

Category: Finance

Event: Moody's Investors Service has upgraded the rating on Elliot Hospital to A3 from Baa1. The rating outlook is stable. The rating applies to series 2003A and 2003B bonds, which are secured by a pledge of gross receipts of Elliot Hospital and parent Elliot Health System. According to Moody's, the rating upgrade reflects the hospital's continuing trend of strong operating performance through fiscal year 2005, growing liquidity as well as a stable and healthy market position. The hospital is considering a substantial debt issuance within the next two to three years, which could increase leverage and require maintenance of increased cash flow and liquidity to offset the additional debt.

Description: Not-for-profit Elliot Hospital is the cornerstone of Elliot Health System. It is home to the Elliot Regional Cancer Center, The Max K. Willscher Urology Center, and has one of only three Level 3 neonatal intensive care units in the New Hampshire.

Officers: Douglas F. Dean, Jr. (Pres. & CEO); Beth Hughes (EVP & COO); Deb Baker (CNO); Richard Elwell (CFO)

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**Prospector
Profile
06.0012****Gateway Regional Medical Center**

2100 Madison Avenue
Granite City, IL 62040
(618) 798-3000

NAICS	622110
Bed Capacity	406

Category: Litigation

Event: According to the Madison County Record, the Madison County Circuit Court in Illinois will hear Gateway Regional Medical Center's motion to dismiss the class action alleging the hospital inflated charges for uninsured patients on January 5. Madison County Circuit Judge Don Weber will hear the dismissal motion for the suit. Previously, the motion was to be heard September 26, 2005 by Circuit Judge Daniel Stack in place of the retired Judge Philip Kardis.

The plaintiffs in the suit are accusing the hospital of charging unfair and unreasonable prices for medical care. The hospital, represented by Richard Hunsaker, Patrick Cloud and Michael Daniels of Heyl, Royster, Voelker & Allen in Edwardsville, filed the motion to dismiss June 15, 2005.

Description: Gateway Regional Medical Center is a general medical facility owned by Community Health Systems, Inc.

Officers: Mark A. Benz (CEO)

Notes: Update of profile 05.2743 (Vol. 2, No. 39 - HCP050926)

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**Prospector
Profile
06.0013**

Gentiva Health Services, Inc.

3 Huntington Quadrangle, Suite 200S
Melville, NY 11747
(631) 501-7000

NAICS		621610
Employees		3,950
Revenue	(mil)	\$845.76
Income	(mil)	\$26.49
Assets	(mil)	\$332.10
Liability	(mil)	\$160.16
(for the year ended 1/2/2005)		

Category: Labor

Event: Gentiva Health Services will lay off 75 workers in Connecticut by February due to contract changes between its CareCentrix unit and health insurer CIGNA HealthCare. The Company has previously disclosed that its CareCentrix unit would stop providing respiratory therapy services and certain durable medical equipment for CIGNA, beginning January 31, 2006. The change will result in a loss of about \$40 million and elimination of 75 administrative and claims processing jobs in East Hartford.

Description: The Company provides home health services throughout most of the US. It serves patients through more than 350 direct service delivery units. The Company is a single source for skilled nursing; physical, occupational, speech and neuro-rehabilitation services; social work, nutrition, disease management education and help with daily living activities, as well as other therapies and services.

Officers: Ronald A. Malone (Chair & CEO); Vernon A. Perry, Jr. (Pres. & COO); Robert Creamer (SVP-Nursing Operations); Mary Morrissey-Gabriel (SVP & Chief Mktg. Officer); John R. Potapchuk (SVP & CFO); Stephen B. Paige (SVP, Gen. Counsel & Sec.); Nicholas Florio (VP-HR); Brian Jones (VP & CIO); Murray Mease (VP-CareCentrix Div.); Susan Sender (VP & CNO); John N. Camperlengo (VP, Deputy Gen. Counsel & Chief Compliance Officer)

Auditor: PricewaterhouseCoopers LLP

Securities: Common Stock-Symbol GTIV; NasdaqNM; 22,884,550 common shares outstanding as of November 8, 2005.

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**Prospector
Profile
06.0014****Hancock Memorial Hospital and Health Services**

801 North State Street
Greenfield, IN 46140
(317) 462-5544

NAICS 622110
Bed Capacity 101

Category: Finance

Event: Standard & Poor's Ratings Services revised its rating outlook to negative from stable on Indiana Health Facilities Finance Authority's debt, issued for Hancock Memorial Hospital. It also affirmed its 'BBB+' rating on Hancock Memorial's \$14.950 million series 1996 bonds. The negative outlook reflects the rating agency's concerns related to the hospital's weak interim 2005 financials, as well as softness in volumes due to increased competition, coupled with a balance sheet that is weighed down by a sizable amount of debt.

Description: Hancock Memorial Hospital and Health Services operates Hancock Regional Hospital and Hancock Wellness Center.

Officers: Don Snyder (Chair); Robert C. Keen (Pres. & CEO); Rick Edwards (VP-Finance); Bobbi Dunne (VP-Ambulatory & Ancillary Services); Sherry Gehring (VP-Nursing & Quality Services); Rob Matt (VP-Business Dev't. & Mktg.); David Holmes (VP-Personnel & Support Services); Michael J. Fletcher (VP-Medical Staff Services)

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**Prospector
Profile
06.0015**

Health Fitness Corporation

3600 American Boulevard W., Suite 560
Bloomington, MN 55431
(952) 831-6830

NAICS		621498
Employees		3,330
Revenue	(mil)	\$52.45
Income	(mil)	\$1.67
Assets	(mil)	\$20.93
Liability	(mil)	\$9.45
(for the year ended 12/31/2004)		

Category: Transaction

Event: Health Fitness has signed a definitive agreement to acquire Dallas, Texas-based HealthCalc.Net, Inc., a provider of web-based fitness, health management, and wellness programs to corporations, healthcare organizations, physicians, and athletic/fitness centers. The Company paid \$6 million in cash and stock, with the potential for additional amounts to be paid under an earn-out provision based upon the HealthCalc business segment achieving established revenue objectives for calendar year 2006.

Description: The Company and its wholly-owned subsidiaries provide fitness and wellness management services and programs to corporations, hospitals, communities and universities located in the US and Canada. It also provides injury prevention programs and on-site physical therapy services.

Officers: Jerry V. Noyce (Pres., CEO & Dir.); Wesley W. Winnekins (CFO & Treas.); Jeanne C. Crawford (VP-HR & Sec.); James A. Narum (SVP); David Hurt (Nat'l VP-Account Services); Katherine Hamlin (Nat'l VP-Account Services); Brian Gagne (VP-Programs & Partnership); Mike Seethaler (Nat'l VP-Business Dev't.); Ralph Colao (VP-Consulting & Best Practices); Michael J. Zdychnec (VP-Mktg.)

Auditor: Grant Thornton, LLP

Securities: Common Stock-Symbol HFIT.OB; OTC BB; 12,914,523 common shares outstanding as of November 11, 2005.

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**Prospector
Profile
06.0016**

Health Management Associates, Inc.

5811 Pelican Bay Boulevard, Suite 500
Naples, FL 34108
(239) 598-3131

NAICS		622110
Employees		31,000
Bed Capacity		8,317
Revenue	(mil)	\$3,588.82
Income	(mil)	\$353.08
Assets	(mil)	\$3,988.17
Liability	(mil)	\$1,698.71
(for the year ended 9/30/2005)		

Category: Transaction

Event: Health Management Associates has negotiated an agreement to acquire St. Joseph Hospital, a 231-bed acute care hospital located in Augusta, Georgia, which generates about \$65 million in annual net revenue. Financial terms of the transaction were not disclosed. The execution and closing of the purchase agreement are subject to the review and approval of the Georgia Attorney General's office pursuant to applicable state law.

