

## STATE AGENCY ACTION REPORT

### CON APPLICATION FOR CERTIFICATE OF NEED

#### A. PROJECT IDENTIFICATION

1. Applicant/CON Action Number:

**Adventist Health System/Sunbelt, Inc.**  
**d/b/a Florida Hospital/CON #10222**  
2400 Bedford Road-Second Floor  
Orlando, Florida 32803

Authorized Representative: Ms. Diane Godfrey  
Asst. Vice President, Regulatory Affairs  
(407) 303-9659

2. Service District/Subdistrict

District 7/Subdistrict 2 (Orange County)

#### B. PUBLIC HEARING

A public hearing was not held or requested with regard to the construction of the proposed replacement hospital for Florida Hospital Apopka in District 7, Subdistrict 2, in Orange County.

#### Letters of Support

**Adventist Health System/Sunbelt, Inc. d/b/a Florida Hospital (CON application #10222)** submitted 13 letters of support and the Agency received three letters directly via the mail. With the exception of one unsigned letter, all were signed and dated during February 19 through April 4, 2014. These letters are summarized below.

Dr. Jason Salagubang, Chief of Staff at Florida Hospital Apopka, writes that he is frustrated in his current duties by the need to transfer patients to other Florida Hospital facilities for services his facility does not provide, including general and orthopedic surgical procedures, cardiac catheterizations and interventional radiology. He explains that when patients are transferred out of area, their continuity of care suffers.

Dr. Salagubang concludes that “Apopka deserves a state-of-the-art hospital...where physicians like me can provide care without an interruption in continuity”.

Dr. Maritza Rodriguez, Medical Director, Emergency Medicine at Florida Hospital Apopka Emergency Department, and Assistant Chief of Medical Staff, states that the current facility “was built over 45 years ago and is showing its age. I find most of the patients prefer to go elsewhere. My patients and their loved ones often ask me if they will be in a private room, and I feel disheartened as I explain why I cannot accommodate this request. This hospital is small and many specialists do not come onsite for services that our community needs (i.e. General Surgery, Orthopedics, Neurology, Pediatrics, etc.). Therefore, we find ourselves transferring most of our admissions to other hospitals”.

Dr. Khurram Shahzad, Director of Cardiovascular Services at Florida Hospital Apopka, states that “Prior to my arrival there were no cardiovascular services available to the people of Apopka locally. Over the span of the last 5 years I have seen tremendous growth in this community and ever expanding need for cardiovascular care and additional specialties to the community at large”. Dr. Shahzad explains that due to the limitations at the current facility, “We have to transfer out 50 percent of the patients coming to the emergency room...”

Letters of support were submitted from the following doctors and nursing home administrator, stating that the project is needed due to existing limitations at the current facility, including its small size and limited services. These letters also state that patients prefer and expect a state of the art hospital, modern equipment and technology. These letters were signed by the following:

- Dr. Junias Desamour, Board Certified Internal Medicine, Assistant Clinical Professor St. Matthew’s University School of Medicine, and former Chief of Staff Florida Hospital Apopka
- Dr. Joseph C. Tutorino, Orthopedics of Florida, Altamonte Springs
- Dr. John W. Robertson, Advanced Surgical Care Specialists, St. Mary
- Dr. Marc Santambrosio, Board Certified ER physician in the Orlando Area and former employee at Florida Hospital Apopka
- Dr. Max Baumgardner, Apopka area physician
- Ms. Diana Rodriguez, NHA, Administrator of Sunbelt Health and Rehab Center-Apopka.

Three Apopka city officials submitted letters stating that the outdated infrastructure at the existing facility no longer meets the needs of the community and patients often have to be transferred to other, better equipped facilities for needed services. They also state that the new state-of-the-art hospital will improve access and “serve the healthcare needs of our growing community for decades to come”. These officials include:

- Mr. John H. Land, Mayor, City of Apopka
- Mr. Bill Arrowsmith, Vice Mayor, City of Apopka
- Mr. Richard D. Anderson, Chief Administrative Officer, City of Apopka.

Mr. John M. Lewis, CEO of LYNX<sup>1</sup>, submitted a letter stating that “LYNX is aware of the proposed relocation” and is “in the preliminary stage of evaluating various options to provide public transportation to the new hospital location from convenient points within the city of Apopka. We plan to work with the hospital and Orange County government in determining the feasibility of new and expanded transportation routes. This proposed location is situated next to several major roads and could improve direct access”.

Ms. Christine Moore, School Board Member, District 7 Orange County and two Apopka residents - Mr. Bert Carrier and Ms. Ann Sonntag, submitted letters citing need for the replacement facility due to poor infrastructure, deterioration of the physical plant and need for expanded services.

