

**STATE AGENCY ACTION REPORT  
ON APPLICATION FOR CERTIFICATE OF NEED**

**A. PROJECT IDENTIFICATION**

**1. Applicant/CON Action Number**

**Highland Oaks NH, LLC/CON #10288**

4042 Oaks Blvd. Suite 300  
Tampa, Florida 33610

Authorized Representative: Ronald J. Swartz  
(813) 675-2341

**Hillsborough County CON, LLC/CON #10289**

4045 Sheridan Avenue #195  
Miami Beach, Florida 33140

Authorized Representative: Michael Bokor  
(954) 423-4160

**Hillsborough County Development, LLC/CON #10290**

515 Fairmont Avenue  
Towson, Maryland 21286

Authorized Representative: Natalie Holland  
(410) 494-8166

**Hillsborough SNF, LLC/CON #10291**

1447 West Bexley Park Drive  
Delray Beach, Florida 33445

Authorized Representative: Robert J. Greene  
(954) 684-3416

**LP Tampa, LLC/CON #10292**

12201 Bluegrass Parkway  
Louisville, Kentucky 40299

Authorized Representative: John Harrison  
(502) 568-7800

**2. Service District/Subdistrict**

District 6/Subdistrict 6-1 (Hillsborough County)

**B. PUBLIC HEARING**

A public hearing was not held or requested regarding any of the proposed projects.

**Letters of Support**

**Highland Oaks NH, LLC (CON #10288):** The Agency received a couple of letters of support submitted by the applicant. Both letters were composed by medical doctors working at a Greystone-affiliated facility, The Lodge Health and Rehabilitation Center.

**Hillsborough County CON, LLC (CON #10289):** The applicant submitted many letters of support. The letters were composed by local health care providers and business leaders.

**Hillsborough County Development, LLC (CON #10290):** The Agency received various letters of support submitted by the applicant. The letters were composed by managed care companies, local health care providers and residents.

**Hillsborough SNF, LLC (CON #10291):** The Agency received a few letters of support submitted by the applicant. These letters included one from Genesis stating its willingness to provide therapy services and another regarding its participation in a study to evaluate the potential for a virtual physician service.

One letter of support from Dr. Charles J. Lockwood, Senior Vice President of the University of South Florida (USF) Health and Dean of the Morsani College of Medicine states, "Consulate and USF have agreed to build upon their existing affiliation with an expansion of USF-affiliated health care education, research and services to be hosted at the new skilled nursing facility which Consulate plans to establish in close proximity to the USF Health campus in the north Tampa area of Hillsborough County."

**LP Tampa, LLC (CON #10292):** The Agency received a few letters of support submitted by the applicant. The letters were composed by various members of the medical community including one from Ms. Jillian Madsen, Senior Patient Care Administer of VITAS Healthcare.

**C. PROJECT SUMMARY**

**Highland Oaks NH, LLC (CON #10288)** proposes to establish a new 110-bed community nursing home in Subdistrict 6-1, Hillsborough County. Highland Oaks NH, LLC (also referred to as Highland Oaks or the applicant) will be managed by Greystone Healthcare Management (referred to as Greystone throughout this document).

Greystone operates 26 skilled nursing facilities (SNFs) and two assisted living facilities (ALFs) in Florida:

- Alhambra Health and Rehabilitation Center
- Lexington Health and Rehabilitation Center
- Apollo Health and Rehabilitation
- North Rehabilitation Center
- North Beach Rehabilitation Center
- Unity Health and Rehabilitation Center
- Wilton Manors Health and Rehabilitation Center
- Lady Lake Specialty Care Center
- Club Health and Rehabilitation Center
- The Lodge Health and Rehabilitation Center
- Springs of Lady Lake
- Park Meadows Health and Rehabilitation Center
- Greenbriar Health and Rehabilitation Center
- Lehigh Acres Health and Rehabilitation Center
- Sunset Lake Health and Rehabilitation Center
- Village Place Health and Rehabilitation Center
- Carlton Shores Health and Rehabilitation Center
- Ridgecrest Nursing and Rehabilitation Center
- Rockledge Health and Rehabilitation Center
- Viera Health and Rehabilitation Center
- Citrus Hills Health and Rehabilitation Center
- The Gardens Health and Rehabilitation Center
- Isle Health and Rehabilitation Center
- Riverwood Health and Rehabilitation Center
- Terrance Health and Rehabilitation Center
- Villa Health and Rehabilitation Center
- Woodland Grove Health and Rehabilitation Center
- The Rehabilitation and Health Center of Gahanna

The project involves 83,558 gross square feet (GSF) of new construction. The construction cost is \$15,458,230. Total project cost is \$22,877,084.

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Project cost includes land, building, equipment, project development, financing and start-up costs.

The applicant does not wish to accept any conditions for the proposed project.

**Hillsborough County CON, LLC (CON #10289)** proposes to establish a new 110-bed community nursing home in Subdistrict 6-1, Hillsborough County. The applicant states that it is a new entity and does not operate any other SNFs in Florida. The reviewer notes that letters of support indicate that Reliant Health Care Services (whom the applicant states will be the management company for the proposed facility) operates Woodbridge Rehabilitation and Health Center and Excel Rehabilitation and Health Center, both located in Tampa, Florida.

The project involves 80,080 GSF of new construction. The construction cost is \$14,000,000. Total project cost is \$21,694,000. Project cost includes land, building, equipment, project development, financing and start-up costs.

The applicant does not wish to accept any conditions for the proposed project.

**Hillsborough County Development, LLC (CON #10290)** proposes to establish a new 110-bed community nursing home in Subdistrict 6-1, Hillsborough County. Hillsborough County Development, LLC (“HCD”) is an affiliate of Genesis HealthCare, LLC (also referred to as Genesis throughout this document).

Genesis operates nine SNFs in Florida:

- Oakhurst Center (Ocala, Marion County)
- Orchard Ridge (New Port Richey, Pasco County)
- Bay Tree Center (Palm Harbor, Pinellas County)
- West Bay of Tampa (Oldsmar, Pinellas County)
- Sunset Point (Clearwater, Pinellas County)
- Huntington Place (Rockledge, Brevard County)
- Springwood Center (Sarasota, Sarasota County)
- Pinebrook Center (Venice, Sarasota County)
- Lakeside Pavilion (Naples, Collier County)

The project involves 91,400 GSF of new construction. The construction cost is \$16,101,250. Total project cost is \$25,622,354. Project cost includes land, building, equipment, project development, financing and start-up costs.

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The applicant proposes to condition the proposed project as shown below:

- HCD will condition the project on the inclusion of a pool for provision of aqua-therapy
- HCD will condition the project on the provision of on-site physician and/or physician extender services 7 days per week
- HCD will condition the project on participation in the Bundled Care Payment Initiative Level I

**Hillsborough SNF, LLC (CON #10291)** an affiliate of Consulate Healthcare (referred to as Consulate or the applicant throughout this document), proposes to establish a new 110-bed community nursing home in Subdistrict 6-1, Hillsborough County.

The applicant operates 76 SNFs in Florida:

- Bay Breeze Health and Rehabilitation Center
- Baya Pointe Nursing and Rehabilitation Center
- Bayonet Point, Consulate Health Care Of
- Beneva Lakes Healthcare and Rehabilitation Center
- Bradenton Health Care
- Brandon Health and Rehabilitation Center
- Brandon, Consulate Health Care Of
- Brentwood, Health Center at
- Central Park Healthcare and Rehabilitation Center
- Colonial Lakes Health Care
- Coral Bay Healthcare and Rehabilitation Center
- Coral Trace Health Care
- Countryside Rehab and Healthcare Center
- Destin Healthcare and Rehabilitation Center
- Deltona Health Care
- Dolphins View, The Health and Rehabilitation Center
- Emerald Shores Health and Rehabilitation
- Englewood Healthcare and Rehabilitation Center
- Evans Health Care
- Fletcher Health and Rehabilitation Center
- Fort Pierce Health Care
- Franco Nursing and Rehabilitation Center
- Governors Creek Health and Rehabilitation Center
- Grand Oaks Health and Rehabilitation Center
- Habana Health Care Center
- Harbor Beach Nursing and Rehabilitation Center
- Harts Harbor Health Care Center
- Heritage Healthcare and Rehabilitation Center

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- Heritage Healthcare Center at Tallahassee
- Heritage Park Rehabilitation and Healthcare
- Heron Pointe Health and Rehabilitation
- Hillcrest Health Care and Rehabilitation Center
- Island Health and Rehabilitation Center
- Jacksonville, Consulate Health Care Of
- Keystone Rehabilitation and Health Center
- Kissimmee, Consulate Health Care Of
- Lake Mary Health and Rehabilitation Center
- Lake Parker, Consulate Health Care At
- Lakeland, Consulate Health Care Of
- Lakeside Oaks Care Center
- Largo Health and Rehabilitation Center
- Magnolia Health and Rehabilitation Center
- Marshall Health and Rehabilitation Center
- Melbourne, Consulate Health Care Of
- New Port Richey, Consulate Health Care Of
- North Florida Rehabilitation and Specialty Care
- North Fort Myers, Consulate Health Care Of
- Oakbridge Healthcare Center
- Oaktree Healthcare
- Orange Park, Consulate Health Care Of
- Osprey Point Nursing Center
- Palms Rehabilitation and Healthcare Center
- Parks Healthcare and Rehabilitation Center
- Pensacola, Consulate Health Care Of
- Plantation Bay Rehabilitation Center
- Port Charlotte, Consulate Health Care Of
- Renaissance Health and Rehabilitation
- Rio Pinar Health Care
- Rosewood Health and Rehabilitation Center
- Safety Harbor, Consulate Health Care Of
- San Jose Health and Rehabilitation Center
- Sarasota, Consulate Health Care Of
- Sea Breeze Health Care
- Seaview Nursing and Rehabilitation Center
- Shoal Creek Rehabilitation Center
- Spring Hill Health and Rehabilitation Center
- St. Petersburg, Consulate Health Care Of
- Tallahassee, Consulate Health Care Of
- University Hills Health and Rehabilitation
- Vero Beach, Consulate Health Care Of
- Vista Manor

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- Wedge Healthcare Center
- West Altamonte, Consulate Health Care At
- West Palm Beach, Consulate Health Care Of
- Winter Haven, Consulate Health Care of
- Wood Lake Health and Rehabilitation Center

The project involves 73,928 GSF of new construction. The construction cost is \$12,066,151. Total project cost is \$18,243,414. Project cost includes land, building, equipment, project development and financing costs.

The applicant proposes to condition the project as shown below:

- The facility will have support space for academic faculty from the Colleges of Medicine, Nursing, Pharmacy and Allied Health Professionals, medical residents and medical nursing, physical therapy, pharmacy, physician assistant and public health students
- The facility will have space for conferences and classrooms in support of community and staff education and training goals
- An EMR system will be included in the new facility and in operation within three months of opening
  - The EMR system will meet Phase 1 of the meaningful use requirements within 24 months
- The applicant will provide all eligible employees the opportunity to complete educational courses with tuition reimbursement, that will support the care center's efforts of providing the highest level of quality care and achieve operational excellence
- The applicant care center will partner with Consulate and serve as a facility for health care professionals to obtain clinical rotations
- The applicant will enter into a collaborative agreement with The University of South Florida to develop and deploy an interdisciplinary clinical care team model within the Hillsborough SNF, LLC care center
- A nurse navigator will be employed at the care center and will be responsible for overseeing the management of patients' medical needs upon admission to the facility and for up to 60 days following discharge
- Free community health screenings will be offered at least four times per calendar year (CY) to community members, employees, residents and families
- Education programs at Dementia Awareness to improve the independence and quality of life of persons with dementia and their caregivers will be provided at no cost in accordance with state and federal laws

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- The applicant will provide a combination of least 29 percent the first year and 38 percent thereafter, of total patient days to patients who are reimbursed under traditional Medicaid, Managed Medicaid or Long-Term Medicaid or uncompensated care
- The applicant will provide space and staffing to support the community's need for Adult Day Care services
- The applicant will provide in-house hemodialysis services
- The applicant will have the capability to operate up to 20 ventilator-capable beds
- The applicant will construct the facility to include Telehealth capabilities in each patient room

**LP Tampa, LLC (CON #10292)** a wholly owned subsidiary of SHC LP Holdings (referred to as Signature or the applicant throughout this document) proposes to establish a new 110-bed community nursing home in Subdistrict 6-1, Hillsborough County.

Signature currently operates 25 facilities with 3,146 beds in Florida:

- Chautauqua Rehabilitation and Nursing Center
- Signature HealthCARE at The Courtyard
- Signature HealthCARE of North Florida
- Washington Rehabilitation and Nursing Center
- The Bridge at Bay St. Joe
- Surrey Place Care Center
- Signature HealthCARE of Gainesville
- Signature HealthCARE of Orange Park
- Signature HealthCARE of Jacksonville
- Signature HealthCARE of Ormond
- Southern Pines Healthcare Center
- Peninsula Care and Rehabilitation Center
- Signature HealthCARE of Pinellas Park
- Golfview Healthcare Center
- Gulfport Rehabilitation Center
- Heritage Park Care and Rehabilitation Center
- Kenilworth Care and Rehabilitation Center
- Anchor Care and Rehabilitation Center
- Winter Park Care and Rehabilitation Center
- Signature HealthCARE of Port Charlotte
- Signature HealthCARE at College Park
- Signature HealthCARE of Palm Beach
- Golfcrest Healthcare Center
- Signature HealthCARE Center of Waterford
- Signature HealthCARE of Brookwood Gardens



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The project involves 75,138 GSF of new construction. The construction cost is \$13,500,000. Total project cost is \$20,215,892. Project cost includes land, building, equipment, project development, financing and start-up costs.

The applicant does not wish to accept any conditions for the proposed project.

<b>Total GSF and Project Costs of Co-Batched Applicants</b>					
<b>Applicant</b>	<b>CON #</b>	<b>Project</b>	<b>GSF</b>	<b>Costs \$</b>	<b>Cost Per Bed</b>
Highland Oaks NH, LLC	10288	New 110 bed facility	83,558	\$22,877,084	\$207,973
Hillsborough County CON LLC	10289	New 110 bed facility	80,080	\$21,694,000	\$197,218
Hillsborough County Development LLC	10290	New 110 bed facility	91,400	\$25,622,354	\$232,930
Hillsborough SNF LLC	10291	New 110 bed facility	73,928	\$18,243,414	\$165,849
LP Tampa LLC	10292	New 110 bed facility	75,138	\$20,215,892	\$183,781

Source: CON applications 10288-10292 and their respective Schedule 1 and 9

**D. REVIEW PROCEDURE**

The evaluation process is structured by the certificate of need review criteria found in Section 408.035, 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, 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. 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, Dwight Aldridge analyzed the application with consultation from the financial analyst, Felton Bradley, of the Bureau of Central Services, who evaluated the financial data and Said Baniahmad of the Office of Plans and Construction, who reviewed the application for conformance with the architectural criteria.