Description: The Company owns and operates general acute care and psychiatric hospitals in non-urban communities throughout the US. As of September 30, 2005, it operates 57 hospitals, consisting of 55 acute care hospitals and two psychiatric hospitals in 16 states.

Officers: William J. Schoen (Chair); Joseph V. Vumbacco (Vice Chair & CEO); Burke W. Whitman (Pres. & COO); Robert E. Farnham (SVP & CFO); Timothy R. Parry (SVP, Gen. Counsel & Corporate Sec.); Peter M. Lawson (EVP-Operations); Jon P. Vollmer (EVP-Operations)

Auditor: Ernst & Young LLP

Securities: Common Stock-Symbol HMA; NYSE; 240,420,620 common shares outstanding as of December 13, 2005.

0.875% zero-coupon convertible senior subordinated notes due 2022
exchange zero-coupon convertible senior subordinated notes due 2022
1.500% convertible senior subordinated notes due 2023

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**Prospector
Profile
06.0017****Holy Spirit Hospital**

503 North 21st Street
Camp Hill, PA 17011
(717) 763-2100

NAICS	622110
Bed Capacity	296

Category: Finance

Event: Standard & Poor's Ratings Services lowered its rating to 'BBB' from 'BBB+' on West Shore Area Authority, Pennsylvania's \$54.7 million series 2001 bonds, issued for Holy Spirit Hospital. According to the rating agency, the downgrade is based on the hospital's larger-than-expected operating loss in fiscal 2005 and a decline in liquidity since fiscal 2000. The outlook is negative. The bonds are secured by a pledge of gross receipts of the hospital, which is the sole member of the obligated group and a subsidiary of the Holy Spirit Health System.

Description: Holy Spirit Hospital is a full-service hospital serving the greater Harrisburg area and South Central Pennsylvania. The non-profit hospital was founded and operated since 1963 by the Sisters of Christian Charity.

Officers: Sister Romaine Niemeyer (Pres. & CEO); Michael Belbeck (COO); Edith Hunter (VP & CIO)

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**Prospector
Profile
06.0018****Hurley Medical Center, Inc.**

One Hurley Plaza
Flint, MI 48503
(810) 257-9000

NAICS	622110
Employees	2,884
Bed Capacity	463

Category: Finance

Event: Moody's Investors Service has affirmed the Baa3 long-term rating on Hurley Medical Center's \$68 million of long-term bonds issued through the Flint Hospital Building Authority. It also revised the rating outlook to stable from positive. This reflects Moody's expectation that with a full-time CEO in-place and the recent engagement of a turnaround consultant, the hospital will identify revenue enhancements or cost reductions to stabilize cash flow generation after poor operating results in fiscal year 2005. Failure to improve cash flow generation or stabilize liquidity ratios may place pressure on the rating and outlook.

Description: Hurley Medical Center is a publicly-owned teaching hospital that provides acute and tertiary care primarily in a five-county region. Services include cancer treatment, mental health, rehabilitation, surgery, and senior care. It is the flagship facility of the Hurley Health Group and an affiliate of Michigan State University's College of Human Medicine, the University of Michigan Medical School, and Henry Ford Health System.

Officers: Patrick Wardell (Pres. & CEO); Daniel J. Coffield (EVP & CFO)

Notes:

Audited Financial Statements for the year ended June 30, 2005:
Total operating revenues: \$341.6 million

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**Prospector
Profile
06.0019****John H. Stroger Jr. Hospital of Cook County**

1901 West Harrison Street
Chicago, IL 60612
(312) 864-6000

NAICS 622110
Bed Capacity 464

Category: Regulatory Issue

Event: Under an agreement with the U.S. Attorney's Office, John H. Stroger Jr. Hospital of Cook County will enhance its services for the deaf and hearing impaired. The settlement follows an investigation into the hospital's compliance with the Americans with Disabilities Act, brought about by a complaint filed by Ms. Haydee Garcia who claims she had to wait six hours for an interpreter in the emergency room in May 2003. The hospital has agreed to give Ms. Garcia \$7,500 in damages. It also agreed to make sign language interpreters readily available, place text telephones throughout the facility and train personnel on how to assist the deaf and hearing-impaired.

Description: The hospital serves as the hub for the Cook County Bureau of Health Services' most serious and complicated medical services. Its residency training and education program is an academic affiliate of Rush Medical College.

Officers: Johnny C. Brown (COO)

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**Prospector
Profile
06.0020****Kaiser Permanente**

1 Kaiser Plaza, Suite 2600
Oakland, CA 94612
(510) 271-5800

NAICS	622110
Employees	136,511

Category: Regulatory Issue

Event: Kaiser Permanente is under the scrutiny of California's Board of Equalization, which grants property tax exemptions to nonprofits. The board requires nonprofit hospitals not to exceed a profit margin of 10 percent. Those that do must spend the money on specific purposes, such as debt reduction, operating contingencies or capital improvements. Kaiser Permanente says its excess profits are being used to fund massive building and renovation projects. It claims that its California hospitals would have had a negative margin of 2.73% in 2004, not a profit margin of 12.6%, if construction costs and debt retirements were taken into account.

Description: Not-for-profit Kaiser Permanente is among the largest integrated healthcare systems in the US. It offers healthcare services through a network of about 11,000 physicians belonging to Permanente Medical Groups; 30 medical centers and more than 400 medical offices that form the Kaiser Foundation Hospitals; and the Kaiser Foundation Health Plan. It offers these services in California, Colorado, Georgia, Hawaii, Maryland, Ohio, Oregon, Virginia, Washington, and Washington, DC.

Officers: George C. Halvorson (Chair & CEO); Francis J. Crosson (Executive Dir.-The Permanente Federation); Kathy Lancaster (SVP & CFO); Raymond J. Baxter (SVP-Community Benefit); Robert M. Crane (SVP-Research & Policy Dev't.); J. Clifford Dodd (SVP, CIO & Chief Admin. Officer); Louise L. Liang (SVP-Quality & Clinical Systems Support); Leslie A. Margolin (SVP-Health Plan & Hospital Operations); Laurence G. O'Neil (SVP-HR); Arthur M. Southam (SVP-Product & Market Mgmt.); Bernard J. Tyson (SVP-Communications & External Relations); Steven Zatzkin (SVP-Government Relations & Permanente Partnership Support); Larry Wilson (SVP-Finance)

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**Prospector
Profile
06.0021**

Kindred Healthcare, Inc.

680 South Fourth Street
Louisville, KY 40202
(502) 596-7300

NAICS		623311
Employees		50,700
Bed Capacity		37,576
Revenue	(mil)	\$3,531.22
Income	(mil)	\$70.58
Assets	(mil)	\$1,593.29
Liability	(mil)	\$873.51
(for the year ended 12/31/2004)		

Category: Transaction

Event: Kindred Healthcare subsidiaries have signed a definitive agreement with Health Care REIT, Inc. and its affiliates to acquire the real estate associated with four long-term acute care hospitals for about \$80 million. As previously announced, the Company entered into a non-binding agreement with Health Care REIT to purchase the real estate associated with these four hospitals in connection with the Company's acquisition of the assets of Commonwealth Communities Holdings LLC, which currently operates these hospitals. The Company anticipates that this transaction will close in the first quarter of 2006, simultaneous with the closing of the Commonwealth acquisition.