### **C. PROJECT SUMMARY**

**Adventist Health System/Sunbelt, Inc. d/b/a Florida Hospital (CON application #10222)** proposes to construct a replacement facility for Florida Hospital Apopka, an existing 50-bed acute care hospital located at 201 N. Park Avenue, Apopka, Florida, Orange County in District 7, Subdistrict 2. The replacement facility will be located at 1901 Harmon Road, Apopka, Florida in ZIP code 32703 and will initially consist of 80 licensed beds, 50 of which are licensed and operational at the current facility and an additional 30 beds which the applicant provided notification (NF #140011) to add following project approval.

<sup>1</sup> LYNX is a bus system run by the Central Florida Regional Transportation Authority, serving the greater Orlando, Florida area, Orange, Seminole, and Osceola Counties with limited service to Lake, Volusia, and Polk Counties.

Per the applicant, the primary service area (PSA) is comprised of three ZIP codes (32703, 32712 and 32798) and is projected to represent approximately 81.4 percent of Florida Hospital Apopka patients in 2019. Eight ZIP codes (32714, 32757, 32776, 32779, 32808, 32810, 32818 and 34761) constitute the secondary service area (SSA) and represent about 11.6 percent of total discharges. Approximately seven percent of Florida Hospital Apopka's patients are from ZIP codes and areas each representing less than 0.8 percent of total discharges. The applicant states that the new site will not change Florida Hospital Apopka's existing service area.

The applicant estimates replacement construction costs will total \$148,656,531 Florida Hospital states that it will construct a separate medical office building (MOB) on the new site at a cost of \$20,036,954.

The applicant conditions approval of the proposed replacement facility on the following conditions:

- The facility will be constructed at 1901 Harmon Road, Apopka, Florida 32703.
- A physical bus shelter for passengers and patients will be constructed at a LYNX bus stop proximate to the main entrance of the Florida Hospital Apopka replacement facility.

#### **D. REVIEW PROCEDURE**

The evaluation process is structured by the certificate of need review criteria found in sections 408.035 and 408.037, Florida Statutes; and applicable rules of the State of Florida, Chapters 59C-1 and 59C-2, Florida Administrative Code. These criteria form the basis for the goals of the review process. The goals represent desirable outcomes to be attained by successful applicants who demonstrate an overall compliance with the criteria. Analysis of an applicant's capability to undertake the proposed project successfully is conducted by evaluating the responses and data provided in the application, and independent information gathered by the reviewer.

Applications are analyzed to identify strengths and weaknesses in each proposal. If more than one application is submitted for the same type of project in the same district (subdistrict), applications are comparatively reviewed to determine which applicant(s) best meets the review criteria.

Rule 59C-1.010(3) (b), Florida Administrative Code, prohibits any amendments once an application has been deemed complete; however, two exceptions exist regarding receipt of information concerning general hospital applications. Pursuant to Section 408.039(3)(c), Florida Statutes, an existing hospital may submit a written statement of opposition within 21 days after the general hospital application is deemed complete and is available to the public. Pursuant to Section 408.039(3)(d), in those cases where a written statement of opposition has been timely filed regarding a certificate of need application for a general hospital, the applicant for the general hospital may submit a written response to the Agency within 10 days of the written statement due date.

The burden of proof to entitlement of a certificate rests with the applicant. As such, the applicant is responsible for the representations in the application. This is attested to as part of the application in the certification of the applicant.

As part of the fact-finding, the consultant, Jessica Hand, analyzed the application in its entirety.

**E. CONFORMITY OF PROJECT WITH REVIEW CRITERIA**

The following indicate the level of conformity of the proposed project with the review criteria and application content requirements found in sections 408.035 and 408.037, Florida Statutes; and applicable rules of the State of Florida, Chapters 59C-1 and 59C-2, Florida Administrative Code.

**1. Statutory Review Criteria**

**For a general hospital, the Agency shall consider only the criteria specified in ss. 408.035 (1)(a), (1)(b), except for quality of care, and (1)(e), (g), and (i) Florida Statutes. ss. 408.035(2), Florida Statutes.**

**a. Is need for the project evidenced by the availability, accessibility and extent of utilization of existing health care facilities and health services in the applicant's service area? ss. 408.035(1)(a) and (b), Florida Statutes.**

District 7, Subdistrict 7-2 had a total of 3,170 licensed acute care beds with an occupancy rate of 70.19 percent during the July 2012 through June 2013 reporting period. With the exception of Nemours Children's Hospital which was licensed October 11, 2012, Florida Hospital Apopka had the subdistrict's lowest acute care occupancy at 52.56 percent. As of January 17, 2014, Subdistrict 7-2 had 3,242 licensed acute care beds.