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

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

**1. Fixed Need Pool**

- a. Does the project proposed respond to need as published by a fixed need pool? Or does the project proposed seek beds or services in excess of the fixed need pool? Rule 59C-1.008 (2), Florida Administrative Code.**

In Volume 40, Number 193 of the Florida Administrative Register dated October 3, 2014, a fixed need pool of 110 beds was published for Subdistrict 6-1 for the July 2017 Planning Horizon. Subdistrict 6-1 is comprised of Hillsborough County.

After publication of this fixed need pool, no existing Subdistrict facilities filed exemption requests or filed expedited CON reviews to increase or add community nursing home beds:

As of November 19, 2014, Subdistrict 6-1 had 3,742 licensed and zero approved community nursing home beds. During the 12-month period ending June 30, 2014, Subdistrict 6-1 experienced 87.32 percent utilization at 29 existing facilities. Below is a table illustrating nursing home patient days and occupancy within Subdistrict 6-1.

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**Hillsborough County Nursing Home Patient Days and  
Occupancy July 1, 2013-June 30, 2014**

<b>Facility</b>	<b>Comm. Nursing Home Bed Inventory</b>	<b>Bed Days</b>	<b>Patient Days</b>	<b>Total Occupancy</b>	<b>Medicaid Occupancy</b>
Accentia Health and Rehabilitation Center of Tampa Bay	266	97,090	81,893	84.35%	77.90%
Bayshore Pointe Nursing and Rehab Center	117	42,705	37,696	88.27%	60.53%
Brandon Health and Rehabilitation Center	120	43,800	42,669	97.42%	35.05%
Brighton Gardens of Tampa	45	16,425	13,700	83.41%	21.91%
Canterbury Towers, Inc.	40	14,600	5,713	39.13 %	0%
Carrollwood Care Center	120	43,800	42,830	97.79 %	66.27%
Central Park Healthcare and Rehabilitation Center	120	43,800	40,091	91.53 %	55.56%
Community Convalescent Center	120	43,800	41,933	95.74 %	63.79%
Consulate Health Care of Brandon	120	43,800	42,520	97.08%	55.12%
Excel Rehabilitation and Health Center	120	43,800	40,840	93.24%	59.22%
Fairway Oakes Center	120	43,800	42,022	95.94%	72.96%
Fletcher Health and Rehabilitation Center	120	43,800	42,084	96.08%	65.17%
Habana Health Care Center	150	54,750	52,471	95.84%	74.54%
Hawthorne Health and Rehab of Brandon	120	43,800	39,936	91.18%	42.59%
Health Center of Plant City, The	180	65,700	64,413	98.04%	67.65%
Home Association, The	96	35,040	33,512	95.64%	75.75%
John Knox Village Med Center	113	41,245	37,778	91.59%	41.91%
Lakeshore Villas Health Care Center* (Inactive 4/12/2014)	179	65,335	2,440	3.73%	72.66%
Manorcare Health Services Carrollwood	120	43,800	39,880	91.05%	29.53%
NuVista Living at Hillsborough Lakes	120	43,800	31,411	71.71%	2.27%
Palm Garden of Sun City	120	43,800	40,544	92.57%	51.14%
Palm Garden of Tampa	120	43,800	40,050	91.44%	68.52%
Plaza West	113	41,245	37,665	91.32%	18.32%
Rehabilitation and Healthcare Center of Tampa	174	63,510	58,225	91.68%	67.65%
South Tampa Health and Rehabilitation Center	160	63,245	55,473	87.71%	79.32%
Sun Terrace Health Care Center	109	39,785	36,951	92.88%	28.34%
Whispering Oaks	240	87,600	83,274	95.06%	84.90%
Woodbridge Rehabilitation and Health Center	120	43,800	42,101	96.12%	70.29%
Ybor City Healthcare and rehabilitation Center	80	29,200	26,734	91.55%	75.97%
<b>Total</b>	<b>3,742</b>	<b>1,370,675</b>	<b>1,196,849</b>	<b>87.32%</b>	<b>59.52%</b>

Source: Florida Nursing Home Bed Need Projections by District and Subdistrict, October 2014 Batchng Cycle  
\*This facility closed on 04/12/2014

The reviewer notes the current and projected population of Subdistrict 6-1, District 6 and the state for the planning horizon. The projected population growth, both numerically and by percent, are illustrated below.

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**Current and Projected Population Growth Rate  
Hillsborough County, District 6, and Florida  
January 2014 and January 2017**

County/Area	January 1, 2014 Population			January 1, 2017 Population		
	0-64	65+	Total	0-64	65+	Total
Hillsborough	1,124,409	163,659	1,288,068	1,173,441	181,278	1,354,719
District 6	1,975,804	398,830	2,374,364	2,059,672	439,854	2,499,526
Florida	15,881,702	3,548,756	19,430,458	16,349,888	3,891,621	20,241,509
County/Area	2014-2017 Increase			2014-2017 Growth Rate		
	0-64	65+	Total	0-64	65+	Total
Hillsborough	49,032	17,619	66,651	4.36%	10.77%	5.17%
District 6	83,868	41,024	124,892	4.24%	10.28%	5.27%
Florida	468,186	342,865	811,051	2.95%	9.66%	4.17%

Source: Florida Agency for Health Care Administration Population Estimates, September 2013

The community nursing home beds per 1,000 residents for the age 65+ cohort in the subdistrict are shown below.

**Beds per 1,000 Residents Age 65 and Older**

County/Area	Community Beds	2014 Pop. Aged 65+	2014	2017 Pop. Aged 65+	2017
			Beds per 1,000		Beds per 1,000
<b>Hillsborough</b>	<b>3,932</b>	163,659	24	181,278	22
<b>District 6</b>	<b>8,768</b>	398,830	22	439,854	20
<b>Florida</b>	80,050	3,548,756	23	3,891,621	21

Source: Florida Agency for Health Care Administration Population Estimates, September 2013 and Florida Nursing Home Bed Need Projections by District and Subdistrict, October 2014 Batching Cycle

**Highland Oaks NH, LLC (CON #10288)** indicates that the proposed facility will be constructed with a combination of private and semi-private rooms configured in a “culture change” design to better serve the rehabilitation patients in the area. The applicant states that the proposed facility will be staffed with people that possess the clinical expertise to care for residents with a wide range of need for rehabilitation care. Highland Oaks notes that the physical plant design will permit the applicant to have the space and equipment needed for rehabilitation including 6,000+ square feet for the therapy suite with separate areas for physical therapy, speech therapy and occupational therapy, separate therapy gyms and an occupational therapy track located within one of the exterior courtyards. An interdisciplinary team provides an array of services in accordance with each resident’s care plan.

Highland Oaks states the proposed 110-bed facility will provide short-term rehabilitation services, bridging the gap between hospital and home, as well as long-term care in a safe, compassionate environment that fosters independence and dignity. The applicant indicates that whether it is for short-term rehabilitation therapy or long-term care, Highland Oaks assures it will deliver a full range of nursing care and social services to treat and support each patient and resident.

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The applicant notes that patients who are discharged from the hospital often require short-term care to fully recover. Highland Oaks states the proposed project will provide the needed care for this patient population by working with each patient to develop a personalized care plan to meet their individual goals and abilities and ultimately help them reach their highest level of functioning and return home. The applicant states the continued high demand and rapid growth of the elderly population necessitates maximizing health care resources. The applicant believes that developing a new, high quality SNF with 110 beds will improve access and availability of skilled nursing and rehabilitative care in Hillsborough County.

**Hillsborough County CON, LLC (CON #10289)** proposes a 110-bed facility with 50 private rooms. The applicant states that the proposed facility will have 50 short-term rehabilitation beds and 60 long-term beds. The applicant defines the proposed service area (PSA) as:

- ZIP Codes extending from Tampa and Temple Terrace to the north and west, including 33610, 33617 and 33637
- ZIP Codes in east-central Hillsborough County including 33510, 33511, 33527, 33584 and 33594
- ZIP Codes to the south including 33534, 33569, 33578, 33579, 33596 and 33619

Hillsborough County CON states that there are a number of quantitative and qualitative factors which support approval of the proposed facility:

- The proposed site location improves access and availability
- The PSA elderly population growth supports the site location
- The PSA currently is served by five highly utilized nursing homes with 720 beds with 94.6 percent occupancy in the 12 months ending June 2014--higher than the county-wide average of 87.3 percent
- The PSA has greater demand for nursing home services as indicated by projected growth rates in elderly 65-74 and 75+ populations than the overall Subdistrict
- The PSA consists of ZIP codes with a lower bed to elderly population ration, which indicates that the PSA is relatively underserved compared to other areas in the subdistrict

**Hillsborough County Development, LLC (CON #10290)** states that Genesis is the largest provider of skilled nursing care in the United States and proposes to develop a 110-bed SNF to meet the need identified for community nursing home beds under the fixed need pool published by the Agency on October 3, 2014.

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The applicant and Genesis, along with the developer Omega Healthcare Investors, Inc. (“Omega”), are proposing to implement Genesis’ unique brand of short-term post-acute rehabilitation services, known as PowerBack Rehabilitation, in Hillsborough County. Omega, a separate legal entity from HCD and Genesis, will acquire the land, develop the project and lease the facility to HCD, which will license and operate the facility.

The applicant maintains that Hillsborough County is expected to experience significant population growth, especially in the 65+ cohort, in the next few years—both on a percentage and absolute basis. The applicant asserts that the rapid growth in population, especially among the older age cohorts will lead to increase in the need for all health care services, including skilled nursing.

HCD states some of the unique features of its PowerBack Rehabilitation project include:

- A 110-bed, three-story facility with all private rooms designed and developed specifically to meet short-term, post-acute care needs
- An experienced operator of nursing facilities, Genesis HealthCare, with the track record and Florida experience to develop and operate the proposed project
- A proven and highly effective clinical model for quickly restoring patients to maximum health status and physical ability to return home with short lengths of stay
- A unique staffing structure with greater nursing, therapy, and physician staff ratios to quickly assess patients and design a plan of care to return them to maximum functional levels as soon as possible
- A distinctive model of care that is in the forefront of industry trends and Florida’s goals and objectives to ensure patients are cared for in the most cost-effective and least restrictive setting

**Hillsborough SNF, LLC (CON #10291)** indicates that the proposed project is a collaboration with the USF to develop a teaching and research-based post-acute care facility. The applicant asserts that the proposed facility will serve as a vehicle for comparative, transformation research about quality, outcomes, safety and costs. Hillsborough SNF indicates that clinical faculty, students, residents and fellows will be housed and work within the proposed facility serving to support a physical environment for collaboration, interaction, lectures and onsite grand rounds for students and faculty. The applicant maintains that approval will enhance capabilities to care for Florida’s large and rapidly growing elderly population.

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Hillsborough SNF provides a detailed analysis of Hillsborough County resident discharges to SNFs by age cohort, by case mix index (CMI), by payer and as a percent of total discharges for the years 2011-2013 on pages 39 to 43 of CON application #10291. The applicant indicates that discharges to SNFs have remained stable (approximately 8.5 percent).

The applicant indicates that it has the interest, ability and commitment to provide effective solutions for the needs of the Subdistrict. Consulate maintains that approval of the proposed project is merited for the following reasons:

- There is a need for nursing facility beds that are responsive to the clinical needs of older and more severely ill patients—as the elderly population increases, their needs will become more intense than in the past
- Changes in reimbursement policies of health care payers are demanding high quality outcomes at lower costs
- As the USF Health Sciences Center has developed to meet the growing demands of preparing nurses for the work force, the University has experienced shortages of sites to assist with the training of nursing, physical therapy and medical students
- There is no post-acute care facility on the USF Campus and there is no dedicated teaching post-acute-care facility within Florida's State University System. This limits opportunities for the advancement of care

**LP Tampa, LLC (CON #10292)** states that the proposed facility will be located in Hillsborough County. The applicant notes that Hillsborough County's elderly population is expected to grow 21 percent between 2014 and 2019, a rate higher than the State of Florida. The applicant notes that given the calculated bed need, current occupancy rates of the Subdistrict, and projected population growth--a new, 110 bed SNF would benefit the community and meet the growing demand in the county.

Signature states that in developing this application, it made contact with community leaders and health services providers in Subdistrict 6-1 to understand current conditions and needs. The applicant contends that in these discussions it was clear that the area needed a pulmonary program of distinction and notes a letter of support regarding this from Dr. Gregory James. Signature presents estimates of SNF admissions by pulmonary cases discharged from hospitals in Hillsborough County. See the table below.

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**Subdistrict 6-1 Pulmonary Case Analysis**

<b>DRG Name and Description</b>	<b>St. Joseph's Hospital</b>	<b>Florida Hospital Tampa</b>	<b>Brandon Regional Hospital</b>	<b>Tampa General</b>	<b>S. Bay Hospital</b>
191-Chronic Obstructive Pulmonary Disease w CC	154	81	82	78	57
190-Chronic Obstructive Pulmonary Disease w MCC	102	84	111	43	73
192-Chronic Obstructive Pulmonary Disease w/o CC/MCC	136	76	54	69	60
194-Simple Pneumonia and Pleurisy w CC	116	76	64	52	43
193-Simple Pneumonia and Pleurisy w MCC	88	62	51	44	40
208-Respiratory System Diagnosis w Ventilator support <96 Hours	55	85	60	36	15
195-Simple Pneumonia and Pleurisy w/o CC/MCC	65	76	25	22	23
189-Pulmonary Edema and Respiratory Failure	91	53	43	31	12
178-Respiratory Infections and Inflammations w CC	76	41	26	27	23
202-Bronchitis and Asthma w CC/MCC	47	24	16	12	25
177-Respiratory Infections and Inflammations w MCC	45	22	15	31	13
176-Pulmonary Embolism w/o MCC	32	15	19	18	11
207-Respiratory System Diagnosis w Ventilator Support 96+ Hours	39	17	14	22	0
<b>Total</b>	<b>1,046</b>	<b>712</b>	<b>580</b>	<b>485</b>	<b>395</b>
<b>% Discharged to SNF</b>	<b>18.8%</b>	<b>21.6%</b>	<b>21.9%</b>	<b>11.0%</b>	<b>31.9%</b>
<b>Estimated Cases Admitted to SNFs</b>	197	127	127	54	<b>126</b>

Source: CON application #10292, page 10 (continued on next page)



**CON Action Numbers: 10288 through 10292**

**Subdistrict 6-1 Pulmonary Case Analysis (Continued)**

<b>DRG Name and Description</b>	<b>Memorial Hospital of Tampa</b>	<b>S. Florida Baptist Hospital</b>	<b>Town and Country Hospital</b>	<b>Florida Hospital Carrollwood</b>	<b>Total</b>
191-Chronic Obstructive Pulmonary Disease w CC	44	29	22	34	581
190-Chronic Obstructive Pulmonary Disease w MCC	42	41	38	11	545
192-Chronic Obstructive Pulmonary Disease w/o CC/MCC	48	32	23	13	511
194-Simple Pneumonia and Pleurisy w CC	25	51	12	11	450
193-Simple Pneumonia and Pleurisy w MCC	29	19	12	13	358
208-Respiratory System Diagnosis w Ventilator support <96 Hours		35			286
195-Simple Pneumonia and Pleurisy w/o CC/MCC	12		15		238
189-Pulmonary Edema and Respiratory Failure					230
178-Respiratory Infections and Inflammations w CC	23				216
202-Bronchitis and Asthma w CC/MCC	17				141
177-Respiratory Infections and Inflammations w MCC					126
176-Pulmonary Embolism w/o MCC					95
207-Respiratory System Diagnosis w Ventilator Support 96+ Hours					92
<b>Total</b>	<b>240</b>	<b>207</b>	<b>122</b>	<b>82</b>	<b>3,869</b>
<b>% Discharged to SNF</b>	<b>15.7</b>	<b>18.4%</b>	<b>24.1</b>	<b>15.3%</b>	<b>20.0%</b>
<b>Estimated Cases Admitted to SNFs</b>	38	38	29	13	<b>774</b>

Source: CON application #10292 page 10 (continued from previous page)

The applicant asserts that the proposed facility will have “Breathe Life,” a pulmonary program of distinction providing a specialized interdisciplinary care to patients diagnosed with a pulmonary related condition. Signature notes that the goals of the program are to reduce exacerbations, reduce ER visits and reduce hospital readmissions. The applicant states that the program requires the following elements:

- Program Champion/Coordinator who provides oversight to the program, as well as tracking admissions and discharges to the program and trending of outcome measures
- Specialty Medical Director (Pulmonologist) providing specialty consultation of programmatic elements, as well as the provision of consultation for patients in the program
- Respiratory Therapist
- Nursing, social services and therapists caring for patients in the program who have received the Breathe Life program and role-specific education

The reviewer notes that the applicant does indicate that a pulmonologist will be contracted in Schedule 6 and has 0.4 FTEs for a respiratory therapist in year one and 1.4 FTEs in year two.

