# Frequently Asked Questions - Florida Fair Rental Value Data Survey

# 1. What is a Bed Addition?

Answer: A bed addition involves a project resulting in the addition of licensed beds to the nursing facility.

# 2. What is a Bed Replacement?

<u>Answer:</u> A replacement of beds occurs when new construction is completed, however, instead of increasing the number of licensed beds of the facility, a portion of the existing licensed beds are relocated to the new construction.

### 3. What is a Renovation?

Answer: A renovation/major improvement includes those items capitalized as either building, building improvement, land improvements, equipment, and leasehold improvements that are not associated with the addition or replacement of beds. Renovation/major improvement projects have a total cost equal to or greater than \$500 per licensed bed at the time the project was completed. If a renovation/major improvement project involved construction activities in both the licensed nursing facility and the non-nursing sections of the facility, only those construction costs associated with the licensed nursing facility section of the facility should be included. Documentation must be maintained to demonstrate how construction costs were allocated between Nursing Facility and non-Nursing Facility.

### 4. What if I'm not able to capture bed additions/ replacements/renovations back to year of construction?

<u>Answer</u>: Go back as far as you can and indicate how far back you were able to go in questions 20-22. Relative to bed additions and replacements, if you know the year but not the cost, indicate the year and number of beds and enter "0" (zero) in the cost field/cell.

# 5. How is total square footage (gross square footage) defined?

<u>Answer</u>: Gross square footage is not just the total dimensions of floor plans for space that is occupied (or able to be occupied) and used for nursing home purposes. It includes common areas, building core, and other areas of the building used for maintenance and operations. The gross square footage is calculated from the outside of the exterior walls. Porches and canopies cannot be included in square footage unless they are fully enclosed and climate controlled.

## 6. How is square footage used for Nursing Services defined?

<u>Answer:</u> Square footage used for nursing services is the total dimensions of the floor plans for space dedicated only to providing nursing services. In some cases, the entire facility square footage may be used. If non nursing facility (such as ALF or hospital) services are offered on the premises and share spaces like the kitchen or laundry, square footage should be based on a reasonable allocation statistic.

### 7. Can I include "out" buildings used for storage in the square footage total?

<u>Answer</u>: No, but do include square footage related to other facilities on the campus that are used to provide nursing facility services, such as a separate building housing the kitchen or laundry facilities. If these facilities serve more than the nursing home, then a proportion of the square footage can be included based upon a reasonable allocation statistic such as "meals served" for kitchen space allocation or "pounds of laundry processed" for allocating laundry space.

# 8. If space <u>in my facility</u> is used to provide non-nursing home services, do I exclude that space in my square footage calculation?

<u>Answer</u>: Yes. Sometimes an area of a facility may be used to provide services to both nursing home residents and non-residents such as a nursing home kitchen which also serves an attached assisted living community. In this case, similar to above answer #7, a proportion of the sq. footage is excluded (related to services to non-nursing home residents), based upon a reasonable allocation statistic.

### 9. What if one construction project includes both a building addition or replacement and a renovation?

<u>Answer</u>: It is important to report it as two separate projects, reporting separate costs for each project. If unable to do so, reflect the project as a building addition (or replacement if that was the case) and do not include that cost as a separate renovation.

### 10. Do I need to report projects separately?

<u>Answer:</u> Yes. Please report each project in chronological order by date from initial construction to present. Please report each project separately regardless of type of project and year of completion. A project will either be a bed addition, bed replacement, or renovation/major improvement. Facilities should be prepared to define each project in such a way that makes clear the separation of individual projects. It is possible to have multiple projects of the same type in the same year. For example, a roof replacement project would be reported separately from a kitchen renovation project even if they were completed in the same year. It is also possible that individual projects, when reported separately, will not meet the minimum cost per licensed bed of \$500 and will not be eligible for age adjustment.

# 11. What documentation do I need to support an entry?

<u>Answer</u>: Optimum documentation would be invoices and/or contractor progress reports and final cost reports. If such documentation is no longer available, which will be the case for older projects, documentation that such items were capitalized and are included on depreciation schedules and cost reports is sufficient.

# 12. The licensed beds at time of construction plus bed additions may not equal the current licensed beds due to a reduction in the license during the facility's lifetime. Is that a problem?

Answer: That is not a problem as long as the sq. footage reported for the current number of licensed beds is correct. If when the license was reduced, sq. footage was converted to a non-nursing home purpose, that sq. footage should not be included in the current total. If the license was reduced and that area is still being used for nursing home purposes, that space should be included in the current sq. footage total. See also question #8 below.

### 13. Do I report beds at the time of construction as the first bed addition? What about delicensed beds?

<u>Answer</u>: Do not reflect the beds at time of construction as your first bed addition. A bed addition represents beds added since those at initial construction. Before submitting your data, make sure the beds at the time of construction plus bed additions equals your current licensed beds. If not, please recheck your data to be sure there is not a data entry error. If the discrepancy remains, it could be due to delicensed beds. Please contact AHCA (see below) for assistance in researching and reporting the discrepancy (# beds delicensed and the year(s) applicable).

### 14. How should I report an update to a prior submission?

<u>Answer</u>: Providers will update prior submissions by reporting only new bed additions, bed replacements, and renovations not listed on the survey the agency currently has on file. New information will be added to previously submitted survey data.

# 15. How should I report an amendment to a prior submission?

<u>Answer:</u> For providers that want to update previously submitted building or historical information, please submit supporting documentation and an explanation to validate these changes. These changes shall be marked in red on the excel file submission.