There were notifications for a total of 152 acute care beds approved to be added to the subdistrict—Nemours Children’s Hospital (eight beds NF #130020), Orlando Regional Medical Center (146 beds NF #120010), Winter Park Memorial Hospital (15 beds NF #120045) and Florida Hospital (delicensing 17 beds NF #130022). The applicant notified (NF #140011) the Agency on February 19, 2014 of its intent to add 30 beds to Florida Hospital Apopka’s 50 acute care beds.

Introduction:

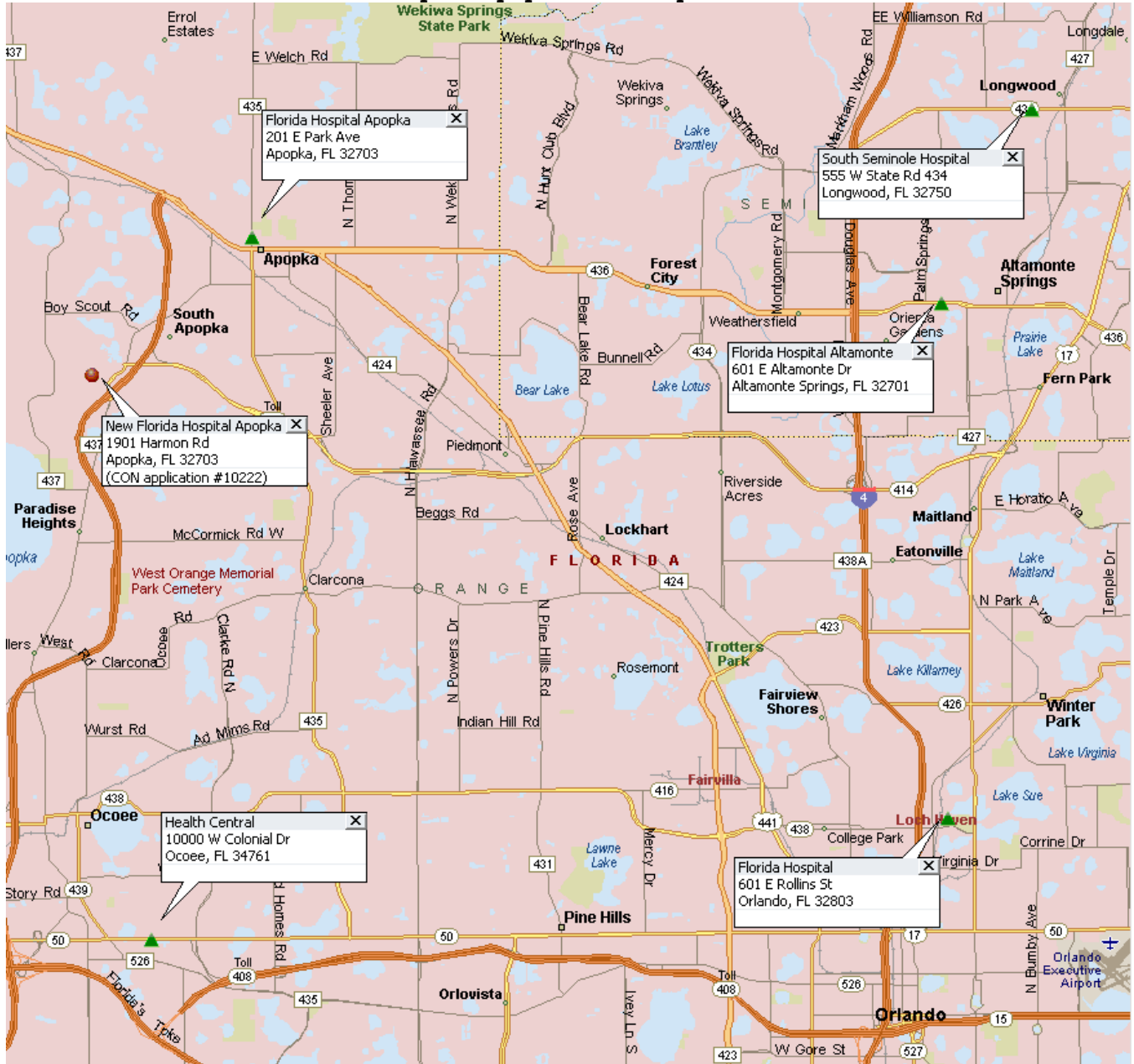
Florida Hospital Apopka is an existing 50-bed acute care hospital in Apopka, Orange County, Florida. Constructed in the 1960’s, the applicant states the single-story facility is at the end of its useful life and needs replacement with a physical plant that offers modern patient amenities and services consistent with the current health care environment.