- b. If no Agency policy exists, the applicant will be responsible for demonstrating need through a needs assessment methodology, which must include, at a minimum, consideration of the following topics, except where they are inconsistent with the applicable statutory or rule criteria:**

**Each co-batched applicant** is responding to the Agency's published fixed need pool, so this criterion is not applicable.

**2. Agency Rule Preferences**

**Please indicate how each applicable preference for the type of service proposed is met. Chapter 59C-1.036, Florida Administrative Code.**

Chapter 59C-1.036 of the Florida Administrative Code does not contain preferences relative to community nursing home beds nor does the Agency publish specific preferences for these facilities. However, the rule does contain standards the Agency utilizes in assessing an applicant's ability to provide quality care to the residents.

- a. Geographically Underserved Areas. In a competitive certificate of need review within the nursing home subdistrict as defined in 59C-2.200, Florida Administrative Code, the Agency shall award a certificate of need if the applicant meets all applicable criteria for a geographically underserved area as specified in subsection 408.032(18), Florida Statutes, and if the applicant meets the applicable statutory certificate of need review criteria specified in section 408.035, Florida Statutes, including bed need according to the relevant bed need formula contained in this rule. If the applicant is awarded a certificate of need based on the provisions of this paragraph, the applicant shall agree that the nursing facility will be located in a county without a nursing facility, or in the center of an area within the subdistrict of a radius of at least 20 miles which meets the definition of a geographically underserved area. The center of the geographically underserved area shall be the proposed nursing home location in the application.**

None of the applications were submitted to remedy a geographically underserved area as defined above.

- b. Proposed Services. Applicants proposing the establishment of Medicare-certified nursing facility beds to be licensed under Chapter 400, Florida Statutes, shall provide a detailed description of the services to be provided, staffing pattern, patient characteristics, expected average length of stay, ancillary services, patient assessment tools, admission policies and discharge policies.**

**Highland Oaks NH, LLC (CON #10288)** states it will focus on addressing both short and long-term needs. Highland Oaks notes that with increased fragility and chronic conditions as well as higher intensity services--nursing homes have increased the skill levels of staff with concomitant increases in costs. Greystone ensures that the most state-of-the-art equipment, technology and therapies will be utilized at the proposed facility.

The applicant affirms that Greystone will also make significant investments in staff training and development to ensure that residents and patients will receive the best and highest levels of care.

Highland Oaks states that the following services will be offered at the proposed facility:

- Alzheimer's care
- Cardiac and stroke rehab monitoring
- Pulmonary rehabilitation
- Orthopedic rehabilitation
- Neurological rehabilitation
- Physical, occupation and speech therapy
- Post-surgical care
- Wound care
- I.V. therapy
- HIV care
- Hospice care
- Palliative care
- Respite care
- Diabetes care
- Dialysis services
- Tracheotomy care
- Outpatient rehabilitation
- Pain management

**CON Action Numbers: 10288 through 10292**

- Lymphedema therapy
- Restorative nursing program
- Customized pressure support systems
- Infectious disease treatment
- Oncology/cancer care
- Psychological services
- Registered Dietician services
- Individual meal planning, including Kosher meals upon request

The applicant indicates that other services and amenities that will be offered at the proposed facility include:

- Structured weekly activities
- Pet therapy
- 100 percent electric beds
- Multi-lingual staff
- Beauty/barber shop
- Whirlpool spa

Highland Oaks indicates that a preliminary plan of care will be developed within the first 24 hours of admission with a care plan developed within seven day of completion of comprehensive assessment. The applicant notes that each care plan will include measurable objectives and timetables to meet the resident's needs and will utilize an interdisciplinary team.

The applicant discusses its admission and discharge policies and provides excerpts from Greystone's Operational Policy and Procedure Manual in Exhibit 2-1, 2-3 and 2-4 of CON application #10288.

Highland Oaks states that as residents' and patients' needs change, Greystone will endeavor to meet these needs. The applicant indicates that it will be focused on addressing both their short and long-term needs and endeavors to be at the forefront of the continually changing healthcare environment to ensure that residents/patients receive the most advanced treatments and the best care.

The applicant's Schedule 7 indicates that the ALOS will be 31.78 days for year one and 30.44 days for year two of operation. Schedule 6 illustrates that FTEs for year one (ending December 31, 2018) total 111.1 and total 140.1 for year two (ending December 31, 2019). The proposed project's year one and year two FTEs are shown in the table below.

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<b>Highland Oaks NH LLC (CON application #10288) Projected Year One and Year Two Staffing</b>		
	<b>Year One FTEs</b>	<b>Year Two FTEs</b>
<b>Administration</b>		
Administrator	1.0	1.0
Director of Nursing	1.0	1.0
Bookkeeper	1.0	1.0
Secretary	1.5	1.9
Medical Records Clerk	1.4	2.0
Other: H/R Marketing	4.1	5.3
<b>Nursing</b>		
RNs	9.4	12.0
LPNs	10.7	14.1
Nurses' Aides	35.7	46.5
Other	5.0	5.0
<b>Ancillary</b>		
Physical Therapist	9.3	11.2
Speech Therapist	1.1	1.5
Occupational Therapist	4.5	6.0
Director/Therapy	1.9	1.9
<b>Dietary</b>		
Dietary Supervisor	1.4	1.4
Cooks	4.0	6.0
Dietary Aides	4.5	4.9
<b>Social Services</b>		
Social Service Director	1.0	1.0
Activity Director	1.0	1.0
Activities Assistant	1.3	1.8
<b>Housekeeping</b>		
Housekeeping Supervision	1.0	1.0
Housekeepers	4.0	5.5
<b>Laundry</b>		
Laundry Aides/Floor Tech	3.3	4.9
<b>Plant Maintenance</b>		
Maintenance Supervisor	1.0	1.0
Maintenance Assistance	1.0	1.0
<b>Total</b>	<b>111.1</b>	<b>140.1</b>

Source: CON application #10288, Schedule 6

**Hillsborough County CON, LLC (CON #10289)** indicates that the proposed facility will be built, equipped and staffed to accommodate short-term rehabilitation and long-term skilled nursing care. The facility will offer specialty programs such as but not limited to the following:

- V.A.C. Wound Therapy
- Parenteral nutrition
- Tracheostomy care
- Rehabilitation services
- Physical, occupational and speech therapies
- IV therapy
- Cardia and stroke rehabilitation
- Pain management

**CON Action Numbers: 10288 through 10292**

- Neurological rehabilitation
- Restorative nursing program
- Infectious disease treatment
- Psychological services
- Registered dietitian services
- Individual meal planning

The applicant notes that other services and amenities that provide support, comfort and security for the proposed facility include:

- Structured activities, seven days a week
- Television and telephone
- Wireless internet access
- Electric beds
- Security system
- Bistro light meal dining service
- Wellness kitchen and dining with anytime casual dining
- Beauty and barber services
- Exterior courtyard with therapy track
- Landscaping designs, including sculptures and water features

In another section of the application, Hillsborough County CON LLC discusses its care plans and discharge planning. The applicant states that a preliminary care plan will be developed for each resident within 24 hours of admission and that the staff will then develop a care plan until a comprehensive assessment and Interdisciplinary Care Plan is developed. Hillsborough County CON LLC notes that discharge planning will begin on admission for short-term rehabilitation residents and on anticipation of discharge for long-term residents. The applicant indicates that discharge planning includes a discharge summary and a post-discharge plan.

The applicant's Schedule 7 indicates that the ALOS will be 75.97 days for year one and 111.4 days for year two of operation. Schedule 6 illustrates that FTEs for year one (ending June 30, 2018) total 81.54 and total 113.19 for year two (ending June 30, 2019). The proposed project's year one and year two FTEs are shown in the table below.

**CON Action Numbers: 10288 through 10292**

<b>Hillsborough County CON, LLC (CON application #10289) Projected Year One and Year Two Staffing</b>		
	<b>Year One FTEs</b>	<b>Year Two FTEs</b>
<b>Administration</b>		
Administrator	1.0	1.0
Director of Nursing	1.0	1.0
Admissions Director	0.75	1.0
Secretary	1.0	1.0
Medical Records Clerk	1.0	1.0
Other Administration	2.0	2.0
<b>Nursing</b>		
RNs	2.25	3.0
LPNs	10.0	14.95
Nurses' Aides	24.54	42.5
Other:	4.8	6.0
<b>Ancillary</b>		
Physical Therapist	3.0	4.0
Speech Therapist	1.0	1.0
Occupational Therapist	3.5	5.0
Director/Therapy	1.0	1.0
<b>Dietary</b>		
Dietary Supervisor	1.75	2.0
Cooks	3.0	3.0
Dietary Aides	6.5	7.74
<b>Social Services</b>		
Social Service Director	1.0	1.0
Activity Director	1.0	1.0
Activities Assistant	0.75	1.0
Other: Social Services	0.0	1.0
<b>Housekeeping</b>		
Housekeeping Supervision	1.0	1.0
Housekeepers	4.3	6.0
<b>Laundry</b>		
Laundry Aides	2.4	3.0
<b>Plant Maintenance</b>		
Maintenance Supervisor	1.0	1.0
Maintenance Assistance	1.0	1.0
<b>Total</b>	<b>81.54</b>	<b>113.19</b>

Source: CON application #10289, Schedule 6

**Hillsborough County Development, LLC (CON #10290)** states Genesis has the experience as well as regional and local administrative staff to develop and operate the proposed facility. The applicant indicates that the typical 110-bed PowerBack Rehabilitation model contracts for a Medical Director as well as three full-time physicians and four to five nurse practitioners. HCD maintains that physicians are at the facility location to provide care 12 hours a day and available on-call for the remaining 12 hours. On weekends, there are two nurse practitioners for 10 hours of coverage. HCD indicates that the proposed project will have similar staffing patterns.

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The applicant notes that PowerBack Rehabilitation patients will have extensive access to medical care and lists the guiding principles as the following:

- Patient-centered care
- Patient-directed care
- Safe and reliable care
- Vitality and teamwork
- Value-added care process

HCD includes an overview of the PowerBack Rehabilitation Clinical Care Model, indicating it provides the following services (varying by location):

- Cardiac care
- Pulmonary care
- Orthopedic, aqua, physical and occupational therapy
- Pain management
- Nutritional management
- Medication management
- Driving rehabilitation

The applicant provides a detailed discussion of each the following:

- PowerBack Rehabilitation – clinical pathways and training
- PowerBack Rehabilitation’s staffing model
- PowerBack Rehabilitation state of the art facilities

The applicant’s Schedule 7 indicates that the average length of stay (ALOS) will be 18.91 days for year one and 18.33 for year two of operation. HCD notes that this is consistent with Genesis’ experience and the emphasis on short-term rehabilitation patients. Schedule 6 illustrates that FTEs for year one (ending December 31, 2018) total 110.95 and total 161.52 for year two (ending December 31, 2019). The proposed project’s year one and year two FTEs are shown in the table below.



**CON Action Numbers: 10288 through 10292**

<b>Hillsborough County Development, LLC (CON application #10290)</b>		
<b>Projected Year One and Year Two Staffing</b>		
	<b>Year One FTEs</b>	<b>Year Two FTEs</b>
<b>Administration</b>		
Administrator	1.0	1.0
Manager-Office Center	0.75	1.0
Bookkeeper, AP	0.17	0.5
Receptionist/Secretary	1.83	2.10
Customer Relation Manager	0.75	1.0
Mgr-Center Scheduling	1.0	1.0
Mgr-HR Center	1.0	1.0
<b>Nursing Administration</b>		
Director of Nursing	1.0	1.0
Coordinator-Clinical Reimbursement	1.42	3.0
Clerk-Central Supply	1.0	1.0
Coordinator-Health Information	0.95	0.88
Analyst, Clinical Reimbursement	1.0	1.0
Nurse Prac Educator (RN)	1.0	1.0
Coordinator-Health Unit II LPN	2.71	4.20
<b>Nursing</b>		
Nurse-Unit Manager	7.02	12.80
Nurse-Charge	7.58	10.50
Nurse-RN	6.81	14.63
Nurse-LPN	7.02	12.51
Aide-Certified Nurse	21.22	34.47
OT-Nursing	0.89	1.95
<b>Nursing Training</b>		
RN	0.88	0.75
Certified Nursing Aide	0.0	0.75
<b>Nursing Orientation</b>		
RN	3.0	2.0
LPN	0.01	0.01
Certified Nursing Aide	2.88	1.5
<b>Ancillary</b>		
Pharmacist	0.25	0.25
<b>Dietary</b>		
Dietitian	1.58	2.23
Director-Food Srvc I	1.0	1.0
Chef Executive	1.0	1.0
Cook	2.45	2.8
Assistant Cook	2.14	3.41
Coordinator-Dining Room	0.25	1.0
Dining Aide	7.85	10.98
Other-Food and Nutrition	0.13	0.13
<b>Activities and Recreation</b>		
Asst Activities Director	0.75	1.0
Director Guest Svc	1.0	1.0
Specialist Guest Svc	2.01	3.03
Manager-Recreation Program	1.0	1.0
<b>Social Services</b>		
Social Service Director II	1.0	1.0
Social Worker-Hourly	1.58	3.0
Sr Admission Director	1.0	1.0
Director-Admissions	0.67	1.0

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<b>Housekeeping</b>		
Housekeeping Supervision	1.0	1.0
Housekeepers	5.5	6.54
HSkpg Floor Person	0.94	1.88
Other	0.13	0.13
<b>Laundry</b>		
Laundry Aides	2.09	2.63
<b>Plant Maintenance</b>		
Sr. Maintenance Director	1.0	1.0
Maintenance Assistance	0.75	1.0
Technician- Building Maintenance	0.17	1.0
<b>Total</b>	<b>110.95</b>	<b>161.52</b>

Source: CON application #10290, Schedule 6

**Hillsborough SNF, LLC (CON #10291)** states the proposed facility will participate in both the Medicare and Medicaid programs to promote access to all patients.