Description: The Company currently operates 73 hospitals in 24 states, 249 nursing centers in 29 states, and 35 pharmacies in 22 states. Its pharmacy management business is servicing substantially all its hospitals.

Officers: Edward L. Kuntz (Chair); Paul J. Diaz (Pres., CEO & Dir.); Richard A. Lechleiter (EVP & CFO); Frank J. Battafarano (EVP & Pres.-Hospital Div.); Lane M. Bowen (EVP & Pres.-Health Services Div.); Richard E. Chapman (EVP & Chief Administrative & Information Officer); Mark A. McCullough (Pres.-Pharmacy Div.); William M. Altman (SVP-Compliance & Government Programs); Joseph L. Landenwich (SVP-Corporate Legal Affairs & Sec.); M. Suzanne Riedman (SVP & Gen. Counsel); John J. Lucchese (VP-Finance & Corporate Controller); Benjamin A. Breier (Pres.-Peoplefirst Rehabilitation Div.)

Auditor: PricewaterhouseCoopers LLP

Securities: Common Stock-Symbol KND; NYSE; 38,975,694 common shares outstanding as of October 31, 2005.

4.9% senior secured notes due 2008

Notes: Update of profile 05.3147 (Vol. 2, No. 44 - HCP051031)

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**Prospector
Profile
06.0022****Lawrence & Memorial Hospital**

365 Montauk Avenue
New London, CT 06320
(860) 442-0711

NAICS	622110
Bed Capacity	280
Revenue (mil)	\$229.23
Income (mil)	\$2.16
(for the year ended 9/30/2005)	

Category: Labor

Event: Lawrence & Memorial Hospital nurses ratified a new contract agreement that averted a strike. The nurses agreed to increases in their contributions to health insurance premiums but won a guarantee from the hospital for no further increases until 2008. They originally sought a guarantee through 2009.

Description: Lawrence & Memorial is a not-for-profit, general, acute care, private hospital providing care to medical, surgical, pediatric, rehab, psychiatric, and obstetrical patients in Fishers Island, New York; Washington County, Rhode Island; and other parts of eastern Connecticut.

Officers: Bruce D. Cummings (Pres. & CEO); Cynthia B. Kane (EVP & COO); William A. Stanley (VP-Dev't. & Community Relations); Elwin Bresette (VP-Finance & CFO); Joan E. Bennett (VP-HR); Alan Bier (VP-Medical Affairs); Frances S. Bonardi (VP-Nursing & Clinical Services)

Notes: Financial information is unaudited.

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**Prospector
Profile
06.0023**

LHC Group, Inc.

420 West Pinhook Road, Suite A
Lafayette, LA 70503
(337) 233-1307

NAICS 621610

Revenue	(mil)	\$123.00
Income	(mil)	\$9.30
Assets	(mil)	\$47.52
Liability	(mil)	\$31.17
(for the year ended 12/31/2004)		

Category: Transaction

Event: LHC Group intends to acquire a 67% interest in Infirmary Home Health, a subsidiary of Infirmary Health Systems based in Mobile, Alabama, that is expected to generate about \$8 million in revenues for 2005. Infirmary Home Health currently operates two separate agencies in two counties, one based in Mobile County and another based in Clark County. It also operates a home infusion business in its Mobile office. Financial terms of the transaction were not disclosed. The transaction is expected to be completed in early next month.

Description: The Company provides post-acute healthcare services home health care services to rural markets in the southern US. It provides home-based services through its home nursing agencies and hospices and facility-based services through its long-term acute care hospitals and rehabilitation facilities.

Officers: Keith G. Myers (Chair, Pres. & CEO); John L. Indest (SVP & COO); R. Barr Brown (SVP, CFO & Treas.); Daryl Doise (SVP-Business Dev't.); Harold Taylor (VP & Dir.-Government Affairs); Don Stelly (VP & Dir.-Hospital Operations)

Securities: Common Stock-Symbol LHCG; NasdaqNM; 16,591,870 common shares outstanding as of November 14, 2005.

5.70% notes payable through March 2006

8.25% notes payable through July 2006

3.08% notes payable through November 2009

5.75% notes payable through January 2009

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**Prospector
Profile
06.0024**

Lucile Packard Children's Hospital

725 Welch Road
Palo Alto, CA 94304
(650) 497-8000

NAICS		622310
Employees		2,074
Bed Capacity		264
Revenue	(mil)	\$426.38
Income	(mil)	\$46.48
Assets	(mil)	\$787.02
Liability	(mil)	\$236.85
(Fiscal year 2004)		

Category: Regulatory Issue

Event: Lucile Packard Children's Hospital is among 15 healthcare providers across the State of California to draw the scrutiny of the state Board of Equalization, which grants property tax exemptions to nonprofits. The board requires nonprofit hospitals not to exceed a profit margin of 10 percent. Those that do must spend the money on specific purposes, such as debt reduction, operating contingencies or capital improvements. An official at the children's hospital disputes the state agency's numbers. Sarah DiBoise, the hospital's chief counsel, says profits reached 4.12% in 2004, while its average profit margins from 2001 to 2004 were 3.49%. Only in 2003 did profits exceed 10%. Those numbers were generated using a method which allows hospitals to calculate their operating margins by excluding gifts and including expenses related to replacing facilities.

Description: Lucile Packard Children's Hospital is a non-profit hospital devoted entirely to the care of babies, children, adolescents and expectant mothers. It is a primary teaching affiliate of the Stanford University School of Medicine. It is also affiliated with Stanford University Medical Center.

Officers: John Freidenrich (Chair); Susan Packard Orr (Vice Chair); Christopher G. Dawes (Pres. & CEO); Susan Flanagan (COO); Keith Grundy (CFO); Cynthia Haines (SVP-Strategy & Business Dev't.); Sarah DiBoise (Gen. Counsel); Kenneth Cox (CMO)

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**Prospector
Profile
06.0025**

Magellan Health Services, Inc.

55 Nod Road
Avon, CT 06001
(860) 507-1900

NAICS		622110
Employees		4,300
Revenue	(mil)	\$1,795.40
Income	(mil)	\$88.37
Assets	(mil)	\$1,188.34
Liability	(mil)	\$691.29
(for the year ended 12/31/2004)		

Category: Transaction

Event: As previously disclosed, Aetna Inc. has exercised its option to purchase certain Magellan Health Services assets that manage behavioral healthcare for its members. The sale was concluded pursuant to the terms of an asset purchase agreement dated February 23, 2005. The total consideration to be received by the Company is about \$57.1 million, consisting of \$30 million for the Aetna assets and about \$27.1 million for the delivery of executed addenda with Aetna to certain of the Company's network provider contracts. Roughly \$55.8 million is to be paid at closing with the remaining \$1.3 million to be paid 120 days after the closing. In connection with the closing, the Company paid roughly \$50.2 million to Aetna in satisfaction of outstanding principal and interest on its previously issued promissory note to the latter.

Description: The Company coordinates and manages the delivery of behavioral healthcare treatment services that are provided through its contracted network of third-party treatment providers, which include psychiatrists, psychologists, other behavioral health professionals, psychiatric hospitals, residential treatment centers and other treatment facilities.