Florida Hospital Apopka is one campus of the applicant, Florida Hospital, which operates seven hospital locations under one Medicare provider number and one Florida license issued to Adventist Health System/Sunbelt, Inc. d/b/a Florida Hospital. In total, these seven campuses comprise 2,485 licensed hospital beds:

- Florida Hospital (Orlando)
- Florida Hospital Altamonte
- Florida Hospital Apopka
- Florida Hospital Celebration Health
- Florida Hospital East Orlando
- Florida Hospital Kissimmee
- Winter Park Memorial Hospital.

The current Apopka facility is located at 201 N. Park Ave within the Apopka 32703 ZIP code. The proposed replacement site at 1901 Harmon Road is located approximately three miles from the current location, within the same city and ZIP code. Because this location exceeds the one mile replacement distance threshold allowed by s. 408.036(5), Florida Statutes, the applicant seeks a CON for construction of the new facility. See the map below.

**Florida Hospital Apopka (CON Application #10222)  
Acute Hospitals Within a 12-Mile Radius of  
Florida Hospital Apopka & the Replacement Site**



Source: Microsoft MapPoint 2013 ®

Florida Hospital states that “the new site is located in the growth corridor of Apopka at the intersection of State Roads 414, 429 and 451 and County Road 437A”. The applicant also states that the site will improve access to residents of both the primary and secondary service areas and will not change Florida Hospital Apopka’s service area.

As previously stated, the replacement hospital will have an initial licensed bed count of 80 beds, 50 of which are licensed and operational at the existing location, and 30 the applicant will be adding per notification (NF #140011).

#### Need for a Replacement Facility

Florida Hospital states that the current limitations and conditions of the physical plant, demographic trends and projected market growth necessitates the applicant to develop a physical infrastructure and site consistent with the community's needs and the applicant and Florida Hospital Apopka's commitment to the community are the primary reasons for construction of a replacement facility.

The applicant provides a thorough discussion of the history, construction, limitations and deterioration at the current facility. These include narrow corridors, low ceilings, aging HVAC (heating, ventilation, and air conditioning) system, cramped patient rooms that lack privacy, overcrowded mechanical room, sewage limitations, and other challenges that negatively impact the provision of services to patients.

#### The Replacement Hospital

Florida Hospital states the replacement facility will be carefully designed to promote the efficient delivery of high quality care in a positive environment that meets today's standards of care. The building will allow for future expansion with infrastructure designed to support growth. All private rooms, larger state-of-the-art operating rooms, a larger emergency department, greater space for lab, imaging, diagnostic and ancillary services, and progressive care unit (PCU) beds with the flexibility to serve acuity levels between critical care and medical surgical based on patient clinical needs are features planned for the new facility.

The applicant provides a thorough discussion of the features and services to be offered at the new facility and benefits to patients, staff, and family.

As previously stated, Florida Hospital estimates that project construction costs will total \$148,656,531.



Demographic Trends and Projected Market Growth

The applicant reviews the PSA and SSA and provides a breakdown and map of Florida Hospital Apopka patient origin by ZIP code showing 79.9 percent of patients originate from the three ZIP code PSA, 13.8 percent from the SSA and seven percent from other outside ZIP codes.

Florida Hospital provides population data by ZIP code which indicates that from 2013 to 2019 (the third operation year of the replacement facility) the service area adult population will increase 8.9 percent, from 262,779 to 286,273. Among service area residents ages 65 and older, the projected growth rate during the same time period is even higher, increasing 25.2 percent (45,283 to 56,704).

Historic Utilization

The applicant provides Florida Hospital Apopka's utilization in the table below during the three-year period of CY 2011 through 2013.

<b>CY</b>	<b>Patient Days</b>	<b>ADC</b>	<b>Occupancy</b>
2011	10,463	28.7	57.3%
2012	9,620	26.4	52.7%
2013	10,105	27.7	55.4%

Source: CON application #10222, page 30.

Florida Hospital notes that the ADC (average daily census) has remained relatively constant over these years ranging from 29 patients in CY 2011 to 28 patients in CY 2013. Per the applicant, outdated conditions at the physical plant and lack of comprehensive surgical programs have contributed to underutilization at the facility.