The applicant asserts that given the need for higher acuity services for skilled nursing patients, the proposed facility will focus on several core programs and services as described below:

- Neurological and stroke care
- Orthopedic care
- Post cardiac care
- Pulmonary care
- Wound care
- Medically complex
- Physical therapy
- Occupational therapy
- Speech Therapy
- Respiratory therapy
- HIV/AIDS related disorders
- Palliative care
- General post-surgical care

Hillsborough SNF asserts that its parent company Consulate has identified 13 of its SNFs as indicators of the need for this CON application based on the following rationale:

- Proximity to the applicable subdistrict for this application
- The distribution of patients in terms of severity or acuity represents a higher skill mix
- Higher levels of Medicare and Medicare Managed Care patients

The applicant notes earlier in the application that these 13 centers have enhanced their scope of services to respond to the current need of acute care hospital patients as reflected by case managers, discharge planners and physicians. Consulate notes that these 13 facilities have experienced a high patient acuity in terms of increased:

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- Numbers of ventilator-dependent patients
- Numbers of patients on dialysis
- Hours per patient day for nursing and therapy
- Patient age

The reviewer notes that of the identified Consulate 13 facilities (Tab 5 of CON application #10291), only Franco Nursing and Rehabilitation lists “ventilator dependent” as a special program and service on FloridaHealthFinder.gov. In addition, the reviewer notes that there is no mention of ventilator-capable beds in the architectural narrative except to say that oxygen and medical gases will be plumbed into approximately 10 to 20 rooms (to be determined later). The reviewer also notes that while Schedule 6 denotes that therapy FTEs are N/A, including respiratory therapists, the applicant states that therapy staff will be hired on a contract basis from Genesis Rehab Services, Inc. and are not included on Schedule 6. On Schedule 8, “respiratory and other ancillaries” are listed for \$44,708 for year one (approximately \$2 per patient day) and not specifically at all for year two.

Hillsborough SNF indicates that the ALOS used for the development of the projected patient days in Schedule 5 and 7 are based on the recent Consulate Florida 13 and listed below by the major payer categories. The reviewer notes that the applicant did not provide projected admissions in Schedule 7.

**Hillsborough SNF, ALOS by Payer**

<b>Payer</b>	<b>ALOS in Days</b>
Medicare	32.3
Managed Care: Commercial, Managed Medicare and Managed Medicaid	20
Private	49
Medicaid	284

Source: CON application #10291, page 29

The applicant notes that Consulate’s Interdisciplinary Team meets with the patient and family within 72 hours of admission to discuss and develop a plan to meet their health care and discharge goals.

Hillsborough SNF indicates that the purpose of its Resident Centered Program is to educate the resident, family member or loved one on their specific clinical care plan and that goals are set with follow up meetings as needed.

Hillsborough SNF states that Journey Home, Consulate’s discharge planning program, begins on admission. The applicant asserts that Consulate realizes every patient is unique, requiring an individualized care plan.

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Schedule 6 illustrates that FTEs for year one (ending 2017) total 81.50 and total 88.50 for year two (ending 2018). The proposed project's year one and year two FTEs are shown in the table below. The applicant notes that therapy, dietary, housekeeping and laundry are outsourced to a third-party and not included in the facility FTE count.

<b>Hillsborough SNF, LLC (CON application #10291) Projected Year One and Year Two Staffing</b>		
	<b>Year One FTEs</b>	<b>Year Two FTEs</b>
<b>Administration</b>		
Administrator	1.0	1.0
Director of Nursing	1.0	1.0
Admissions Director	1.0	1.0
Bookkeeper	1.0	1.0
Secretary	1.5	1.0
Medical Records Clerk	1.0	1.5
Other: Central Supply	1.0	1.0
<b>Physicians</b>		
Medical Director	1.0	1.0
Other: Nurse Practitioner	1.0	1.0
<b>Nursing</b>		
RNs	6.0	8.0
LPNs	6.0	6.0
Nurses' Aides	32.00	37.0
Other Nursing Administration	13.00	13.0
<b>Social Services</b>		
Social Service Director	2.0	2.0
Activity Director	2.0	2.0
Activities Assistant	4.0	4.0
Other	3.0	3.0
<b>Plant Maintenance</b>		
Maintenance Supervisor	1.0	1.0
Maintenance Assistance	3.0	3.0
Security	1.0	1.0
<b>Total</b>	<b>81.50</b>	<b>93.50</b>

Source: CON application #10291, Schedule 6.

**LP Tampa, LLC (CON #10292)** states that the proposed facility will provide rehabilitation services for short-term patients, will offer a pulmonary program of distinction (Breathe Life) and will be dually certified. Signature indicates that it will implement an individual care plan, incorporating best practices and evidence-based clinical practice guidelines for each resident.

The applicant states that the proposed facility will provide an array of services including:

- Physical, occupational and speech therapy
- Pain management
- Wound care
- Hospice/palliative care
- Alzheimer's/dementia care

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- Medical management
- Pulmonary, neurological and orthopedic rehab
- Care coordination services
- Transportation services
- Spirituality services
- Quality of life services
- Advance practice clinician services (credentialed as either nurse practitioner or physician assistant)

Signature states it will provide a 15 passenger van for transportation to and from physician visits as well as transporting patients participating in the applicant's quality of life events.

The applicant indicates a shift in long-term care from the nursing home to the patient's home, and has created SNF-based rehabilitation programs to enable patients to return home at a higher functional level. Signature notes that for patients requiring a longer stay in the SNF, the proposed facility will have a physical and humane environment to support and enhance quality of life and dignity.

The applicant believes that for all patients, improving care coordination is a key strategic goal to improve the patients' experience and outcomes beyond their stay. Signature discusses their TransitionalCARE strategy and how this program has led to a reduction in 30-day hospital remission rates. An overview of this program can be found in Tab 40 of CON application 10292.

Signature indicates that it has the capability to implement the following programs in the proposed facility as the community needs them:

- Accelerate rehabilitation units
- Alzheimer's/dementia Program
- Non-medical home care

The applicant notes that it was founded on three cultural pillars--learning, spirituality and intra-preneurship—with a mission to “revolutionize long-term care”. Signature states that it invests heavily in each pillar with dedicated staff and other resources focused on the pillars as foundational aspects of the organization.

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The applicant indicates that patients will be assessed (including all bodily systems) upon admission into the facility. Discharge planning will include assessing for safe discharge placement, durable medical equipment, education, self-care and supervision needs. Signature included copies of its admissions, transfer and discharge policies in Tab 19 of CON application #10292.

Signature maintains that it has experience in addressing the need of the non-English speaking community and much of its printed literature is available in Spanish.

The applicant provides the following table illustrating the projected admissions, patient days, the ALOS and ADC for the first two years of operation for the proposed 110-bed facility.

**Projected Admissions, Patient Days, ALOS and ADC**

	<b>Year One (ending 12/31/2017)</b>	<b>Year Two (ending 12/31/2018)</b>
Admissions	205	707
Patient Days	8,021	32,324
Medicare ALOS	28.7	28.8
Medicaid ALOS	120.7	452.4
ADC	22	89

Source: CON application #10292, page 38

The applicant's Schedule 7 indicates that the ALOS will be 39.12 for year one and 45.72 for year two. Schedule 6 illustrates that FTEs for year one (ending December 31, 2017) total 36.2 and total 105.4 for year two (ending December 31, 2018). The proposed project's year one and year two FTEs are shown in the table below.

**CON Action Numbers: 10288 through 10292**

<b>LP Tampa, LLC (CON application #10292) Projected Year One and Year Two Staffing</b>		
	<b>Year One FTEs</b>	<b>Year Two FTEs</b>
<b>Administration</b>		
Administrator	1.0	1.0
Director of Nursing	1.0	1.0
Asst. DON/Transitional Care	0.0	1.6
Admissions Director	0.7	1.0
Admin Assistant	0.0	0.9
Bookkeeper/Asst. BOM	0.7	1.0
Medical Records Clerk	0.7	1.9
MDS Coordinator	0.7	1.0
Staff Coordinators	0.8	1.0
Human Resources Coordinator	0.0	1.0
Marketing Director	1.0	1.0
Receptionist	2.1	2.1
Business Ofc Mgr.	0.7	1.0
<b>Physicians</b>		
Medical Director	Contracted	Contracted
Pulmonologist	Contracted	Contracted
<b>Nursing</b>		
RNs	3.2	4.0
LPNs	4.8	14.8
Nurses' Aides	10.0	40.3
Trans Aide/Central Supply	0.2	1.8
<b>Ancillary</b>		
Physical Therapist	Contracted	Contracted
Speech Therapist	Contracted	Contracted
Occupational Therapist	Contracted	Contracted
Respiratory Therapist	0.4	1.4
<b>Dietary</b>		
Dietary Supervisor	0.6	1.0
Cooks	0.2	0.9
Dietary Aides	0.9	1.9
Servers, etc.	2.0	78.1
<b>Social Services</b>		
Social Service Director	1.0	1.9
Activity Director	0.7	1.0
Activities Assistant	0.3	2.0
Other: Chaplain	0.3	1.0
<b>Housekeeping</b>		
Housekeeping Supervision	0.0	1.0
Housekeepers	1.6	6.3
<b>Laundry</b>		
Laundry Supervisor	0.4	1.8
Laundry Aides	0..4	1.8
<b>Plant Maintenance</b>		
Maintenance Supervisor	1.0	1.0
Maintenance Assistance	0.0	0.9
<b>Total</b>	<b>36.2</b>	<b>105.4</b>

Source: CON application #10292, Schedule 6

- c. **Quality of Care. In assessing the applicant's ability to provide quality of care pursuant to s. 408.035 (1) (c), Florida Statutes, the agency shall evaluate the following facts and circumstances:**

1. **Whether the applicant has had a Chapter 400, Florida Statutes, nursing facility license denied, revoked or suspended within the 36 months prior to the current application.**

**Highland Oaks NH, LLC (CON #10288), Hillsborough County Development, LLC (CON #10290), Hillsborough SNF, LLC (CON #10291) and LP Tampa, LLC (CON #10292)** each state that it has not had a nursing home license denied, revoked or suspended (consistent with the referenced Florida Statute).

**Hillsborough County CON, LLC (CON #10289)** did not respond to this rule criterion. The reviewer notes that the applicant is a newly created entity and therefore this criterion does not apply.

2. **Whether the applicant has had a nursing facility placed into receivership at any time during the period of ownership, management or leasing of a nursing facility in the 36 months prior to the current application?**

**Highland Oaks NH, LLC (CON #10288), Hillsborough County Development, LLC (CON #10290), Hillsborough SNF, LLC (CON #10291) and LP Tampa, LLC (CON #10292)** each state that it has not had a nursing home placed into receivership (consistent with the referenced Florida Statute).

**Hillsborough County CON, LLC (CON #10289)** did not respond to this rule criterion. The reviewer notes that the applicant is a newly created entity and therefore this criterion does not apply.

3. **The extent to which the conditions identified within subparagraphs 1 and 2 threatened or resulted in direct significant harm to the health, safety or welfare of the nursing facility residents.**



**Highland Oaks NH, LLC (CON #10288), Hillsborough County Development, LLC (CON #10290), Hillsborough SNF, LLC (CON #10291) and LP Tampa, LLC (CON #10292)** indicate that this provision is not applicable.

**Hillsborough County CON, LLC (CON #10289)** did not respond to this rule criterion. The reviewer notes that this provision is not applicable as nothing was identified above.

- 4. The extent to which the conditions identified within subparagraph 3 were corrected within the time frames allowed by the appropriate state agency in each respective state and in a manner satisfactory to the agency.**

**Highland Oaks NH, LLC (CON #10288), Hillsborough County Development, LLC (CON #10290), Hillsborough SNF, LLC (CON #10291) and LP Tampa, LLC (CON #10292)** indicate that this provision is not applicable.

**Hillsborough County CON, LLC (CON #10289)** did not respond to this rule criterion. The reviewer notes that this provision is not applicable as nothing was identified above.

- 5. Rule 59C-1.036 (4) (f) Harmful Conditions. The Agency shall question the ability of the applicant to provide quality of care within any nursing facility when the conditions identified in the subparagraph (e) 1 and (e) 2 result in the direct, significant harm to the health, safety or welfare of a nursing facility resident, and were not corrected within the time frames allowed by the appropriate state agency in each respective state and in a manner satisfactory with the Agency.**

**Highland Oaks NH, LLC (CON #10288), Hillsborough County Development, LLC (CON #10290), Hillsborough SNF, LLC (CON #10291) and LP Tampa, LLC (CON #10292)** indicate that this provision is not applicable.

**Hillsborough County CON, LLC (CON #10289)** did not respond to this rule criterion. The reviewer notes that this provision is not applicable as nothing was identified above.

- d. **Rule 59C-1.036 (5) Utilization Reports. Within 45 days after the end of each calendar quarter, facilities with nursing facility beds licensed under Chapter 400, Florida Statutes shall report to the Agency, or its designee, the total number of patient days, which occurred in each month of the quarter, and the number of such days that were Medicaid patient days.**

**Highland Oaks NH, LLC (CON #10288), Hillsborough County Development, LLC (CON #10290), Hillsborough SNF, LLC (CON #10291) and LP Tampa, LLC (CON #10292)** each state that it will provide the required data to the applicable local health council and to the Agency.

**Hillsborough County CON, LLC (CON #10289)** did not respond to this rule criterion.

**3. Statutory Review Criteria**

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

There are 70 licensed community nursing homes with a total of 8,768 community nursing home beds in District 6. Subdistrict 6-1 is composed of Hillsborough County and has 29 licensed community nursing homes with a total of 3,742 community nursing home beds. The subdistrict averaged 87.32 percent total occupancy for the 12-month period ending June 30, 2014.