Officers: Steven J. Shulman (Chair & CEO); René Lerer (Pres. & COO); Mark S. Demilio (EVP & CFO); Daniel N. Gregoire (Chief Legal Officer, Gen. Counsel & Sec.); Anthony M. Kotin (Chief Clinical Officer); Jeff D. Emerson (CIO); Caskie Lewis-Clapper (Chief Human Resources Officer); Eric Reimer (Chief Growth Officer); Alex Rodriguez (CMO-Behavioral Health)

Auditor: Ernst & Young LLP

Securities: Common Stock-Symbol MGLN; NasdaqNM; 36,552,921 common shares outstanding as of September 30, 2005.

9.375% Series A senior notes due November 15, 2008

9.375% Series B senior notes due November 15, 2008

8.500% note payable to Aetna Inc. due December 31, 2005

Notes: Update of profile 04.1465 (Vol. 1, No. 22 - HCP041213)

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**Prospector
Profile
06.0026****Mary Rutan Hospital**

205 Palmer Avenue
Bellefontaine, OH 43311
(937) 592-4015

NAICS	622110
Employees	682
Bed Capacity	110

Category: Finance

Event: Standard & Poor's Ratings Services assigned its 'BBB+' issuer credit rating and positive outlook to Mary Rutan Hospital. According to Standard & Poor's, the rating reflects the hospital's general creditworthiness and is not specific to any bond issue. The positive outlook reflects the hospital's improved operational results as well as a healthier liquidity position. The hospital has total debt outstanding of \$15 million.

Description: Not-for-profit Mary Rutan Hospital operates a 100-bed acute care hospital and 10 skilled nursing beds in Bellefontaine.

Officers: Amanda C. Goble (Pres. & CEO); Ronald H. Carmin (Treas.)

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**Prospector
Profile
06.0027**

Medical Properties Trust, Inc.
1000 Urban Center Drive, Suite 501
Birmingham, AL 35242
(205) 969-3755

NAICS		525930
Employees		12
Assets	(mil)	\$306.51
Liability	(mil)	\$74.78
(for the year ended 12/31/2004)		

Category: Transaction

Event: Medical Properties Trust has made a \$40 million first mortgage loan on all of the real estate and certain other assets of the Alliance Hospital, a 78-bed acute care hospital in Odessa, Texas. The loan is payable only for a term of 15 years, with principal due at the end of the term. The loan interest rate will increase annually by an amount that is expected to provide an average annual yield of about 13%. Under certain circumstances related to a sale of the tenant, prepayment with yield maintenance may be made prior to year seven.

Description: Medical Properties Trust is a self-advised real estate investment trust that acquires and develops net-leased healthcare facilities. These facilities include inpatient rehabilitation hospitals, long-term acute care hospitals, regional acute care hospitals, ambulatory surgery centers, and other single-discipline healthcare facilities such as heart hospitals, orthopedic hospitals, and cancer centers.

Officers: Edward K. Aldag, Jr. (Chair, Pres., & CEO); William G. McKenzie (Vice Chair); R. Steven Hamner (EVP & CFO); Emmett E. McLean (EVP, COO, Treas. & Asst. Sec.); Michael G. Stewart (EVP, Gen. Counsel & Sec.); Thomas W. Schultz (Dir.-Asset Mgmt.)

Auditor: KPMG LLP

Securities: Common Stock-Symbol MPW; NYSE; 39,969,065 shares outstanding as of November 9, 2005.

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**Prospector
Profile
06.0028****Mercy Hospital**

144 State Street
Portland, ME 04101
(207) 879-3000

NAICS	622110
Bed Capacity	168

Category: Transaction

Event: Mercy Hospital plans to expand at its new site on the Fore River. First phase of its \$162 million project features a five-story, 150,000-square-foot hospital and a three-story, 75,000-square-foot medical office building. Future plans include the addition of up to 200,000 square feet, a second medical office building and a hospital administration building. The hospital hopes to start construction of the first phase by summer 2006. The project still needs regulatory approval.

Description: Mercy Hospital offers clinical and medical services, diagnostic services, outpatient programs, surgical services, primary care centers, and home healthcare. It is a member of Catholic Health East.

Officers: Eileen F. Skinner (Pres. & CEO); David Bachman (VP-Medical Affairs); Michael Hachey (VP & CFO); Jill Berry Bowen (VP-Patient Care Services); Robert Nutter (VP-HR & Support Services); Tim Prince (VP-Planning & Ancillary Services); Sister Ellen Turner (VP-Mission Effectiveness)

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**Prospector
Profile
06.0029****Mercy Hospital Anderson**

7500 State Road
Cincinnati, OH 45255
(513) 624-4500

NAICS	622110
Employees	1,039
Bed Capacity	186

Category: Labor

Event: Mercy Hospital Anderson has named Dr. Robert E. Hiltz as its new chief of staff, effective January 1. He succeeds Dr. Denver Stanfield, who served in the position for two years. Dr. Hiltz is now responsible for communicating with the board and administrators while representing the concerns of the medical staff.

Description: Mercy Hospital Anderson is one of the member hospitals of Mercy Health Partners. It provides healthcare services for families in Cincinnati's eastern suburbs.

Officers: Patricia Ann Schroer (Pres. & CEO); Lisa Person (VP-Nursing); Adam Dittman (VP-Professional & Support Services); Denver Stanfield (Chief of Medical Staff); Steve Strathman (Dir.-Mktg. & Public Relations)

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**Prospector
Profile
06.0030****Mercy Jeannette Hospital**

600 Jefferson Avenue
Jeannette, PA 15644
(724) 527-3551

NAICS	622110
Bed Capacity	138

Category: Litigation

Event: Carol H. Martin has filed a malpractice lawsuit against Mercy Jeannette Hospital and Dr. E. William Kennen Jr. Ms. Martin claims that poor emergency room treatment resulted in the amputation of one of her legs. She is seeking an unspecified amount in damages for her injuries.

Description: Not-for-profit Mercy Jeannette Hospital is a general, acute care hospital that offers ambulatory care and rehabilitative services. It is one of the member hospitals of Pittsburgh Mercy Health System.

Officers: Julie A. Hester (Administrator)

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**Prospector
Profile
06.0031****Miami Valley Hospital**

One Wyoming Street
Dayton, OH 45409
(937) 208-8000

NAICS	622110
Employees	3,700
Bed Capacity	848

Category: Finance

Event: Moody's Investors Service has affirmed the Aa3 and Aa3/VMIG1 ratings on Miami Valley Hospital's bonds issued by Montgomery County, Ohio. It also revised the outlook to negative from stable. The rating action applies to \$319.4 million of rated debt. The negative outlook reflects the hospital's fiscal 2005 financial profile that is inconsistent with performance levels of an Aa3-provider and the multiple distractions of management's focus.

Description: The hospital is an acute care facility with more than 1,200 physicians representing 50 primary, medical and surgical specialties. It is a member of Premier Health Partners, Inc.

Officers: Mary Boosalis (Pres. & CEO); Bobbie Gerhart (EVP & COO); Gary Collier (SVP-Medical Affairs); William C.M. Wilson (Chief of Staff); Deb Mals (VP & CNO); Tom Duncan (VP & CFO)

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**Prospector
Profile
06.0032****Mills-Peninsula Health Services**

1783 El Camino Real
Burlingame, CA 94010
(650) 696-5400

NAICS	622110
Employees	2,200
Bed Capacity	403

Category: Regulatory Issue

Event: Mills-Peninsula Health Services is under the scrutiny of California's Board of Equalization, which grants property tax exemptions to nonprofits. The board requires nonprofit hospitals not to exceed a profit margin of 10 percent. Those that do must spend the money on such purposes as debt reduction, operating contingencies or capital improvements. The health system acknowledges that it had a profit margin of 10.4% in 2004 and projects the same for 2005. It will use the money to replace its aging Burlingame hospital, which could cost as much as \$500 million. In addition, the health system is facing another \$250 million in equipment costs, information systems upgrades and other capital projects. The health system adds that the amount it spends on charity care has quadrupled over the past few years to reach \$8 million annually.