Service area adult non-tertiary utilization analysis is also provided by the applicant, for the three-year period 2010 through 2012. During the time, utilization increased 1.8 percent (from 8,439 in 2010 to 8,588 in 2012) in the PSA and 2.1 percent (from 21,464 in 2010 to 21,922 in 2012) in the SSA. Per the applicant, Florida Hospital Apopka's inpatient market share of adult non-tertiary discharges in 2012 ranged from 23 to 24 percent in the PSA, and one to seven percent in the SSA. While the PSA inpatient market grew by 1.8 percent from 2010 to 2012, the applicant notes Florida Hospital Apopka did not participate in this growth and actually saw PSA discharges decline from 2,181 in 2010 to 2,055 in 2012, a 4.5 percent drop.

The CON reviewer obtained CY 2012 hospital discharge data which indicates that Florida Hospital Apopka had 1,924 discharges from its three ZIP code PSA. The applicant states that Florida Hospital Apopka has an approximate 24 percent share in the PSA and that comparable community hospitals without competitors within their PSA typically experience a 50 percent market share or higher. The applicant's estimated PSA market share is supported by CY 2012 hospital discharge data. Florida Hospital anticipates the new facility will improve Florida Hospital Apopka's market share in its PSA ZIP codes from the current 23 percent to 40 percent.

Emergency Department Transfers for Inpatient Admission to Other Facilities

The applicant states that the current facility's limitations and lack of comprehensive surgery services impact the number of patients who seek care at the Florida Hospital Apopka Emergency Department (ED) and often patients are transferred to other facilities for the care they need. Florida Hospital notes that in 2012, over 2,800 patients were transferred from the ED at Florida Hospital Apopka for admission to other acute care facilities. Florida Hospital contends that the majority of these transfers could be admitted to Florida Hospital Apopka's state-of-the-art replacement facility. The applicant provides an analysis to show that the impact of the new facility on nearby providers will be limited to primarily Florida Hospital Altamonte and Florida Hospital Orlando.

Despite these 2,809 transfers, the ED at Florida Hospital Apopka treated a total volume of 35,008 patients in 2012. The applicant notes the following regarding emergency room admissions:

- Florida Hospital Apopka ED market shares for patients treated and released ranged from 57 to 64 percent in 2012.
- In contrast, the acute care market shares ranged from 23 to 24 percent in 2012.

Florida Hospital indicates that Florida Hospital Apopka's total ED volume was 35,008 patients in 2012 and the hospital's inpatient discharges were 2,593 in 2012. The CON reviewer confirmed the CY 2012 hospital discharges but had 29,893 ED visits compared to the 35,008 reported by the applicant. Florida Hospital concludes that with the new Florida Hospital Apopka, it expects higher inpatient discharges.

Projected Service Area Utilization

The applicant indicates that its analysis of the service area's total ED visits and adult non-tertiary inpatient utilization support the following conclusions:

- Discharges in the PSA will increase from 8,588 in 2012 to 9,588 in 2019 (the expected third operational year of the replacement facility).
- Discharge growth from population growth and aging in the PSA is projected to be 1,000 discharges, an 11.6 percent increase.
- SSA adult non-tertiary discharges are projected to increase from 21,922 in 2012 to 24,181 in 2019.
- Population growth and aging in the SSA will increase by 2,259 discharges, or 10.3 percent.
- ED visits for non-admitted and non-transferred patients in the PSA are projected to increase from 37,686 in 2012 to 39,212 in 2019.
- ED visits for non-admitted and non-transferred patients in the SSA are projected to increase from 107,840 in 2012 to 109,791 in 2019.

The applicant states improved and more competitive facilities, increased site accessibility, visibility and convenience, and enhanced surgical and specialty services will contribute to the projected increase in Florida Hospital Apopka's adult non-tertiary market shares from 2012 to 2019:

- Between 2012 and 2019, PSA market shares are projected to increase from 23 to 40 percent, which would result in an increase of 1,814 discharges, from 2,021 to 3,835.
- During the same period, SSA market shares are projected to increase from 1.6 to 2.3 percent, an increase of 197 discharges, from 352 to 549.

Florida Hospital Apopka's projected service area discharges by ZIP code are presented in the table below.

**Florida Hospital Apopka (CON Application #10222)  
CY 2012 and CY 2019 Projected Service Area Discharges by ZIP Codes**

ZIP Code	2012		2019		Change 2012-2019 Discharges
	Florida Hospital Apopka Discharges	Percent of ZIP Code Total	Florida Hospital Apopka Discharges	Percent of ZIP Code Total	
32703	1,075	23.0%	2,047	40.0%	972
32712	792	24.2%	1,519	40.0%	727
32798	154	24.2%	269	40.0%	115
32714	35	1.2%	53	40.0%	18
32757	24	1.0%	36	1.7%	12
32776	47	5.7%	77	1.4%	30
32779	32	1.7%	52	8.0%	20
32808	36	0.7%	50	2.4%	14
32810	79	2.5%	123	1.0%	44
32818	65	1.9%	102	3.6%	37
34761	34	1.4%	56	1.9%	22
<b>Total Service Area</b>	<b>2,373</b>	<b>7.8%</b>	<b>4,384</b>	<b>13.0%</b>	<b>2,011</b>

Source: CON application #10222, page 42.