**Highland Oaks NH, LLC (CON #10288)** states that Subdistrict 6-1, Hillsborough County presently has 3,742 licensed community beds or 22.5 licensed SNF beds per 1,000 elderly persons aged 65+, which given the population growth, will decrease to 20.9 SNF beds per 1,000 elderly persons by July 2017 without the addition of beds. Highland Oaks states that with the addition of 110 community beds to Subdistrict 6-1, the proposed project will improve access and availability of both quality short-term rehabilitation and long-term care services.

The applicant contends that as this elderly population continues to grow, the existing number of nursing facilities in the county, which are highly utilized, will be unable to keep up with population growth. See the table below.

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<b>Availability of Skilled Nursing Beds in Subdistrict 6-1 District 6 and Florida 2014-2017</b>									
<b>Region</b>	<b>2014</b>			<b>2017 with Adding Beds</b>			<b>2017 without Adding Beds</b>		
	<b>Pop 65+</b>	<b>SNF Beds</b>	<b>Beds per 1,000</b>	<b>Pop 65+</b>	<b>SNF Beds</b>	<b>Beds per 1,000</b>	<b>Pop 65+</b>	<b>SNF beds</b>	<b>Beds per 1,000</b>
<b>Subdistrict 6-1</b>	166,361	3,742	22.5	184,440	3,852	20.9	184,440	3,742	20.3
<b>District 6</b>	404,459	8,768	21.7	447,580	9,106	20.3	447,580	8,768	19.6
<b>Florida</b>	3,595,188	80,050	22.3	3,956,602	83,165	21.0	3,956,602	80,050	20.2

Source: CON Application #10288, page 2 Schedule B, Section E3a

Highland Oaks states that the proposed project will ensure residents requiring long-term care or rehabilitation following an acute care hospital stay access to a quality facility. The applicant states that the proposed facility will improve access by:

- Adding a new facility to an area with already high demand, as evidenced by high utilization rates at exiting nursing home facilities and a rapidly growing elderly population
- Increasing the availability of high quality long-term care and rehabilitation services so patients are able to return home and hospital readmissions are reduced

Highland Oaks notes its association with Greystone Healthcare Management which manages 28 total facilities in Florida. The applicant maintains that Greystone is dedicated to improving the quality of care standards at their facilities, consistently invests in upgrades/renovations to facilities and engages staff in quality improvements initiatives and education. Highland Oaks asserts that by tailoring care to patients with similar needs, a higher level of service and higher staffing ratios can be implemented efficiently to establish a viable program with excellent results for those it serves.

Using Agency population data, Highland Oaks states that for the most recent twelve months ending June 30, 2014 nursing facilities in Subdistrict 6-1 reported 1,196,849 patient days of care, for an ADC of 3,279 and an average occupancy rate of 87.32 percent—a use rate of 7,194 patient days per 1,000 persons aged 65+. The applicant states that using this use rate and applying it to the July 1, 2017 population age 65+ population results in occupancy rate of 94.38 percent even with the addition of the 110 beds. The applicant provides projected utilization statistics for the service area. See the table below.

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**Projected Subdistrict 6-1, Hillsborough County Patient Days July 2017**

<b>District 6-1 Statistics</b>	<b>Values</b>
District 6-1 Actual Patient Days 2014	1,196,849
Average Daily Census 2014	3,279
Actual Number of Community Nursing Beds 2014	3,742
Average Occupancy 2014	87.32%
July 1, 2014 Population 65+	166,361
District 6-5 Use Rate (patient days per 1,000) 2014	7,194
July 1, 2017 Project Population 65+	184,440
District 6-1 Use Rate (patient days per 1,000) 2014	7,194
Projected 2017 Patient Days	1,326,915
Projected 2017 Average Daily Census	3,635
Projected Number of Community Nursing Beds with additional 218 beds 2017	3,852
Projected 2017 Occupancy in 3,852 beds	94.38%

Source: CON application #10288 page 11, Schedule B

The reviewer notes that based on the applicant’s Schedule 7, projected utilization for the proposed 110-bed facility is 29,113 patient days in the first year of operation and 37,960 in the second year of operation, 72.51 percent and 94.55 percent occupancy, respectively.

The reviewer created the following chart from the applicant’s Schedule 7 regarding the proposed facility. The reviewer notes that the year two percentages actually add up to 99.96 percent.

**Highland Oaks NH, LLC, Payer Mix**

	<b>Year One Ending 12/31/2018</b>	<b>Year Two Ending 12/31/2019</b>
Medicare	33.03%	33.65%
Medicaid	41.18%	39.42%
Other Managed Care	14.26%	15.35%
Self-Pay	7.13%	7.69%
Other Payers	4.4%	3.85%
Total	100%	100%

Source: CON application #10288, Schedule 7

**Hillsborough County CON, LLC (CON #10289)** states that over the last three years ending in June 30, 2014 (most recent data available), the five PSA (proposed service area) nursing homes operated 720 beds at between 93 and 96 percent occupancy. The remaining 28 Hillsborough County nursing homes operated 3,022 beds at between 85 and 89 percent occupancy during the period. A chart is provided on page 38 of CON application #10289 showing Hillsborough County nursing home occupancy years ended June 30, 2012-2014. The reviewer notes that Hillsborough County has 29 total community nursing homes and that the chart shows 24 remaining Hillsborough nursing homes.

The applicant states that the elderly population in Hillsborough County is projected to grow in the five-year period from 2014-2019 with a 22.9 percent increase for residents age 65-74 and 12.9 percent increase for

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residents 75+. The applicant states that the elderly population in its proposed PSA is projected to grow at greater rates than other Hillsborough County subdistricts. Hillsborough County CON contends that locating a nursing home in the proposed PSA would improve geographic access to nursing home care. See the tables below.

<b>Primary Service Area and Hillsborough County Population Estimates 2014-2019</b>							
<b>Area</b>	<b>City</b>	<b>Total</b>		<b>65-74</b>		<b>75+</b>	
		<b>2014</b>	<b>2019</b>	<b>2014</b>	<b>2019</b>	<b>2014</b>	<b>2019</b>
Primary Service Area							
33510	Brandon	28,865	30,444	2,054	2,799	1,390	1,546
33511	Brandon	54,649	58,162	3,608	4,892	2,466	2,755
33527	Dover	16,329	17,417	1,073	1,343	692	800
33534	Gibsonston	14,505	16,126	658	951	359	430
33569	Riverview	23,847	26,196	1,672	2,282	1,052	1,246
33578	Riverview	42,070	47,473	2,115	3,090	1,168	1,447
33579	Riverview	29,719	34,004	1,383	1,998	613	850
33384	Seffner	26,542	28,205	1,951	2,543	1,179	1,402
33594	Valrico	33,295	35,920	2,952	3,858	1,989	2,339
33596	Bloomingtondale	30,245	31,563	2,479	3,491	1,159	1,461
33610	Tampa	41,588	44,593	2,765	3,525	1,985	2,187
33617	Temple Terrace	43,734	45,425	2,897	3,773	1,925	2,071
33619	Clair Mel	36,542	38,653	2,107	2,734	1,261	1,419
33637	Temple Terrance	15,967	16,901	877	1,265	583	664
Total PSA		437,897	471,082	28,591	38,544	17,821	20,617
Other Hillsborough County		850,171	931,761	65,199	76,691	52,048	58,243
Hillsborough County		1,288,068	1,402,843	93,790	115,235	69,869	78,860
PSAZ as % Orange County		34.0%	33.6%	30.5%	33.4%	25.5%	26.1%

<b>Primary Service Area and Hillsborough County Population Growth From 2014-2019</b>							
<b>Area</b>	<b>City</b>	<b>Total 2014-2019</b>		<b>65-74, 2014-2019</b>		<b>75+, 2014-2019</b>	
		<b>Change</b>	<b>% Change</b>	<b>Change</b>	<b>% Change</b>	<b>Change</b>	<b>% Change</b>
Primary Service Area							
33510	Brandon	1,579	5.5%	745	36.3%	156	11.2%
33511	Brandon	3,513	6.4%	1,284	35.6%	289	11.7%
33527	Dover	1,088	6.7%	270	25.2%	108	15.6%
33534	Gibsonston	1,621	11.2%	293	44.5%	71	19.8%
33569	Riverview	2,349	9.9%	610	36.5%	194	18.4%
33578	Riverview	5,403	12.8%	975	46.1%	279	23.9%
33579	Riverview	4,285	14.4%	615	44.5%	237	38.7%
33584	Seffner	1,663	6.3%	592	30.3%	223	18.9%
33594	Valrico	2,625	7.9%	906	30.7%	350	17.6%
33596	Bloomingtondale	1,318	4.4%	1,012	40.8%	302	26.1%
33610	Tampa	3,005	7.2%	760	27.5%	202	10.2%
33617	Temple Terrace	1,691	3.9%	876	30.2%	146	7.6%
33619	Clair Mel	2,111	5.8%	627	29.8%	158	12.5%
33637	Temple Terrance	934	5.8%	388	44.2%	81	13.9%
Total PSA		33,185	7.6%	9,953	34.8%	2,796	15.7%
Other Hillsborough County		81,590	9.6%	11,492	17.6%	6,195	11.9%
Hillsborough County		114,775	8.9%	21,445	22.9%	8,991	12.9%

Source: CON application #10289 page 17, Schedule B

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The applicant states that it is a newly created entity and does not have a history of providing care. The reviewer notes that included letters of support for the applicant/Reliant Health Care Services indicate that Reliant Health Care Services will manage and operate the proposed facility and also indicate the fact that Reliant also manages and operates Woodbridge Rehabilitation and Health Center and Excel Rehabilitation and Health Center, both located in Tampa, Florida.

Hillsborough County CON states it will employ protocols and practices which will ensure the provision of quality care. The applicant will contract with Premier Clinical Solutions (“Premier”) to provide clinical consulting services.

The applicant states that projected utilization for the proposed 110-bed facility is 25,223 patient days in the first year of operation and 37,339 in the second year of operation, 62.82 percent and 92.95 percent occupancy respectively.

The reviewer created the following chart from the applicant’s Schedule 7 regarding the proposed facility.

**Hillsborough County CON, LLC, Payer Mix**

	<b>Year One Ending 6/30/2018</b>	<b>Year Two Ending 6/30/2019</b>
Medicare	24.20%	26.40%
Medicaid	68.58%	63.34%
Self-Pay	7.22%	10.26%
Total	100%	100%

Source: CON #10289, Schedule 7

**Hillsborough County Development, LLC (CON #10290)** indicates that Hillsborough County is expected to grow by 8.91 percent from 2014 to 2019. The applicant states that it is important to note all age ranges as PowerBack Rehabilitation draws a broader age range than traditional nursing homes. HCD compares the utilization of three of its existing Power Back Rehabilitation locations in the Northeast with utilization in Hillsborough County of post-acute SNF patients. The reviewer notes that the applicant did not include a time frame for this data. See the table below.

**Skilled Nursing Patient Age Breakdown Comparison**

<b>Age</b>	<b>Power Back</b>	<b>Hillsborough County</b>
90+	9.9%	13.7%
80-89	30.3%	34.6%
70-79	26.1%	27.7%
60-69	19.2%	16.7%
50-59	10.4%	.2%
40-49	2.9%	2.0%
30-39	0.9%	0.8%
20-29	0.3%	0.2%
Unknown	0.1%	--
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

Source: CON application #10290, page 55-57

HCD also notes that Hillsborough County has rapidly growing minority populations. See the table below.

<b>Hillsborough County Population Growth by Race 2014 to 2019</b>			
	<b>2014</b>	<b>2019</b>	<b>Percent Change</b>
White	909,360	946,464	4.08%
African American	227,190	257,279	13.24%
Asian	47,698	55,489	16.33%
Pacific Islander	1,172	1,529	30.46%
American Indian	5,670	6,927	22.17%
2 or More Races	43,063	49,053	13.91%
Other Race	66,274	72,440	9.30%
<b>Total</b>	<b>1,300,427</b>	<b>1,389,181</b>	<b>6.82%</b>

Source: CON application #10290, page 47

The applicant indicates that it will have the resources to address the needs of an increasingly diverse population--Genesis offers translation services to all patients, including sign language.

The applicant states the more intensive application of clinical resources results in patients recovering functionality in a shorter period of time and a therapeutic milieu that is highly desired by patients and families. As the largest provider of skilled nursing care in the United States, Genesis states enhanced services will be available and accessible to the service area.

HCD contends that its PowerBack Rehabilitation facility in Hillsborough County will enhance the quality of nursing home care by introducing an innovative, more intensive model of post-acute rehabilitative services. The applicant states a major strength of the PowerBack rehabilitation model is its ability to deliver high quality outcomes for patients and allow them to transition to home with improved functionality.

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The applicant states Hillsborough County has experienced strong utilization of its nursing homes over the past four years with the demand for services projected to increase. HCD maintains that the data below shows a reduction in the number of Medicaid days—evidence that there is a shift for many patients away from the long-term nursing care covered by Medicaid towards a short-stay model covered by Medicare or managed care. See the table below.

**Hillsborough County Nursing Home Utilization Trend**

<b>FY Ending 6/30</b>	<b>Total Licensed Beds</b>	<b>Bed Days</b>	<b>Patient Days</b>	<b>Medicaid Days</b>	<b>Occupancy</b>	<b>% Medicaid Days of Total Patient Days</b>
2011	3,831	1,328,965	1,217,954	747,830	91.65%	61.40%
2012	3,951	1,365,846	1,226,921	750,016	89.83%	61.13%
2013	3,951	1,371,765	1,239,429	736,126	90.29%	59.39%
2014	3,932	1,305,340	1,194,409	710,634	91.50%	59.50%

Source: CON application #10290, page 50

HCD maintains that facilities in Hillsborough County are well utilized, but there is a specific need for more short-stay post-acute beds in the area. The applicant asserts that it provides 241.4 percent more physical therapy minutes daily than existing Hillsborough County providers and 213.7 percent more RN care per day than existing Hillsborough County providers. See the table below.

<b>Comparison of Staffing Hours Existing Hillsborough County Facilities and PowerBack Average</b>			
	<b>PowerBack Average</b>	<b>Hillsborough County Average</b>	<b>Difference</b>
Total # of licensed nurse staff hours per resident per day	146.5	96.480	151.8%
RN hours per resident per day	103.5	48.433	213.7%
LPN/LVN hours per resident per day	33.125	48.047	68.9%
CNA hours per resident per day	112.125	150.422	74.5%
Physical therapy staff hours per resident per day	19.75	8.180	241.4%

Source: CON application #10290, page 55

The applicant notes that while Genesis does not currently operate any other facilities in Hillsborough County, part of its long-range plan is to create a local network through acquisition or cooperative agreements with other providers that will include traditional nursing homes serving long-term patients.