Description: Mills-Peninsula Health Services is a not-for-profit, community based healthcare organization that offers outpatient programs at Mills Health Center in San Mateo and acute care at Peninsula Medical Center in Burlingame. It is a member of the Sutter Health Network.

Officers: Robert W. Merwin (CEO); Jeff Gerard (CFO)

Notes: Estimated Sales: \$102.8 million

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**Prospector
Profile
06.0033**

Mount Carmel Health System

793 W. State Street
Columbus, OH 43222
(614) 234-6000

NAICS		622110
Employees		8,900
Revenue	(mil)	\$987.00
Income	(mil)	\$32.00
(for the year ended 6/30/2005)		

Category: Labor

Event: Mount Carmel Health System has appointed Mary Trimmer, its senior vice president, as interim chief operating officer at Mount Carmel West Hospital. Vice presidents, Karen Robeano and Mary Ann Wolf, will become interim COO and interim SVP at St. Ann's Hospital, respectively.

Description: Mount Carmel Health System is one of the largest healthcare providers in central Ohio with three hospitals, surgery centers, outpatient facilities, physicians' offices and community outreach sites and homes. Member hospitals include Mount Carmel East and Mount Carmel West in Columbus, and Mount Carmel St. Ann's in Westerville. The health system has its own nursing college and trains medical students from Ohio State and Wright State universities. It is a subsidiary of Trinity Health (Novi).

Officers: Ron Whiteside (Interim CEO); Russ Gardner (CFO); Cindy Sheets (SVP-Information Services & CIO)

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**Prospector
Profile
06.0034**

National Health Investors, Inc.

100 Vine Street, Suite 1202
Murfreesboro, TN 37130
(615) 890-9100

NAICS 525930

Revenue	(mil)	\$155.56
Income	(mil)	\$56.38
Assets	(mil)	\$631.37
Liability	(mil)	\$205.83
(for the year ended 12/31/2004)		

Category: Transaction

Event: National Health Investors reached an agreement with National HealthCare Corp. to extend the existing lease on 41 properties through December 31, 2021. The 15-year lease extension begins January 1, 2007, and includes three additional five-year renewal options, each at fair market value. Under the terms of the lease, base rent for 2007 will total \$33,700,000 with rent thereafter escalating by four percent of the increase in facility revenue over a 2007 base year. The lease was scheduled to expire on December 31, 2006. Terms of the existing lease remain in place for 2006.

Description: National Health Investors is a real estate investment trust which invests in healthcare properties primarily in the long-term care industry. It specializes in the purchase and leaseback of healthcare real estate and in the making of mortgage loans to healthcare operators. It currently owns or mortgages 152 properties in 18 states.

Officers: W. Andrew Adams (CEO); Donald K. Daniel (SVP, CFO & Controller); Kenneth D. DenBesten (VP-Finance); Richard F. LaRoche, Jr. (Dir.); Robert T. Webb (Dir.); Robert A. McCabe, Jr. (Dir.); Ted H. Welch (Dir.)

Auditor: BDO Siedman, LLP

Securities: Common Stock-Symbol NHI; NYSE; 27,761,739 common shares outstanding as of October 25, 2005.

7.30% notes due 2007; 3.43% senior notes due 2009

Greater of prime rate + 1% or 9% senior subordinated convertible debentures due January 1, 2006

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**Prospector
Profile
06.0035**

Omega Healthcare Investors, Inc.

9690 Deereco Road, Suite 100
Timonium, MD 21093
(410) 427-1700

NAICS		525930
Employees		18
Revenue	(mil)	\$90.45
Income	(mil)	\$16.74
Assets	(mil)	\$833.56
Liability	(mil)	\$401.08
(for the year ended 12/31/2004)		

Category: Finance

Event: In connection with Omega Healthcare Investors current tender offer and consent solicitation for all of its outstanding 6.95% notes due 2007, it received tenders and consents representing 79.3% of the aggregate principal amount of the notes outstanding. The total consideration to be paid to holders who have validly tendered their notes and delivered their consents will be \$1,031.02 for each \$1,000 principal amount of notes. The consideration for the tendered notes and consents will be paid from the proceeds of the Company's offering of \$175 million aggregate principal amount of its 7% senior notes due 2016. Deutsche Bank Securities Inc. is the dealer manager for the offer to purchase and the solicitation agent for the consent solicitation.

The Company's board of directors also authorized the redemption of all outstanding notes that were not otherwise tendered to and accepted by the Company in connection with the offer to purchase and consent solicitation for the notes. The aggregate redemption price plus all accrued and unpaid interest is \$1,066.13 per \$1,000 principal amount of notes. Redemption date for the notes will be on January 18.

Description: Omega Healthcare Investors is a real estate investment trust investing in and providing financing to the long-term care industry. At September 30, 2005, the Company owned or held mortgages on 216 skilled nursing and assisted living facilities with about 22,407 beds located in 28 states and operated by 38 third-party healthcare operating companies.

Officers: Bernard J. Korman (Chair); C. Taylor Pickett (Pres., CEO & Dir.); Daniel J. Booth (COO); Robert O. Stephenson (CFO); R. Lee Crabill, Jr. (SVP-Operations); Thomas F. Franke (Dir.); Harold J. Kloosterman (Dir.); Edward Lowenthal (Dir.); Stephen D. Plavin (Dir.)

Auditor: Ernst & Young LLP

Securities: Common Stock-Symbol OHI; NYSE; 51,394,527 common shares outstanding as of October 28, 2005.

6.95% senior notes due 2007

7% senior notes due 2014

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**Prospector
Profile
06.0036**

OptiCare Health Systems, Inc.

87 Grandview Avenue
Waterbury, CT 06708
(203) 596-2236

NAICS		621498
Employees		440
Revenue	(mil)	\$58.90
Income	(mil)	(\$8.34)
Assets	(mil)	\$39.81
Liability	(mil)	\$34.25
(for the year ended 12/31/2004)		

Category: Labor

Event: Norman S. Drubner, a member of OptiCare Health Systems' board of directors, has resigned from the board effective December 31.

Description: OptiCare Health Systems is an integrated eye care services company focused on vision benefits management, the distribution of products and software services to eye care professionals, and consumer vision services, including medical, surgical and optometric services and optical retail.

Officers: Dean J. Yimoyines (Chair & Interim CEO); Vincent Miceli (CFO, Controller & Chief Acctg. Officer); Gordon A. Bishop (Pres.-Consumer Vision Div.); Jason M. Harrold (Pres.-Managed Vision Div.)

Auditor: Deloitte & Touche LLP

Securities: Common Stock-Symbol OPT; AMEX; 30,664,991 common shares outstanding as of October 31, 2005.

7.0% to 11.4% subordinated notes payable due at various dates through 2004
term note payable to CapitalSource, due January 25, 2006

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**Prospector
Profile
06.0037**

PainCare Holdings, Inc.