The reviewer notes that the applicant projects a total of 4,714 discharges during 2019 at the new facility. Florida Hospital indicates that PSA ZIP codes are projected to represent 81.4 percent (3,835/4,714) of the facility’s total, SSA ZIP codes 11.6 percent and seven percent (330 discharges not shown in the table above) will be from “other” ZIP codes. The applicant indicates that these “other” ZIP codes “each represent less than 0.8 percent of the facility’s total discharges”. Florida Hospital indicates that Health Central is the only hospital that is located in the service area. Health Central is located in ZIP code 34761 and is approximately nine miles from the existing Florida Hospital Apopka facility and seven miles from the new Florida Hospital Apopka site per <http://www.floridahealthfinder.gov/facilitylocator/facloc.aspx>. The applicant indicates that residents of the ZIP code where Health Central is located are expected to account for approximately 1.2 percent (56/4,714) of Florida Hospital Apopka discharges during CY 2019.

Florida Hospital submits the following chart summarizing projected utilization for the proposed project:

<b>2019 Florida Hospital Apopka Projected Inpatient Utilization</b>	
PSA Discharges	3,835
SSA Discharges	549
Other Discharges	330
<b>Total</b>	<b>4,714</b>
<b>ALOS</b>	
ALOS	4.0
<b>Patient Days</b>	
Patient Days	18,856
<b>ADC</b>	
ADC	51.7
<b>Beds</b>	
Beds	80
<b>Occupancy</b>	<b>64.6%</b>

Source: CON application #10222, page 43.

The applicant acknowledges that the 4.0 ALOS (average length of stay) is longer than Florida Hospital Apopka’s 3.3 days during CY 2012. However, the projected increase is stated to be based on the new facility having enhanced surgery services that Florida Hospital Apopka presently does not have.

Impact

Florida Hospital Apopka states the replacement hospital will have no adverse impact on existing providers. The applicant contends that this is supported by the projected growth in service area population and admissions, and the expected reduction in transfers from Florida Hospital Apopka to other Florida Hospital facilities.

The applicant states that total provider admissions from the PSA and SSA are projected to increase from 30,510 in 2012 to 33,772 in 2019. All other existing providers are projected to increase admissions as well. Florida Hospital states no other hospitals are located in the PSA and only one (Health Central) is located in the SSA. The historical and projected discharges for service area providers are shown below.

<b>Service Area Discharge Impact of Relocation of Florida Hospital Apopka</b>				
<b>Provider</b>	<b>2012</b>	<b>2019</b>	<b>Change 2012-2019</b>	<b>% Change 2012-2019</b>
Florida Hospital Apopka	2,373	4,384	2,011	84.7%
Florida Hospital Altamonte	6,903	6,944	41	0.6%
Florida Hospital Orlando	8,116	8,387	271	3.3%
Health Central	3,864	4,252	388	10.0%
Orlando Regional Medical Center	2,759	2,926	167	6.1%
Florida Hospital Waterman	2,470	2,611	141	5.7%
Dr. P Phillips Hospital	855	922	67	7.8%
Florida Hospital Celebration	186	193	7	3.8%
South Lake Hospital	134	148	14	10.4%
South Seminole Hospital	857	912	55	6.4%
Winter Park Memorial Hospital	689	719	30	4.4%
All Others	1,304	1,374	70	5.4%
<b>Total</b>	<b>30,510</b>	<b>33,772</b>	<b>3,262</b>	<b>10.7%</b>

Source: CON application #10222, page 44.

The applicant concludes that any impact of the relocation of Florida Hospital Apopka, such as increased utilization, will primarily be a redistribution of discharges within the Florida Hospital system.

Projected Florida Hospital Apopka Emergency Department Utilization

The applicant provides analysis of ED utilization in order to conclude that the total number of patients seen in the Florida Hospital Apopka ED is projected to increase from 35,175 in 2012 to 41,402 in 2019.

Florida Hospital’s Commitment to the Community

Florida Hospital Apopka states that it is a community health leader and strong corporate citizen within the service area, providing a wide variety of free clinics, screenings, lectures and classes as well as donations and sponsorships of community organizations. The applicant provides a detailed overview of these services and programs.

Florida Hospital concludes that structural limitations prevent satisfactory renovation of the existing facility and construction of a new facility best meets the expectations of the community served by Florida Hospital Apopka.