The applicant states that the basis for the projected utilization of the PowerBack Rehabilitation location is the post-acute discharges from hospitals serving Hillsborough County residents discharged to SNFs. HCD includes its step-by-step method in projecting utilization on pages 60 to 64 of CON application #10290, producing the following table:



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**HCD Projected Patients  
First Two Years of Operation**

	Projected Patients	
	2018	2019
<b>18 to 44</b>	20	35
<b>45 to 64</b>	207	341
<b>65 to 74</b>	227	402
<b>75 to 84</b>	272	487
<b>85+</b>	224	413
<b>Total Incremental Patients</b>	951	1,679
<b>In-migration</b>	50	88
<b>Total Patients</b>	1,001	1,768
<b>Patient Days</b>	21,087	37,595
<b>ADC</b>	57.77	103.00
<b>Occupancy of 120 Beds</b>	52.5%	93.6%

Source: CON application #10290, page 64

**Hillsborough SNF, LLC (CON #10291)** indicates that the service area for the proposed project is Hillsborough County. Hillsborough SNF, LLC states that there are 30 community nursing homes with 3,742 licensed beds in the county. The reviewer notes that there are 29 existing SNFs with community nursing home beds and one of these facilities is inactive.<sup>1</sup> The applicant states that Hillsborough County’s ratio of 25.6 beds per 1,000 population 65+ is higher than the statewide average of 22.3 beds per 1,000 65+. The proposed project would increase availability and access to those requiring skilled nursing services as well as ventilator-dependent patients as 10-20 patient rooms will be designed and equipped with piped medical gasses in order to be capable of caring for medically complex patients. The reviewer notes that the applicant does not provide any statistical analysis on the need for ventilator services in the area nor does it provide for extra equipment, expenses or staff in Schedule 6, 7 or 8 regarding these services.

Hillsborough SNF provides utilization data for community nursing home beds in the subdistrict, district and Florida in Exhibit 3 (page 37) of CON application #10291, indicating the following major observations:

- Licensed beds in the subdistrict have been the same for the past three years
- Patient days decreased slightly in the subdistrict by -0.8 percent per year from FY 2011-2014
- The subdistrict’s occupancy rate dropped from 90.3 percent in 2013 to 87.3 percent in 2014
- The subdistrict’s occupancy rate is nearly the same as the state’s rate of 87.4 percent

<sup>1</sup>Lakeshore Villas Health Care Center became inactive on April 12, 2014. The facility has 179 community nursing home beds.

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- Medicaid occupancy in the subdistrict has remained steady, at about 60 percent over the past three years and is lower than the state (62.1 percent) and the same as the district's rate (59.5 percent)

The applicant provides a comparative analysis of key demographic and resident hospital utilization metrics for Subdistrict 6-1. The applicant notes the following point based on the utilization data for community nursing home beds in the subdistrict:

- Licensed beds in the subdistrict have been the same for the past two years
- Existing SNFs in the subdistrict are utilized at 90 percent during the most recent six months of data reported by the Agency
- The 75+ and 85+ age cohorts of population are projected to increase at faster rates of growth than the total population and this population is responsible for over 60 percent of all patients discharges from hospitals
- Case mix index values of patients admitted to SNFs from hospitals are higher than all patients discharged from hospitals
- Medicare and Medicare Managed Care account for approximately 90 percent of all admissions to SNFs from hospitals
- The proposed project is responsive to the anticipated needs for the service area

Hillsborough SNF emphasizes that 13 of Consulate's Florida SNFs have experienced a higher patient acuity in terms of increased:

- Number of ventilator dependent patients
- Number of patients on dialysis
- Hours per patient day for nursing and therapy (e.g. PT, OT, Respiratory and Speech)
- Patient age (i.e. older)
- Number of patients with chronic illnesses that are clinically complex

The applicant states that the Consulate Florida 13 that have taken the lead in responding to these recent trends already have some of the elements of resources required to care for the higher medically complex patients. The applicant indicates that as such, their utilization experience is valuable in assessing the need for new skilled nursing beds in this area as well. Hillsborough SNF reports that total occupancy rates at the Consulate Florida 13 SNFs range from 90 to 95 percent.

The applicant states that the ALOS for Medicare patients at the Consulate Florida 13 is slightly lower than the overall average for all SNFs in the respective "home county." The applicant contends that

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although such patients generally have a higher acuity level upon admission to a SNF compared to all patients, the Florida Consulate 13 are able to discharge such patients 13 to 14 percent sooner than other nursing homes. See the table below.

**ALOS for Medicare Patients at the Consulate Florida 13 SNFs**

Primary Condition at Admission	Consulate Florida 13	Average for all SNFs in the "Home" County	All SNFs in Florida	Variance of the Consulate Florida 13 to	
				Average for all SNFs in "Home" County	All SNFs in Florida
Alzheimer's Disease	30.27	33.38	33.59	-10.3%	-11.0%
Back Problems	25.67	28.44	26.52	-10.8%	-3.3%
Infectious Diseases	26.90	27.84	26.88	-3.5%	0.1%
Major Joint Replacement	30.50	31.98	32.05	-4.9%	-5.1%
Neurological Disorders	29.05	29.32	28.72	-0.9%	1.1%
Pulmonary Disease	24.33	26.78	25.90	-10.1%	-6.4%
Stroke	29.29	33.22	33.55	-13.4%	-14.6%

Applicant's Note: "Home County" refers to the county in which the Consulate Florida 13 facility is located  
Source: CON application #10291, page 48

Hillsborough SNF includes an analysis of Medicare readmission rates to acute care hospitals for the Consulate Florida 13. The applicant concludes that the Consulate Florida 13 had an all-cause readmission rate of 21.2 percent compared to a 21.6 percent rate statewide for all SNFs in Florida. Hillsborough SNF notes that seven of the 13 reported readmission rates are lower than the state rate leaving five that had readmission rates higher than the state rate. The applicant noted that Franco Nursing and Rehabilitation Center in Miami-Dade County was excluded from the Consulate Florida 13 group because of the unique characteristics of patients in its ventilator-assistance program. The reviewer notes that the applicant conditioned approval of the project to "the capability to operate up to 20 ventilator-capable rooms"—it is unclear whether this analysis provided by the applicant is applicable to the proposed project.

The applicant notes that it previously entered into and currently maintains a Collaborative Affiliation Agreement with USF Health that provides a framework for cooperation between the parties to achieve their shared visions, missions and objectives. This includes the provision of clinical settings for health care education, research and services as well as other collaborative activities with the goal of improving health. Consulate indicates that the initial implementation of these activities will be at Fletcher Health and Rehabilitation Center in Tampa and subsequently to other Consulate care centers in the Tampa Bay area.

Hillsborough SNF indicates that the proposed project "near the USF campus" will provide the state university system with its first "on campus" transitional and post-acute care teaching facility. The applicant states that this will enable students to practice the inter-professional and

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collaborative approaches so that all professionals from the different schools will be learning together to promote a team approach across the continuum of care. Hillsborough SNF notes that the lessons learned in an academically-oriented SNF will cultivate an inter-disciplinary health and medical work force skilled at delivering cost-effective, collaborative transitional care with a continual focus on improved clinical outcomes.

**LP Tampa, LLC (CON #10292)** presents Subdistrict 6-1 nursing home occupancy data for July 1, 2013 to June 30, 2014, noting that subdistrict average occupancy is 87.63 percent, District 6's average occupancy is 87.61 percent and the State's average occupancy is 87.35 percent. Signature states it will locate the facility in Hillsborough County to better serve the growing demand in the community.

The applicant notes that Hillsborough County's elderly population is expected to grow 21 percent between 2014 and 2019, a rate that well exceeds the growth rate of District 6 as well as the State of Florida.

Signature states that it has added services beyond its nursing homes with specialized operating unit to provide care coordination services in the community to improve continuity of care. The applicant contends that this makes it a highly valued provider with unique capabilities that are welcomed additions to an acute care system's network. Signature maintains that implementation of these programs will have a positive impact on patient experience and clinical outcomes for patients in the Subdistrict. The applicant states that the following specialized operating units and capabilities will be available at the proposed facility:

- Nurse practitioner service
- Palliative care program
- The Signature HealthCARE Wound program
- Home health skilled services

The applicant included a DVD of videos about Signature facilities, culture, values and amenities. Signature asserts that the phrase "quality of life" is all-encompassing and integrates not only clinical care, but spiritual, mental and emotional. The applicant maintains that it takes the time and effort to "shirk" the restraints of traditional nursing home activities programming in favor of something much more diverse, vibrant and tailored to the specific desires of its residents. Signature states that this is the fourth consecutive year where patients have been taken on an annual vacation. The applicant indicates that its robust quality of life programming exists to keep patients active while delivering dynamic activities tailored to their individual wants and needs.

Signature presents the following utilization data for the proposed facility.

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**Projected Admissions, Patient Days, ALOS and Average Daily Census (ADC)  
for the First Two Years of Operation**

	<b>Year One (ending 12/31/2017)</b>	<b>Year Two (ending 12/31/2018)</b>
Admissions	205	707
Patient Days	8,021	32,324
Medicare ALOS	28.7	28.8
Medicaid ALOS	120.7	452.4
ADC	22	89

The applicant notes that after census build-up, the Medicaid ALOS is projected to average 461.6 days  
Source: CON application #10292, page 38

- b. Does the applicant have a history of providing quality of care? Has the applicant demonstrated the ability to provide quality of care? Is the applicant a Gold Seal Program nursing facility that is proposing to add beds to an existing nursing home? ss. 408.035 (1) (c) and (j), Florida Statutes.**

**Highland Oaks NH, LLC (CON #10288)** indicates the proposed facility will be managed by an experienced nursing home operator, as parent company Greystone currently runs 26 successful nursing facilities in Florida. Highland Oaks maintains that as a testament to quality, nine Greystone Healthcare Management facilities were awarded the Bronze Award for Outstanding Quality Care from the American Health Care Association and National Center for Assisted Living (AHCA/NCAL) in 2012 and two other facilities were awarded the same honor in 2013. The applicant states that all Greystone facilities have high occupancy rates, provide the best services for all their patients and have a reputation of providing the highest quality of care.

The applicant states that it has taken advantage of the Florida Health Care Association (FHCA) Quality Credentialing Program. The FHCA's credentialing process includes an internal and external review process of quality issues. Copies of Greystone's Quality Improvement Programs, Risk Management/Quality Assurance Standards and Guidelines and Quarterly Systems Review Forms are included in Exhibit 4-3 of CON application #10288.

The applicant also explains its commitment to voluntary quality improvement programs that guide Greystone facilities. Highland Oaks states that Greystone has developed and implemented organization-specific programs, beyond those required by law, to promote the delivery of quality care. The applicant asserts that it will be guided by these voluntary programs, which include:

- Believed balanced assessment
- Operation Make a Difference
- Care Line
- Greystone Culture of CARE

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- Focus leveling monitoring steps
- Quality Assurance/risk management standards and guidelines
- Dining with Distinction
- Resident council

The applicant provides a summary of Greystone’s Quality Assurance and Performance Improvement Plan in Exhibit 4-1 of CON application #10288.

Agency complaint records indicate that the affiliated nursing homes associated with the parent company, for the three-year period ending November 19, 2014, had 143 substantiated complaints at 26 facilities. A single complaint can encompass multiple complaint categories. The substantiated complaint categories are listed below:

<b>Nursing Homes affiliated with Greystone</b>	
<b>Complaint Category</b>	<b>Number Substantiated</b>
Quality of Care/Treatment	65
Resident/Patient/Client Assessment	13
Administration/Personnel	12
Physical Environment	11
Resident/Patient/Client Rights	9
Nursing Services	7
Admission, Transfer and Discharge Rights	5
Infection Control	4
Resident/Patient/Client Abuse	4
Unqualified Personnel	4
Dietary Services	3
Falsification of Records/Reports	3
Physician Services	2
Billing Refunds	1
State Licensure	1

Source: Florida Agency for Health Care Administration Complaint Records

**Hillsborough County CON, LLC (CON #10289)** the applicant does not have a history of providing quality of care because it is a newly formed entity. The applicant will contract with Premier Clinical Solutions to provide clinical consulting services

The applicant states Premier excels in achieving the goals of the Quality Initiative for its clients through hands-on, on-site interventions conducted by regional Premier nursing and therapy specialists.

Operating directly with personnel instead of negotiating through multiple layers of management, Premier specialists are able to provide specific and constant training and education to assist managers and staff and improve processes that raise service quality. Through helping staff provide better care, Premier is able to achieve lower turnover and greater longevity of staff, which Premier states will result in consistency of care.

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Premier will be retained by the Quality Assurance (QA) Committee to assist the QA Committee in its good faith efforts to identify quality deficiencies and improve care and quality of life, deal with quality concerns and help sustain a culture of quality improvements.

The applicant will implement and operate an ongoing, facility-wide Quality Assessment and Assurance Program designed to monitor and evaluate the quality of resident care, pursue methods to improve care quality and resolve identified problems. The purposes of the Quality Assessment and Assurance Program are to assure the highest quality and appropriateness of care:

- To provide a means to identify and resolve present and potential negative outcomes related to resident care safety
- To reinforce and build upon effective systems of services and positive care measures
- To provide a structure and process to correct identified quality deficiencies
- To establish and implement plans to correct deficiencies, and to monitor the effects of these action plans on resident outcome
- To help departments, consultants, and ancillary services that provides direct or indirect care to residents to communicate effectively, and to delineate lines of authority, responsibility, and accountability.
- To provide a means to centralize and coordinate comprehensive Quality Assessment and Assurance activities in order to meet the needs of the residents and the facility
- To establish a system and process to maintain documentation relative to the Quality Assessment and Assurance Program, as a basis for demonstrating that there is an effective ongoing program

Agency records indicate that the applicant is a new entity and does not have any operational history for quality of care.

**Hillsborough County Development, LLC (CON #10290)** indicates that Genesis has a long and distinguished history of providing quality care to its patients. The applicant includes its awards and recognitions in Attachments 7-10 and its quality-related policies in Attachment 38 of CON application #10290.

HCD includes a survey history of Genesis's nine Florida nursing homes since it acquired them from Sun Health in 2012. The applicant believes that it is important to note that there have been no deficiencies with a G or higher since its ownership began in December 2012.

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The applicant maintains that PowerBack Rehabilitation locations have used a measurable scale to analyze and document the quality outcomes associated with its unique model of care. HCD describes the Barthel Activities of Daily Living Index--an original scale used to measure performance in activities of daily living with 10 variables.