1030 N. Orange Avenue, Suite 105
Orlando, FL 32801
(407) 367-0944

NAICS		621999
Employees		296
Revenue	(mil)	\$37.96
Income	(mil)	\$5.73
Assets	(mil)	\$103.08
Liability	(mil)	\$47.55
(for the year ended 12/31/2004)		

Category: Finance

Event: PainCare Holdings has entered into a purchase agreement with certain accredited investors with respect to the private placement of 3,305,033 shares of its common stock at a purchase price of \$3.10 per share, for gross proceeds of roughly \$10.25 million. In addition, the private placement investors have received warrants to purchase up to an additional 1,349,884 shares of common stock at \$3.45 per share for 18 months after the closing of the transaction. The warrants are redeemable by the Company upon the occurrence of certain conditions. The closing is subject to the listing of the shares and warrant shares on the American Stock Exchange. Use of proceeds from the financing will be for general corporate purposes and acquisitions. First Albany Capital acted as exclusive placement agent for the Company in connection with the financing.

Description: PainCare Holdings specializes in providing pain relief services through pain management technologies, minimally invasive spine surgery and orthopedic rehabilitation. It also offers on-site, turnkey orthopedic rehabilitation program; electro-diagnostic medicine program; diagnostic imaging services; and medical real estate services. The Company owns four ambulatory surgery centers located in the southeast region of the US.

Officers: Merrill Reuter (Chair); Randy Lubinsky (CEO & Dir.); Mark Szporka (CFO, Chief Acctg. Officer & Dir.); Ronald Riewold (Pres. & Dir.); Jay L. Rosen (Dir.); Arthur J. Hudson (Dir.); Robert Fusco (Dir.); Antonio DiScalafani II (Dir.); Aldo F. Berti (Dir.); Thomas J. Crane (Dir.)

Auditor: Beemer, Pricher, Kuehnhackl & Heidbrink, P.A.

Securities: Common Stock-Symbol PRZ; AMEX; 56,650,977 common shares outstanding as of November 14, 2005.

5.25% note payable maturing through January 2009

7.0% note payable maturing through July 2007

7.5% convertible debenture due December 17, 2006

7.25% convertible debenture due February 27, 2007

7.25% convertible debenture due March 22, 2007

7.25% convertible debenture due July 1, 2007

7.5% convertible debenture due July 1, 2007

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**Prospector
Profile
06.0038****Parkland Health & Hospital System**

5201 Harry Hines Boulevard
Dallas, TX 75235
(214) 590-8000

NAICS 622110
Bed Capacity 731

Revenue (mil) \$622.02
Assets (mil) \$555.92
Liability (mil) \$150.94
(for the year ended 9/30/2004)

Category: Labor

Event: Parkland Health & Hospital System has hired Kevin Jones as the new director of its ambulatory surgery center beginning in February. Mr. Jones most recently served as administrator at the San Antonio Surgery Center in San Antonio.

Description: Dallas County Hospital District, doing business as Parkland Health and Hospital System, is composed of Parkland Memorial Hospital, the Parkland Foundation, and the Parkland Community Health Plan, Inc.

Officers: Ron J. Anderson (Pres. & CEO); William F. Vanaskie (COO); John Gates (SVP & CFO); Samuel L. Ross (SVP & CMO); Richard Brown (SVP); Annie Franklin (SVP); Kathleen Hanold (SVP); Jim Hayman (SVP); Michael Korpiel (SVP); Jack Kowitt (SVP); Mary E. Mancini (SVP & Compliance Officer)

Auditor: KPMG LLP

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**Prospector
Profile
06.0039**

Poudre Valley Health System

2809 E. Harmony Road, Suite 200
Fort Collins, CO 80528
(970) 297-6700

NAICS	622110
Employees	2,936
Bed Capacity	295
Revenue (mil)	\$286.00
(Fiscal year 2004)	

Category: Labor

Event: Poudre Valley Health System is spending nearly \$10 million to hire 800 employees for its Medical Center of the Rockies, which is slated to open February 2007. The \$226 million, 136-bed hospital is built on a 91-acre site in Loveland, Colorado. The \$10 million will cover operating expenses, training, salaries and benefits. Nearly 400 of the new hospital's employees will come from the ranks of Poudre Valley Hospital when it relocates its cardiology and severe trauma units to the new facility.

Description: Poudre Valley Health System operates as a private, not-for-profit organization providing healthcare services for residents in northeastern Colorado, western Kansas and Nebraska, and southern Wyoming. It operates a 260-bed acute care hospital along with numerous other related entities.

Officers: Rulon F. Stacey (Pres. & CEO); Russell P. Branzell (CIO); Pam Brock (VP-Mktg. & Planning); Stephanie Doughty (CFO); Linda Gesick (VP-System Dev't.); George Hayes (Pres.-Medical Center of the Rockies); Craig Luzinski (VP-Patient Care Services, Poudre Valley Hospital); Kay Miller (VP-Patient Care Services, MCR); Kevin Unger (Pres.-PVH)

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**Prospector
Profile
06.0040****Renaissance Healthcare Systems**

427 W. 20th Street, Suite 300
Houston, TX 77008
(713) 803-7600

NAICS	622110
Bed Capacity	256

Category: Transaction

Event: Renaissance Healthcare Systems hopes to buy a 55-acre property on Major Drive in Beaumont this month where it plans to build a new 150-bed hospital. The facility will include six large operating rooms, two diagnostic cardiac units, a Fonar and a "64-slice" CT scanner. It has an estimated cost of about \$50 million, with another \$30 million spent on furniture, fixtures and equipment. Construction is expected to begin this month.

Description: The Company was formed to develop, acquire, manage, and convert existing acute care hospitals into profitable acute surgical hospitals. It currently owns the Renaissance Hospital-Houston, Renaissance Hospital Groves and Renaissance Hospital Dallas.

Officers: Dan De La Garza (CEO); J. Scott Douglass (EVP & Gen. Counsel); Michael Smesny (CFO & Pres.-Hospital Div.); Julia Shieh (Comptroller); Tres Boyd (VP-Mktg.); Cathy McCue (Executive Dir.-HR); Jacquelyn Pham (Executive Dir.-Operations); John Lucia (Controller-Hospital Div.); David De La Garza (Regional VP); Jonathan V. Pham (Executive Dir.-IT)

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**Prospector
Profile
06.0041****Saint Vincent Catholic Medical Centers**

170 W. 12th Street
New York, NY 10001
(212) 604-7000

NAICS 622110
Employees 12,000

Category: Labor

Event: Saint Vincents Catholic Medical Centers had asked the U.S. Bankruptcy Court for the Southern District of New York to deny the New York State Nurses Association's demand for payment of prepetition pension and benefit claims. The association had asked for the payment of retroactive pay increase commencing November 1, 2004, pursuant to a memorandum agreement signed on June 18, 2005.

The two parties sought and obtained court approval of an agreement to resolve their disputes. The debtors agreed to pay members of the association at the increased rate specified in the June 18, 2005 memorandum of agreement as of payroll cycles commencing July 31, 2005, and August 7, 2005, for Bayley-Seton and Staten Island hospitals. The court also directed the hospital to remit to the New York State Nurses Association Benefit Fund and the New York Nurses Association Benefit Fund all trust funds taken from the salaries of part-time nurses for benefits for the month of June 2005.

Description: Saint Vincent Catholic Medical Centers operates six hospitals, four nursing homes and a home healthcare agency. It serves as the academic medical center of New York Medical College. The Company and six of its affiliates filed for chapter 11 protection on July 5, 2005 (Bankr. S.D.N.Y. Case No. 05-14945 through 05-14951).