- b. **Will the proposed project foster competition to promote quality and cost-effectiveness? Please discuss the effect of the proposed project on any of the following:**
- **applicant facility;**
  - **current patient care costs and charges (if an existing facility);**
  - **reduction in charges to patients; and**
  - **extent to which proposed services will enhance access to health care for the residents of the service district.**
- ss. 408.035(1)(e) and (g), Florida Statutes.**

Competitive Advantage and Effect on Costs/Charges

The applicant states the replacement hospital will not directly affect competition since Florida Hospital Apopka is an existing hospital provider. However, the new facility amenities will raise the bar from a competitive standpoint, as the existing structure is at a disadvantage compared to modern health care provider facilities. Per the applicant, the replacement facility will have no impact on the charge structure as these are set for all Florida Hospital campuses uniformly. Only capital costs related to building will apply, and will be spread over a larger patient base resulting from increased utilization.

Quality of Care and Awards

Florida Hospital notes the following achievements:

- Ranked the #1 hospital in the State of Florida by *U.S. News & World Report* in 2013
- Ranked the #1 hospital in Orlando metro area by *U.S. News and World Report* in 2011 and 2012
- Over the last decade *U.S. News and World Report* has consistently recognized Florida Hospital as “One of America’s Best Hospitals” in an array of clinical specialties (cardiology, orthopedics, neurology, etc.)
- 2010 Magnet Recognition for excellence in nursing care, awarded to Walt Disney Pavilion at Florida Hospital for Children, by the American Nurses Credentialing Center
- 2010 Beacon Nursing Award, Florida Hospital Celebration Health’s ICU
- 2011 Beacon Nursing Award, Winter Park Memorial Hospital
- American Heart Association & American Stroke Association Awards
- Florida Hospital Cancer Institute Quality Oncology Practice Initiative Certification (awarded for exceptional outpatient care)
- Center of Excellence in Minimally Invasive Gynecology-Celebration Health

- America’s Largest Non-Catholic Religious Healthcare System
- Education Leader with 3,200 students enrolled at Adventist University of Health Sciences
- 14 additional award and recognition categories are described by the applicant.

**c. Does the applicant have a history of providing health services to Medicaid patients and the medically indigent? Does the applicant propose to provide health services to Medicaid patients and the medically indigent? ss. 408.035(1)(i), Florida Statutes.**

Florida Hospital Apopka attests to a strong history providing health services to Medicaid populations and the medically indigent. Per the applicant, during CY 2010 through CY 2012, Adventist Health System/Sunbelt, Inc. d/b/a Florida Hospital provided over \$1.8 billion dollars of charity care and an additional \$246 million in uncompensated care. The applicant submits the following chart demonstrating Florida Hospital’s history of care to indigent, uncompensated and Medicaid populations.

	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Charity Care</b>	\$525,213,000	\$562,827,000	\$717,337,000
<b>Other Uncompensated/Bad Debt</b>	\$83,036,000	\$76,992,000	\$86,765,000
<b>Medicaid Inpatient &amp; Outpatient</b>	\$1,272,508,000	\$1,492,041,000	\$1,708,198,000
<b>Medicaid Patient Days</b>	105,222	92,704	98,135

Source: CON application #10222, page 63.

The applicant states intent to continue providing care to Medicaid and medically indigent patients at the replacement facility, while improving access to services. The new facility will be closer to major cross roads and thoroughfares in the service area, and the applicant intends for city transit to install a LYNX bus stop at the replacement site.

Florida Hospital cites its letters of support and role in the community as further evidence of provision of care to all populations of the service area.



- d. **Does the applicant include a detailed description of the proposed general hospital project and a statement of its purpose and the need it will meet? The proposed project’s location, as well as its primary and SSAs, must be identified by ZIP code. Primary service area is defined as the ZIP codes from which the applicant projects that it will draw 75 percent of its discharges, with the remaining 25 percent of ZIP codes being secondary. Projected admissions by ZIP code are to be provided by each ZIP code from largest to smallest volumes. Existing hospitals in these ZIP codes should be clearly identified. ss. 408.037(2), Florida Statutes.**

The applicant provided a thorough and complete description of the replacement facility in the previous sections of this report.

Florida Hospital provided the following table to show its projected discharges by ZIP code for the replacement facility.