The applicant asserts that the PowerBack Rehabilitation model has provided excellent results in relation to the Modified Barthel Index (MBI) scores for its patients. HCD reports that the average improvement in MBI scores associated with the PowerBack Rehabilitation model is at 61 percent, much higher than the national benchmark of 46 percent. HCD declares that the PowerBack Rehabilitation facilities are having significant results in rehabilitating patients and providing them the health, well-being and resources to be allowed to return home and not linger in a SNF, or to be hospitalized and that this same level of quality will be provided in Hillsborough County.

Agency complaint records indicate that the affiliated nursing home associated with the parent company, for the three-year period ending November 19, 2014, had 61 substantiated complaints at its nine facilities. A single complaint can encompass multiple complaint categories. The substantiated complaint categories are listed below:

<b>Nursing Homes affiliated with Titan Senior Living, LLC</b>	
<b>Complaint Category</b>	<b>Number Substantiated</b>
Quality of Care/Treatment	21
Resident/Patient/Client Rights	10
Administration/Personnel	8
Physical Environment	6
Dietary Services	4
Nursing Services	4
Resident/Patient/Client Assessment	3
Infection Control	2
Resident/Patient/Client Abuse	2
Physician Services	1

Source: Florida Agency for Health Care Administration Complaint Records

**Hillsborough SNF, LLC (CON #10291)** states it is a newly created entity developed for the purpose of submitting this CON application and does not hold a license for a nursing facility. The applicant indicates its response is submitted in regard to its ultimate management company Consulate.

The applicant maintains that at the core of all its policies, procedures and programs are Quality Assurance and Quality Improvement (QAQI) structures as well as Root Cause Analysis (RCA). Hillsborough SNF declares that Consulate's efforts to continuously improve quality of care



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and patient outcomes have been incorporated into nine best practice programs. The applicant provides Exhibit 12: Best Practices At-A-Glance on pages 56 to 57 of CON application #10291.

Hillsborough SNF declares that four of Consulate’s care centers in Florida have met the criteria and are eligible to submit an application to the Agency to become a Gold Seal Facility. The reviewer notes these four facilities are not currently Gold Seal Facilities per Floridahealthfinder.gov.

The applicant provides a detailed discussion of each of the following programs and policies related to quality of care:

- Consulate is organized to focus on quality of care
- Policies and procedures affecting quality of care
- The use of quality of care data at Consulate
- Quality of care for patients
- Quality initiatives in programs and services
- Awards and recognition of Consulate’s care centers
- Quality of Consulate’s staff

Agency complaint records indicate that the affiliated nursing homes associated with the parent company, for the three-year period ending November 19, 2014, had 411 substantiated complaints at 76 facilities. A single complaint can encompass multiple complaint categories. The substantiated complaint categories are listed below:

<b>Nursing Homes affiliated with Consulate or CMC III</b>	
<b>Complaint Category</b>	<b>Number Substantiated</b>
Quality of Care/Treatment	221
Resident/Patient/Client Rights	83
Administration/Personnel	64
Nursing Services	48
Resident/Patient/Client Assessment	45
Physical Environment	35
Infection Control	25
Admission, Transfer, and Discharge Rights	24
Dietary Services	22
Resident/Patient/Client Abuse	13
Resident/Patient/Client Neglect	8
Physician Services	6
Falsification of Records/Reports	4
Misappropriation of Property	4
State Licensure	4
Billing/Refunds	2
Life Safety Code	1
Quality of Life	1
Unqualified Personnel	1

Source: Florida Agency for Health Care Administration Complaint Records

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**LP Tampa, LLC (CON #10292)** states that it does not have a history of providing quality of care because it is a newly formed entity for the purposes of filing this CON application. The applicant asserts that its parent company is an experienced provider of long-term care.

Signature notes that within the past year, two dozen facilities were named to U.S. News and World Report’s list of the nation’s ‘Best Nursing Homes.’ The applicant indicates that it was named one of Modern Healthcare’s ‘Best Places to Work.’ The applicant reports that 59 percent of the 25 facilities Signature operates in Florida are either four or five star rated by the CMS five-star quality rating system. See the table below.

**Signature HealthCARE Florida Facilities**

<b>Subdistrict</b>	<b>5-Star</b>	<b>4-Star</b>	<b>3-Star</b>	<b>2-Star</b>	<b>1-Star</b>	<b>Total</b>
All Florida Facilities	234	182	110	128	33	687
Signature Florida Facilities	34%	26%	16%	19%	5%	100%
	10	4	3	6	1	24
Florida Percentage	42%	17%	13%	25%	4%	100%
Subdistrict 1-3	1	0	0	0	0	1
Subdistrict 2-1	3	0	0	0	0	3
Subdistrict 2-3	1	0	0	0	0	1
Subdistrict 3-1	0	0	1	0	0	1
Subdistrict 3-2	0	0	0	1	0	1
Subdistrict 4-2	1	1	0	0	0	2
Subdistrict 4-4	0	0	0	1	0	1
Subdistrict 5-1	1	0	0	0	0	1
Subdistrict 5-2	2	0	0	0	1	3
Subdistrict 6-2	0	0	0	1	0	1
Subdistrict 6-4	0	0	0	1	0	1
Subdistrict 7-1	1	0	0	0	0	1
Subdistrict 7-2	0	1	0	0	0	1
Subdistrict 8-1	0	0	0	1	0	1
Subdistrict 8-5	0	0	0	1	0	1
Subdistrict 9-4	0	0	1	0	0	1
Subdistrict 10	0	0	1	0	0	1
Subdistrict 11-1	0	2	0	0	0	2
<b>Totals</b>	<b>10</b>	<b>4</b>	<b>3</b>	<b>6</b>	<b>1</b>	<b>24</b>

Source: CON application #10292, page 46

Signature states that the proposed facility will implement the same corporate policies, procedures and quality assurance program that have proven effective in existing operations. Signature states that it has placed a strong emphasis on evaluating, measuring and managing the medical services provided at SNFs. The applicant notes that this type of full-time clinical attention is uncommon in the senior care industry and has expanded the admission criteria to include more complex conditions.

Signature states that it is in the process of redesigning the Quality Assurance Performance Plan (QAPP) to incorporate the new CMS guidance. The applicant states that it has established a QAPI Steering

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Committee and is formulating plans for tracking, trending and communication of performance improvement activities for global use.

The applicant asserts that it promotes and protects the rights of each patient and places a strong emphasis on individual dignity and self-determination. Signature indicates that prior to having direct-care responsibilities for residents, staff must have appropriate in-service training on resident rights.

Signature notes that it does not hold any accreditations as its compliance program assures appropriateness of care and quality patient outcomes. The applicant indicates that the compliance team responds quickly and effectively if there are any deviations from required standards or if targeted outcomes are not met at all times. Signature states that Compliance and Satisfaction Assessments are monitored monthly for all facilities.

Agency complaint records indicate that the affiliated nursing homes associated with the parent company, for the three-year period ending November 19, 2014, had 54 substantiated complaints at 17 of its 25 facilities. A single complaint can encompass multiple complaint categories. The substantiated complaint categories are listed below:

<b>Nursing Homes affiliated with Signature Holdings II, LLC</b>	
<b>Complaint Category</b>	<b>Number Substantiated</b>
Quality of Care/Treatment	26
Resident/Patient/Client Rights	9
Resident/Patient/Client Assessment	9
Administration/Personnel	8
Nursing Services	5
Physical Environment	4
Admission, Transfer and Discharge Rights	3
Resident/Patient Client Abuse	3
Dietary Services	1
Misappropriation of Property	1
Infection Control	1
Quality of Life	1
Billing/Refunds	1

Source: Florida Agency for Healthcare Administration Complaint Records

- c. What resources, including health manpower, management personnel and funds for capital and operating expenditures, are available for project accomplishment and operation? ss. 408.035 (1)(d), Florida Statutes.**

**Highland Oaks NH, LLC (CON #10288):**

**Analysis:**

The purpose of our analysis for this section is to determine if the applicant has access to the funds necessary to fund this and all capital projects. Our review includes an analysis of the short and long-term position of the applicant, parent or other related parties who will fund the project. The analysis of the short and long-term position is intended to provide some level of objective assurance in the likelihood that funding will be available. The stronger the short-term position, the more likely cash on hand or cash flows could be used to fund the project. The stronger the long-term position, the more likely that debt financing could be achieved if necessary to fund the project. We also calculate working capital (current assets less current liabilities) a measure of excess liquidity that could be used to fund capital projects.

Historically we have compared all applicant financial ratios regardless of type to bench marks established from financial ratios collected from Florida acute care hospitals. While not always a perfect match to a particular CON project it is a reasonable proxy for health care related entities. The below is an analysis of the audited financial statements of Greystone Healthcare Holdings II, LLC, (3<sup>rd</sup> party) and where the two short-term and long-term measures fall on the scale (highlighted in gray) for the most recent year.

<b>Greystone Healthcare Holdings II, LLC</b>	
	<b>Dec-13</b>
Current Assets	\$7,528,748
Total Assets	\$39,337,343
Current Liabilities	\$22,208,936
Total Liabilities	\$41,842,348
Net Assets	(\$2,505,005)
Total Revenues	\$46,905,292
Excess of Revenues Over Expenses	(\$258,138)
Cash Flow from Operations	\$2,242,483
<b>Short-Term Analysis</b>	
Current Ratio (CA/CL)	0.3
Cash Flow to Current Liabilities (CFO/CL)	10.10%
<b>Long-Term Analysis</b>	
Long-Term Debt to Net Assets (TL-CL/NA)	-783.8%
Total Margin (ER/TR)	-0.55%
<b>Measure of Available Funding</b>	
Working Capital	(\$14,680,188)

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<b>Position</b>	<b>Strong</b>	<b>Good</b>	<b>Adequate</b>	<b>Moderately Weak</b>	<b>Weak</b>
Current Ratio	above 3	3 - 2.3	2.3 - 1.7	1.7 – 1.0	< 1.0
Cash Flow to Current Liabilities	>150%	150%-100%	100% - 50%	50% - 0%	< 0%
Debt to Equity	0% - 10%	10%-35%	35%-65%	65%-95%	> 95% or < 0%
Total Margin	> 12%	12% - 8.5%	8.5% - 5.5%	5.5% - 0%	< 0%

**Capital Requirements and Funding:**

The applicant provided a development stage audit. The audit indicates that the applicant has very little assets, liabilities, net worth and no revenue. The applicant indicates on Schedule 2 capital projects totaling \$22,877,084 which includes this project. The applicant indicates on Schedule 3 of its application that funding for the project will be provided by cash on hand (\$4,575,414) and non-related company financing (Greystone Healthcare Holdings II, LLC). The applicant’s parent company currently has five CON applications under review including this one. The applicant provided a letter from Greystone committing to fund this project. Greystone submitted their Audited Financial Statements as proof of available funding. As of 12/31/2013 Greystone Healthcare Holdings II, LLC had insufficient cash and cash flow from operations (\$4,671,581) to fund the cash on hand reported on Schedule 3 for all the proposed projects. The Private Bank provided a letter of interest. A letter of interest does not constitute a firm commitment to lend. With that in mind, the parent’s negative equity position could limit additional borrowing.

**Conclusion:**

Funding for this project is in question.

**Hillsborough County CON, LLC (CON #10289)**

**Analysis:**

The purpose of our analysis for this section is to determine if the applicant has access to the funds necessary to fund this and all capital projects. Our review includes an analysis of the short and long-term position of the applicant, parent or other related parties who will fund the project. The applicant is a development stage company, meaning there is no operational data to be analyzed for the purposes of this review. The applicant indicated that funding will be provided by a third-party source.

**Capital Requirements and Funding:**

The applicant indicates on Schedule 2 capital projects totaling \$22,458,383 which includes this project, routine capital, and maturities of long-term debt. The applicant indicates on Schedule 3 of its application that funding for the project will be provided by non-related company financing. The applicant's parent company currently has three CON applications under review including this one. Tunic Capital provided a letter of interest in financing this project. A letter of interest does not constitute a firm commitment to lend. In addition, Tunic Capital, LLC provided no proof that they have the funds to support this project. In the absence of a firm commitment to lend, we would rely on an analysis of the applicant or parent audit to assess the financial stability and therefore likelihood of the applicant to obtain debt financing. In this case the applicant is a development stage company with no operations to evaluate. Therefore we do not have sufficient evidence to determine likelihood of funding this project. Given that the funding is supported by a letter of interest, we have no basis to conclude that funding will be available for this project.

**Conclusion:**

Funding for this project is in question.

**Hillsborough County Development, LLC (CON #10290):**

**Analysis:**

The purpose of our analysis for this section is to determine if the applicant has access to the funds necessary to fund this and all capital projects. Our review includes an analysis of the short and long-term position of the applicant, parent or other related parties who will fund the project. The analysis of the short and long-term position is intended to provide some level of objective assurance in the likelihood that funding will be available. The stronger the short-term position, the more likely cash on hand or cash flows could be used to fund the project. The stronger the long-term position, the more likely that debt financing could be achieved if necessary to fund the project. We also calculate working capital (current assets less current liabilities) a measure of excess liquidity that could be used to fund capital projects.

Historically we have compared all applicant financial ratios regardless of type to bench marks established from financial ratios collected from Florida acute care hospitals. While not always a perfect match to a particular CON project it is a reasonable proxy for health care related entities. The below is an analysis of the audited financial statements of Omega Healthcare Investors, Inc., (3<sup>rd</sup> party), and Genesis Healthcare, LLC (Parent), and where the two short-term and long-term measures fall on the scale (highlighted in gray) for the most recent year.