Officers: Richard Boyle (Chair); Guy Sansone (Interim Pres., CEO & Chief Restructuring Officer); Robert Fanning (COO); Martin McGahan (Interim CFO); Mark G. Ackermann (SVP); Michael Calder (SVP); Brian Fitzsimmons (SVP); Peter Garrison (CIO); Bernadette Kingham-Bez (SVP); Michelle Napier (SVP); Anthony Napoli (SVP); Sister Kevin Phillips (SVP); Paul Rosenfeld (SVP); Elizabeth St. Clair (SVP & Chief Legal Counsel); Virginia Sweeny (SVP & CNO)

Attorneys: McDermott Will & Emery, LLP; New York, NY; (212) 547-5598
Gary Ravert, Esq.
Stephen B. Selbst, Esq.

Notes: Financial Condition as of April 30, 2005:
Estimated Assets: \$971,931,000; Estimated Debt: \$1,102,275,000

**Prospector
Profile
06.0042****Saint Vincent Catholic Medical Centers**

170 W. 12th Street
New York, NY 10001
(212) 604-7000

NAICS 622110
Employees 12,000

Category: Litigation

Event: Saint Vincents Catholic Medical Centers and its debtor-affiliates explained at an October 25 hearing that they needed additional time to analyze and develop a course of action for dealing with each of the medical malpractice claimants in light of the debtors' multi-layered, and to a meaningful extent, self-insured, professional liability insurance programs. Accordingly, the debtors filed an insurance report on November 2, 2005.

The debtors developed a program that balances the understandable desire of the medical malpractice claimants to proceed with their actions and the debtors' current expenditure of estate assets on the liquidation of claims, as well as other competing concerns. The debtors intend to present the compulsory mediation program for bankruptcy court approval by February 28, 2006.

The debtors believe that they have made substantial progress toward developing a systematic approach to liquidating malpractice claims in the context of the bankruptcy case, but require additional time to confirm that the systematic approach they are considering best serves their estates and their various constituents.

Description: Saint Vincent Catholic Medical Centers operates six hospitals, four nursing homes and a home healthcare agency. It serves as the academic medical center of New York Medical College. The Company and six of its affiliates filed for chapter 11 protection on July 5, 2005 (Bankr. S.D.N.Y. Case No. 05-14945 through 05-14951).

Officers: Richard Boyle (Chair); Guy Sansone (Interim Pres., CEO & Chief Restructuring Officer); Robert Fanning (COO); Martin McGahan (Interim CFO); Mark G. Ackermann (SVP); Michael Calder (SVP); Brian Fitzsimmons (SVP); Peter Garrison (CIO); Bernadette Kingham-Bez (SVP); Michelle Napier (SVP); Anthony Napoli (SVP); Sister Kevin Phillips (SVP); Paul Rosenfeld (SVP); Elizabeth St. Clair (SVP & Chief Legal Counsel); Virginia Sweeny (SVP & CNO)

Attorneys: McDermott Will & Emery, LLP; New York, NY; (212) 547-5598
Gary Ravert, Esq.
Stephen B. Selbst, Esq.

Notes: Financial Condition as of April 30, 2005:
Estimated Assets: \$971,931,000; Estimated Debt: \$1,102,275,000

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**Prospector
Profile
06.0043**

Santa Rosa Memorial Hospital

1165 Montgomery Drive
Santa Rosa, CA 95405
(707) 546-3210

NAICS	622110
Employees	2,203
Bed Capacity	345

Revenue	(mil)	\$292.90
Income	(mil)	\$16.21
(Fiscal year 2005)		

Category: Finance

Event: Santa Rosa Memorial Hospital has received \$5 million from Evert and Norma Person for its two-story heart care center. The donation is the largest single gift the hospital has ever received. The hospital's heart institute is estimated to cost \$23 million. Parent organization St. Joseph Health System has agreed to pay half the cost. With the donation, the hospital has now raised \$9 million of its \$11.5 million share. Construction is expected to begin in January 2007.

Description: Not-for-profit Santa Rosa Memorial Hospital is one of the members of St. Joseph Health System. Its four campuses offer a Level II Trauma Center, a kidney transplant center, a heart institute, intensive care nursery, women & children's services, orthopedic and joint replacement, oncology, acute and subacute rehabilitation, behavioral health and palliative care services.

Officers: George Perez (Pres. & CEO)

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**Prospector
Profile
06.0044****Scottsdale Healthcare Corp.**

7400 E. Osborn Road
Scottsdale, AZ 85251
(480) 882-4000

NAICS	622110
Employees	4,100
Bed Capacity	560

Category: Transaction

Event: Scottsdale Healthcare Thompson Peak has won a battle against Grayhawk residents' campaign to limit the number of beds at the hospital to 120 beds, instead of the 184 beds it will have at build-out. Scottsdale Healthcare hopes to start construction on its 14.5-acre site on Thompson Peak Parkway in spring and open in October 2007 with 60 beds and shelled-in space for another 60 beds. A future 60-bed pod, will be built when justified by need. City council members voted unanimously to rezone a three-acre piece of the site, with amended development standards, and to amend a previously approved conditional use permit. Scottsdale Healthcare officials agreed to stipulations that the hospital will never be a Level I trauma center, and that it will never exceed 184 beds. They also agreed to a laundry list of demands by Grayhawk Homeowners' Association.

Description: The Company owns and operates two hospitals, Scottsdale Healthcare Osborn and Scottsdale Healthcare Shea. It is also the parent of the Virginia G. Piper Cancer Center, Scottsdale Healthcare Home Health and the Scottsdale Healthcare Thompson Peak medical campus.

Officers: Mike Geddes (Chair); Tom Sadvary (Pres. & CEO); Jeffrey Norman (EVP & COO); James Cramer (VP & CIO); Jim Burke (CMO); Peggy Reiley (Chief Clinical Officer)

Notes: Sales: \$392.8 million

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**Prospector
Profile
06.0045****St. Luke's Hospital & Health Network**

801 Ostrum Street
Bethlehem, PA 18015
(610) 954-4000

NAICS	622110
Employees	2,958
Bed Capacity	700

Category: Finance

Event: Moody's Investors Service has upgraded to Baa1 from Baa2 the underlying and long-term ratings of St. Luke's Hospital and Health Network. The outlook remains stable. The rating applies to \$181 million of rated debt, issued through the Lehigh County General Purpose Authority. According to Moody's, the Baa1 rating reflects the health system's much improved financial profile, which surpassed the rating agency's expectations in each of the last three fiscal years.

Description: St. Luke's Hospital & Health Network includes St. Luke's Hospital of Bethlehem, St. Luke's Hospital - Allentown, St. Luke's Quakertown Hospital, St. Luke's Miners Memorial Hospital, outpatient and urgent care facilities, rehabilitation and behavioral health centers, and home health care services.

Officers: Richard A. Anderson (Pres. & CEO); Elaine C. Thompson (EVP & COO)

Notes:

Audit year ended June 30, 2005:
Total operating revenues: \$555.9 million

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**Prospector
Profile
06.0046****Tara Hospital at Brownsville**

125 Simpson Road
Brownsville, PA 15417
(724) 785-7200

NAICS	622110
Bed Capacity	105

Category: Labor

Event: Tara Hospital at Brownsville registered nurses are scheduled to vote on January 3 whether to authorize a strike following months of labor disputes with the hospital's new owners. The nurse's union, the Pennsylvania State Education Association, has been trying to renegotiate wages since April as part of a three-year contract that expires in May 2006. The union said the hospital has not responded since it last presented an offer in June. The hospital has laid off 61 of the 260 people who worked there in February, when new owners bought the struggling facility and converted it to a for-profit hospital. The union has also filed unfair labor practice complaints alleging the hospital is violating the current contract by trying to hire new registered nurses at a higher hourly wage and telling them that they don't have to join the union.