**2019 Florida Hospital Apopka Projected Patient Origin by ZIP Code**

<b>ZIP Code/City</b>	<b>2019 Discharges</b>	<b>% Total</b>	<b>Cumulative % Total</b>
32703 Apopka	2,047	43.4%	43.4%
32712 Apopka	1,519	32.2%	75.6%
32798 Zellwood	269	5.7%	81.4%
32810 Orlando	123	2.6%	84.0%
32818 Orlando	102	2.2%	86.1%
32776 Sorrento	77	1.6%	87.8%
34761 Ocoee	56	1.2%	88.9%
34714 Altamonte Springs	53	1.1%	90.1%
32779 Longwood	52	1.1%	91.2%
32808 Orlando	50	1.1%	92.2%
32757 Mt. Dora	36	0.8%	93.0%
Other	330	7.0%	100.0%
<b>Total</b>	<b>4,714</b>	<b>100.0%</b>	

Source: CON application #10222, page 67.

**F. Written Statement(s) of Opposition**

**Except for competing applicants, in order to be eligible to challenge the Agency decision on a general hospital application under review pursuant to paragraph (5)(c), existing hospitals must submit a detailed written statement of opposition to the Agency and to the applicant. The detailed written statement must be received by the Agency and the applicant within 21 days after the general hospital application is deemed complete and made available to the public. ss. 408.039(3)(c), Florida Statutes.**

No statements of opposition were submitted in response to CON application #10222.

**G. Applicant Response to Written Statement(s) of Opposition**

**In those cases where a written statement of opposition has been timely filed regarding a certificate of need application for a general hospital, the applicant for the general hospital may submit a written response to the Agency. Such response must be received by the Agency within 10 days of the written statement due date. ss. 408.039(3)(d), Florida Statutes.**

No statements of opposition were submitted in response to CON application #10222, thus this section does not apply.

**H. SUMMARY**

**Adventist Health System/Sunbelt, Inc. d/b/a Florida Hospital (CON application #10222)** is an existing 50-bed acute care hospital located at 201 N. Park Avenue within the Apopka 32703 ZIP code. The proposed replacement site is located approximately three miles from the current location, within the same city and ZIP code, at 1901 Harmon Road.

Per the applicant, the replacement hospital will have an initial licensed bed count of 80 beds, 50 of which are presently licensed and operational and 30 added by notification #NF140011.

Florida Hospital proposes to condition project approval on the following:

- The facility will be constructed at 1901 Harmon Road, Apopka, Florida 32703.
- A physical bus shelter for passengers and patients will be constructed at a LYNX bus stop proximate to the main entrance of the Florida Hospital Apopka replacement facility.

**Need:**

Constructed in the 1960's, the single-story Florida Hospital Apopka facility is at the end of its useful life, and needs a replacement with a physical plant that offers modern patient amenities and services consistent with the current health care environment.

The applicant provides a thorough discussion of need to replace the existing Florida Hospital Apopka facility. Outdated design issues, deterioration of the physical plant, and difficulty meeting the expectations of patients, staff and families are discussed in detail.

The replacement hospital will have no adverse impact on existing providers, due to the projected growth in the service area population and admissions, and the expected reduction in transfers from Florida Hospital Apopka to other Florida Hospital facilities.

**Competition**

Florida Hospital states no other hospitals are located in the PSA and only one (Health Central) is located in the SSA. Health Central is located in a SSA ZIP code that is projected to account for approximately 1.2 percent of Florida Hospital Apopka's total CY 2019 discharges.

Because the applicant seeks approval for a replacement facility within the same ZIP code as the current structure, no adverse impact is anticipated for existing providers.

Existing providers did not submit opposition to the project.

**Medicaid/charity care:**

Between 2010 and 2012, Adventist Health System/Sunbelt, Inc. d/b/a Florida Hospital provided over \$1.8 billion dollars of charity care and \$246 million in uncompensated care.

The applicant states intent to provide Medicaid and charity care in accordance with standards applied to all Florida Adventist hospitals.

Florida Hospital Apopka does not propose to condition the project to Medicaid or charity care.

**I. RECOMMENDATION:**

Approve CON #10222 to construct a 50-bed acute care replacement hospital for Florida Hospital Apopka in Orange County, District 7, Subdistrict 2. The estimated total construction cost is \$148,656,531.

**CONDITIONS:**

- (1) The facility will be constructed at 1901 Harmon Road, Apopka, Florida 32703.
- (2) A physical bus shelter for passengers and patients will be constructed at a LYNX bus stop proximate to the main entrance of the Florida Hospital Apopka replacement facility.

**AUTHORIZATION FOR AGENCY ACTION**

Authorized representatives of the Agency for Health Care Administration adopted the recommendation contained herein and released the State Agency Action Report.

DATE: \_\_\_\_\_

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James B. McLemore  
**Health Services and Facilities Consultant Supervisor  
Certificate of Need**

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Jeffrey N. Gregg  
**Director, Florida Center for Health Information and Policy Analysis**