

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEBRASKA

OXFORD FINANCE, LLC,

Plaintiff,

vs.

SKYLINE MANOR, INC.,

Defendant.

8:13-CV-336

ORDER

This matter is before the Court on its own motion. Pending before the Court are plaintiff Oxford Finance's motions for a temporary restraining order and for the emergency appointment of a receiver. Filings 3 and 16. Briefly stated, Oxford alleges that defendant Skyline Manor is in breach of various loan contracts with Oxford. *See* filing 1. Skyline owns and operates a 199-unit continuing care retirement community and a 140-unit independent living facility in Omaha (the "Facilities"). Filing 1 at ¶ 7. Oxford seeks injunctive relief and the appointment of a receiver to safeguard its interests in Skyline's assets, including the Facilities, which Oxford alleges are pledged as security for its loans to Skyline.

Oxford has also alleged that the Nebraska Department of Health and Human Services ("DHHS") has recently conducted two surveys of the Facilities that revealed "serious standard of care violations." Filing 1 at ¶¶ 2, 49–50; *see also* filing 1-7. As a result of these failed surveys, Oxford alleges that DHHS is planning to revoke Skyline's operating licenses for the Facilities on December 6, 2013. Filing 1 at ¶¶ 2, 49. But, according to Oxford, DHHS may be willing to delay the revocation if a new manager is appointed to run the Facilities and there is a satisfactory third survey. Filing 1 at ¶ 50. So, in addition to safeguarding its interest in Skyline's assets, Oxford proposes that the appointment of a receiver is necessary to ensure adequate and continuing care for the Facilities' residents. Oxford has proposed that Welcov Healthcare, LLC, be appointed both the new manager of the Facilities and as the receiver in this case. Filing 3. And Oxford alleges that DHHS supports the appointment of Welcov to manage the Facilities. Filing 1 at ¶ 3.

A hearing is presently scheduled on both of Oxford's motions for Thursday, November 21, 2013, at 10:30 AM in Courtroom 1 of the Robert V. Denney Federal Building, 100 Centennial Mall North, Lincoln, Nebraska. *See* filing 17. The Court notes that the interests of numerous residents of the

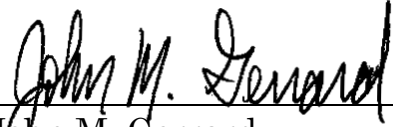
Facilities, and potentially their health and safety, may be affected by any orders entered in these proceedings. DHHS may be in a position to offer information or guidance that will help ensure that the interests of the Facilities' residents are properly taken into account. Such information may also aid in evaluating the need, if any, for a receiver and provide the Court with practical insights into the scope and nature of any potential receiver's duties and obligations. The Court therefore finds that DHHS should be notified of Oxford's motions and the pending hearing. Accordingly,

IT IS ORDERED:

1. Counsel for Oxford shall, as soon as reasonably possible, provide notice to counsel for the Nebraska Department of Health and Human Services of Oxford's pending motions requesting injunctive relief and the appointment of a receiver, and the hearing on those motions presently scheduled for November 21, 2013, at 10:30 AM.
2. Oxford shall provide the Department's counsel with copies of the following documents that relate to the hearing: Oxford's complaint; the Motion to Appoint Receiver and brief in support; the Motion for Temporary Restraining Order and brief in support; the Affidavit of Darren Margulis; and a copy of the Court's text order of November 19, 2013, setting the pending hearing. Filings [1](#), [3](#), [4](#), [6](#), [14](#), [16](#), and [17](#).

Dated this 20th day of November, 2013.

BY THE COURT:



John M. Gerrard
United States District Judge