Description: Tara Hospital at Brownsville, formerly the Brownsville General Hospital, offers inpatient, ambulatory care, emergency, imaging, mental health, medical surgical, outreach and rehabilitation services.

Officers: Gary Gosai (Chair, Pres. & CEO); Karl Skrypak (COO); Lori Spina (Dir.-Mktg. & Public Relations)

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**Prospector
Profile
06.0047****The Brooklyn Hospital Center**

121 DeKalb Avenue
Brooklyn, NY 11201
(718) 250-8000

NAICS 622110
Bed Capacity 460

Category: Finance

Event: The U.S. Bankruptcy Court for the Eastern District of New York has approved Brooklyn Hospital Center and Caledonian Health Center's request to secure postpetition financing from CIT Lending Services Corporation. The debtors obtained up to \$25 million in debtor-in-possession financing from CIT, with a \$6 million sub-limit for letters of credit on behalf of Brooklyn Hospital Center.

The Official Committee of Unsecured Creditors appointed in debtor-affiliate's chapter 11 proceedings sought and obtained permission from the bankruptcy court to employ Jaspan Schlesinger Hoffman LLP as its Conflicts Counsel.

The bankruptcy court has also authorized the Official Committee of Unsecured Creditors of The Brooklyn Hospital Center and its debtor-affiliate to retain Otterbourg, Steindler, Houston & Rosen, P.C., as its chapter 11 counsel. Glenn B. Rice, Esq., a member of Otterbourg Steindler, is one of the lead attorneys for the Committee.

Description: The Brooklyn Hospital Center provides acute and primary care and a variety of inpatient and outpatient services. It is a member of the NewYork-Presbyterian Healthcare System and an affiliate of Weill Medical College of Cornell University. Together with debtor affiliate Caledonian Health Center, it filed for Chapter 11 protection on September 30, 2005 with the U.S. Bankruptcy Court in the Eastern District of New York (Brooklyn), case numbers 05-26990 and 05-26992, respectively, pending before The Honorable Judge Carla E. Craig.

Officers: Samuel Lehrfeld (Pres. & CEO); Richard Braun, Jr. (EVP-Administration & Finance); Anne Goonan (SVP-Nursing & Patient Care Services); Anthony J. Alfano (SVP-HR); Paul Albertson (SVP- Hospital Operations)

Auditor: Ernst & Young LLP

Attorneys: Lawrence M. Handelsman, Esq. of Stroock & Stroock & Lavan LLP;
New York, NY; (212) 806-5400

Notes: The Brooklyn Hospital Center and debtor affiliate Caledonian Health Center listed \$233,000,000 in assets and \$337,000,000 in debt.

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**Prospector
Profile
06.0048**

US Oncology, Inc.

16825 Northchase Drive, Suite 1300
Houston, TX 77060
(832) 601-8766

NAICS 621498

Revenue	(mil)	\$2,259.85
Income	(mil)	\$48.07
Assets	(mil)	\$2,031.80
Liability	(mil)	\$1,438.89
(for the year ended 12/31/2004)		

Category: Transaction

Event: Starting January 1, US Oncology's alliance with Sacramento Center for Hematology and Medical Oncology Inc. will expand from a drug management and pharmacist support relationship to a more comprehensive arrangement. As part of the new deal, the Company will provide the medical practice with more resources to support patient care. This is the Company's first comprehensive alliance in California.

Description: Privately-held US Oncology is one of the largest healthcare services networks dedicated exclusively to cancer treatment and research. It is affiliated with 939 physicians operating in 470 locations, including 86 outpatient cancer centers in 32 states. It is a subsidiary of US Oncology Holdings, Inc.

Officers: R. Dale Ross (Chair & CEO); Lloyd K. Everson (Vice Chair); Bruce D. Broussard (Pres.); Phillip H. Watts (VP, Gen. Counsel & Sec.); Richard J. Hall (SVP-Mktg. & Dev't.); George D. Morgan (EVP & COO); Leo Sands (EVP & Chief Administrative Officer); Atul Dhir (Pres.-Cancer Information Research Group)

Securities: 9.0% senior notes due August 15, 2012
9.625% senior subordinated notes due 2012
10.75% senior subordinated notes due August 15, 2014

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**Prospector
Profile
06.0049****Wayne Memorial Hospital**

2700 Wayne Memorial Drive
Goldsboro, NC 27534
(919) 736-1110

NAICS	622110
Employees	1,361
Bed Capacity	256

Category: Transaction

Event: Wayne Memorial Hospital has moved two departments off-site due to continuing growth. The Wayne Area Diabetes Education Center and the hospital's Patient Financial Services have moved from the main campus to Carolina Commerce Center. The hospital is leasing the space from Best Commercial Development through a five-year agreement.

Description: Not-for-profit Wayne Memorial Hospital offers cardiac rehabilitation, emergency, imaging services, and a Women and Infants Center.

Officers: J. William Paugh (Pres. & CEO); Thomas A. Bradshaw (VP-Operations); Rebecca W. Craig (VP-Finance & CFO); Richard K. Rogers (VP-HR); Shirley Harkey (VP-Patient Services & CNO)

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**Prospector
Profile
06.0050****Wheaton Franciscan Services, Inc.**

NAICS

622110

26 W. 171 Roosevelt Road
Wheaton, IL 60189
(630) 462-9271

Category: Miscellaneous

Event: Wheaton Franciscan Services' plan to open an \$80-million outpatient center in Franklin is raising criticism among some Milwaukee-area business and healthcare executives questioning the need for a health center in close proximity to existing hospitals. The outpatient center will be within 10 miles of St. Luke's South Shore Hospital in Cudahy and St. Francis Hospital and St. Luke's Medical Center in Milwaukee. It is about 17 miles from All Saints Healthcare hospital in Racine, a Wheaton unit that is collaborating on the project with sister company Covenant Healthcare of Glendale. The Franklin facility was announced even as some business leaders debate whether healthcare construction projects are contributing to rising healthcare costs. Ford Titus, president and chief executive officer of ProHealth Care Inc., said a medical center the size of Wheaton's proposal is unnecessary.

Description: Wheaton Franciscan Services is the parent organization for health and shelter service organizations in Colorado, Illinois, Iowa and Wisconsin. Member organizations and affiliates include hospitals, sub-acute facilities, home health agencies, physician clinics, assisted living, fixed income housing, and other joint ventures including health maintenance organizations, diagnostic facilities and other physician partnerships.

Officers: John D. Oliverio (Pres., CEO & Dir.); William H. Blum (SVP & CFO)

Notes: Update of profile 05.3708 (Vol. 2, No. 51 - HCP051219)

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**Prospector
Profile
06.0051****Willamette Falls Hospital**

1500 Division Street
Oregon City, OR 97045
(503) 656-1631

NAICS	622110
Bed Capacity	100

Category: Transaction

Event: Willamette Falls Hospital will open its new emergency department January 25. The \$20 million project will not only feature a new emergency unit but also includes a new diagnostic imaging facility. The new emergency department will be three times the size of the current space and will have about 19 examination rooms.

Description: Willamette Falls Hospital is an independent acute care hospital with more than 200 physicians and surgeons providing residents of Clackamas County with a wide range of healthcare services and programs.

Officers: Russ Reinhard (CEO)

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