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<b>Omega Healthcare Investors, Inc.</b>		
	<b>Dec-13</b>	<b>Dec-12</b>
Current Assets	\$150,120,000	\$126,891,000
Total Assets	\$3,462,216,000	\$2,982,005,000
Current Liabilities	\$5,000,000	\$0
Total Liabilities	\$2,162,113,000	\$1,970,676,000
Net Assets	<b>\$1,300,103,000</b>	<b>\$1,011,329,000</b>
Total Revenues	\$418,714,000	\$350,460,000
Excess of Revenues Over Expenses	\$172,521,000	\$120,698,000
Cash Flow from Operations	\$279,949,000	\$208,271,000
<b>Short-Term Analysis</b>		
Current Ratio (CA/CL)	30.0	N/A
Cash Flow to Current Liabilities (CFO/CL)	5598.98%	N/A
<b>Long-Term Analysis</b>		
Long-Term Debt to Net Assets (TL-CL/NA)	165.9%	194.9%
Total Margin (ER/TR)	41.20%	34.44%
<b>Measure of Available Funding</b>		
Working Capital	\$145,120,000	\$126,891,000

<b>Position</b>	<b>Strong</b>	<b>Good</b>	<b>Adequate</b>	<b>Moderately Weak</b>	<b>Weak</b>
Current Ratio	above 3	3 - 2.3	2.3 - 1.7	1.7 - 1.0	< 1.0
Cash Flow to Current Liabilities	>150%	150%-100%	100% - 50%	50% - 0%	< 0%
Debt to Equity	0% - 10%	10%-35%	35%-65%	65%-95%	> 95% or < 0%
Total Margin	> 12%	12% - 8.5%	8.5% - 5.5%	5.5% - 0%	< 0%

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<b>Genesis Healthcare, LLC and Subsidiaries</b>		
	<b>Dec-13</b>	<b>Dec-12</b>
Current Assets	\$927,027,000	\$876,012,000
Total Assets	\$5,137,005,000	\$5,248,119,000
Current Liabilities	\$685,683,000	\$640,255,000
Total Liabilities	\$5,320,886,000	\$5,246,100,000
Net Assets	(\$183,881,000)	\$2,019,000
Total Revenues	\$4,749,754,000	\$3,078,949,000
Excess of Revenues Over Expenses	(\$176,970,000)	(\$171,722,000)
Cash Flow from Operations	\$82,149,000	\$9,972,000
<b>Short-Term Analysis</b>		
Current Ratio (CA/CL)	1.4	1.4
Cash Flow to Current Liabilities (CFO/CL)	11.98%	1.56%
<b>Long-Term Analysis</b>		
Long-Term Debt to Net Assets (TL-CL/NA)	-2520.8%	228125.1%
Total Margin (ER/TR)	-3.73%	-5.58%
<b>Measure of Available Funding</b>		
Working Capital	\$241,344,000	\$235,757,000

<b>Position</b>	<b>Strong</b>	<b>Good</b>	<b>Adequate</b>	<b>Moderately Weak</b>	<b>Weak</b>
Current Ratio	above 3	3 - 2.3	2.3 - 1.7	1.7 - 1.0	< 1.0
Cash Flow to Current Liabilities	>150%	150%-100%	100% - 50%	50% - 0%	< 0%
Debt to Equity	0% - 10%	10%-35%	35%-65%	65%-95%	> 95% or < 0%
Total Margin	> 12%	12% - 8.5%	8.5% - 5.5%	5.5% - 0%	< 0%

**Capital Requirements and Funding:**

The applicant is a development stage company. The applicant indicates on Schedule 2 capital projects totaling \$26,099,329 which includes this project. The applicant indicates on Schedule 3 of its application that funding for the project will be provided by related and non-related company financing. The applicant's parent company currently has four CON applications under review including this one. The applicant provided a letter from Omega committing to funding this project. Omega submitted their audited financial statements as proof of available funding. Overall, Omega has a strong financial position and is likely to either fund through existing capital or raise the capital necessary to meet the commitments set forth in various CON applications in this batching



cycle. Genesis HealthCare, LLC (Parent) provided a letter, along with Audited Financial Statements, committing to fund pre-opening costs and working capital.

**Conclusion**

Funding for this project should be available as needed.

**Hillsborough SNF, LLC (CON #10291):**

**Analysis:**

The purpose of our analysis for this section is to determine if the applicant has access to the funds necessary to fund this and all capital projects. Our review includes an analysis of the short and long-term position of the applicant, parent or other related parties who will fund the project. The applicant is a development stage company, meaning there is no operational data to be analyzed for the purposes of this review. The applicant indicated that funding will be provided by a third-party source and cash on hand.

**Capital Requirements and Funding:**

The applicant lists total capital projects in the amount of \$18,243,414 which consists solely of this CON currently under review. The applicant's parent company currently has six CON applications under review including this one. The applicant provided a letter from Mainstreet Investments indicating a commitment to fund this project. The applicant provided audited financial statements of Mainstreet affiliates (Mainstreet Asset Management, Inc. and Mainstreet Property Group, LLC). The letter was specific to this project and in general mentioned funding 50 projects in 2015. Mainstreet is cited as a funding source for several CONs in this batching cycle. Mainstreet is not a traditional bank or lender but rather is in the business of funding and acquiring funding from various investors, lenders, and various Real Estate Investment Trusts (REITs) to build facilities and lease and or sell them to operators of healthcare facilities. To that point, a letter of interest was provided by PNC Real Estate to provide funding for upcoming Mainstreet projects (it should be noted that a letter of interest is not considered a firm commitment to lend).

The structure and nature of these type of entities makes it difficult to determine ability to fund any given project due to both the complexity and variety of funding options and the turnover of projects. However, this is not an uncommon method of funding skilled nursing facility construction and operation. We reviewed the Mainstreet affiliated audits and the primary entity appears to be sound and has been in existence for over 10 years. While the letter of interest from PNC cannot be relied on as a commitment, the letter did acknowledge a preexisting lending

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relationship that supports the business conducted by Mainstreet as described in its commitment letter and audits. Based on that analysis, it is likely that Mainstreet would be able to fund this project.

### **Conclusion:**

Funding for this project is not guaranteed but appears likely.

### **LP Tampa, LLC (CON #10292)**

#### **Analysis:**

The purpose of our analysis for this section is to determine if the applicant has access to the funds necessary to fund this and all capital projects. Our review includes an analysis of the short and long-term position of the applicant, parent, or other related parties who will fund the project. The analysis of the short and long-term position is intended to provide some level of objective assurance in the likelihood that funding will be available. The stronger the short-term position, the more likely cash on hand or cash flows could be used to fund the project. The stronger the long-term position, the more likely that debt financing could be achieved if necessary to fund the project. We also calculate working capital (current assets less current liabilities) a measure of excess liquidity that could be used to fund capital projects.

Historically we have compared all applicant financial ratios regardless of type to bench marks established from financial ratios collected from Florida acute care hospitals. While not always a perfect match to a particular CON project it is a reasonable proxy for health care related entities.

#### **Capital Requirements and Funding:**

The applicant provided a development stage audit. The audit indicates that the applicant has no assets, liabilities, net worth or revenue. The applicant indicates on Schedule 2 capital projects totaling \$20,265,892 which includes this project and routine capital. On Schedule 3 of its application, the applicant indicates that funding for the project will be provided by related (SHC LP Holdings, LLC) and non-related company financing. The applicant provided an audit opinion for Signature Healthcare, LLC and Signature Holdings II, LLC but failed to include the audited financial statements for these companies in the application. However, included in the audit opinion was evidence that Signature Healthcare, LLC and Signature Holdings II, LLC had cash reserves and available credit facilities totaling approximately \$10,700,000. However, no liabilities were provided. A letter of consideration was provided by

Capital One Commercial Banking. The letter states that the Parent has a \$95,000,000 revolving line of credit. However, no available balance on the line of credit was provided. A letter of commitment, subject to due diligence, was provided by Conficare to fund up to \$20,200,000 million for this project.

Given that the equity portion of the funding is supported by letters of support, a development stage audit, and audit opinion and the debt portion is supported by a letter of commitment, it appears that funding should be available for this project.

**Conclusion:**

Funding for this project should be available as needed.

- d. What is the immediate and long-term financial feasibility of the proposal? ss. 408.035 (1) (f), Florida Statutes.**

**Highland Oaks NH, LLC (CON #10288):**

**Analysis:**

The immediate and long-term financial feasibility of the project is tied to expected profitability. The purpose of our analysis for this section is to evaluate the reasonableness of the applicant's profitability projections and, ultimately, whether profitability is achievable for this project. Our analysis includes an evaluation of net revenue per patient day (NRPD), cost per patient day (CPD), nurse staffing ratios and profitability. We compared the NRPD, CPD and profitability to actual operating results from SNFs as reported on Medicaid cost reports (2012 and 2013 cost report years). For our comparison group, we selected SNFs with similar Medicaid utilizations to the utilization projected by the applicant on a per patient day basis (PPD). Comparison group data was adjusted for inflation to match the second year projection (inflation factor was based on the new CMS Market Basket Price Index as published in the 3rd Quarter 2014, Health Care Cost Review).

NRPD, CPD and profitability or operating margin that fall within the group range are considered reasonable projections. Below is the result of our analysis.

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	PROJECTIONS PER APPLICANT		COMPARATIVE GROUP VALUES PPD		
	Total	PPD	Highest	Median	Lowest
Net Revenues	14,662,829	386	519	410	268
Total Expenses	12,811,721	338	519	390	304
Operating Income	1,851,108	49	64	16	-113
Operating Margin	12.62%		<b>Comparative Group Values</b>		
	Days	Percent	Highest	Median	Lowest
Occupancy	37,960	94.55%	96.71%	90.25%	70.42%
Medicaid/MDCD HMO	14,965	39.42%	49.81%	44.42%	30.80%
Medicare	12,775	33.65%	62.12%	33.63%	10.26%

**Staffing:**

Section 400.23(3)(a)(1), Florida Statutes, specifies a minimum certified nursing assistant staffing of 2.5 hours of direct care per resident per day and a minimum licensed nursing staffing of 1.0 hour of direct resident care per resident day. Based on the information provided in Schedule 6, the applicant’s projected staffing meets this requirement.

The projected NRPD, CPD and profit fall within the group range and are considered reasonable. In addition, the total cost appears to include at least the minimum staffing required. Therefore, the overall profitability appears achievable.

**Conclusion:**

This project appears to be financially feasible based on the projections provided by the applicant.

**Hillsborough County CON, LLC (CON #10289):**

**Analysis:**

The immediate and long-term financial feasibility of the project is tied to expected profitability. The purpose of our analysis for this section is to evaluate the reasonableness of the applicant’s profitability projections and ultimately whether profitability is achievable for this project. Our analysis includes an evaluation of net revenue per patient day (NRPD), cost per patient day (CPD), nurse staffing ratios and profitability. We compared the NRPD, CPD and profitability to actual operating results from SNFs as reported on Medicaid cost reports (2012 and 2013 cost report years). For our comparison group, we selected SNFs with similar

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Medicaid utilizations to the utilization projected by the applicant on a per patient day basis (PPD). Comparison group data was adjusted for inflation to match the second year projection (Inflation factor was based on the new CMS Market Basket Price Index as published in the 3rd Quarter 2014, Health Care Cost Review).

NRPD, CPD and profitability or operating margin that fall within the group range are considered reasonable projections. Below is the result of our analysis.

	PROJECTIONS PER APPLICANT		COMPARATIVE GROUP VALUES PPD		
	Total	PPD	Highest	Median	Lowest
Net Revenues	12,557,145	336	431	328	232
Total Expenses	12,044,763	323	479	322	218
Operating Income	512,382	14	115	6	-38
Operating Margin	4.08%		<b>Comparative Group Values</b>		
	Days	Percent	Highest	Median	Lowest
Occupancy	37,319	92.95%	114.77%	90.16%	66.81%
Medicaid	23,636	63.34%	69.63%	60.04%	50.73%
Medicare	9,852	26.40%	35.62%	21.14%	3.38%

**Staffing:**

Section 400.23(3)(a)(1), Florida Statutes, specifies a minimum certified nursing assistant staffing of 2.5 hours of direct care per resident per day and a minimum licensed nursing staffing of 1.0 hour of direct resident care per resident day. Based on the information provided in Schedule 6, the applicant’s projected staffing meets this requirement.

The projected NRPD, CPD and profitability or operating margin all fall within the group range and are considered reasonable. Overall, profitability appears achievable.

**Conclusion:**

This project appears to be financially feasible based on the projections provided by the applicant.

**Hillsborough County Development, LLC (CON #10290)**

**Analysis:**

The immediate and long-term financial feasibility of the project is tied to expected profitability. The purpose of our analysis for this section is to evaluate the reasonableness of the applicant’s profitability projections and, ultimately, whether profitability is achievable for this project. Our

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analysis includes an evaluation of net revenue per patient day (NRPD), cost per patient day (CPD), nurse staffing ratios and profitability. We compared the NRPD, CPD and profitability to actual operating results from SNFs as reported on Medicaid cost reports (2012 and 2013 cost report years). For our comparison group, we selected SNFs facilities with similar Medicaid utilizations to the utilization projected by the applicant on a per patient day basis (PPD). Comparison group data was adjusted for inflation to match the second year projection (inflation factor was based on the new CMS Market Basket Price Index as published in the 3rd Quarter 2014, Health Care Cost Review).

NRPD, CPD and profitability or operating margin that fall within the group range are considered reasonable projections. Below is the result of our analysis.

	PROJECTIONS PER APPLICANT		COMPARATIVE GROUP VALUES PPD		
	Total	PPD	Highest	Median	Lowest
Net Revenues	18,724,729	498	2,002	549	303
Total Expenses	18,028,742	480	1,916	521	359
Operating Income	695,987	19	176	26	-173
Operating Margin	3.72%		<b>Comparative Group Values</b>		
	Days	Percent	Highest	Median	Lowest
Occupancy	37,595	93.64%	97.64%	91.30%	33.72%
Medicaid/MDCD HMO	0	0.00%	29.81%	20.69%	2.05%
Medicare	14,965	39.81%	66.46%	35.09%	6.50%

**Staffing:**

Section 400.23(3)(a)(1), Florida Statutes, specifies a minimum certified nursing assistant staffing of 2.5 hours of direct care per resident per day and a minimum licensed nursing staffing of 1.0 hour of direct resident care per resident day. Based on the information provided in Schedule 6, the applicant’s projected staffing meets this requirement.

The projected NRPD, CPD and profit fall within the group range and are considered reasonable. In addition, the total cost appears to include at least the minimum staffing required. Therefore, the overall profitability appears achievable.

**Conclusion:**

This project appears to be financially feasible based on the projections provided by the applicant.

**Hillsborough SNF, LLC (CON #10291):**

**Analysis:**

The immediate and long-term financial feasibility of the project is tied to expected profitability. The purpose of our analysis for this section is to evaluate the reasonableness of the applicant’s profitability projections and ultimately whether profitability is achievable for this project. Our analysis includes an evaluation of net revenue per patient day (NRPD), cost per patient day (CPD), nurse staffing ratios and profitability. We compared the NRPD, CPD and profitability to actual operating results from SNFs as reported on Medicaid cost reports (2012 and 2013 cost report years). For our comparison group, we selected SNFs with similar Medicaid utilizations to the utilization projected by the applicant on a per patient day basis (PPD). Comparison group data was adjusted for inflation to match the second year projection (Inflation factor was based on the new CMS Market Basket Price Index as published in the 3rd Quarter 2014, Health Care Cost Review).

NRPD, CPD and profitability or operating margin that fall within the group range are considered reasonable projections. Below is the result of our analysis.

	PROJECTIONS PER APPLICANT		COMPARATIVE GROUP VALUES PPD		
	Total	PPD	Highest	Median	Lowest
Net Revenues	13,504,983	368	504	398	260
Total Expenses	13,407,966	365	504	378	296
Operating Income	97,017	3	64	16	-113
Operating Margin	0.72%		<b>Comparative Group Values</b>		
	Days	Percent	Highest	Median	Lowest
Occupancy	36,692	91.39%	96.71%	90.25%	70.42%
Medicaid	14,062	38.32%	49.81%	44.42%	30.80%
Medicare	20,440	55.71%	62.12%	33.63%	10.26%

**Staffing:**

Section 400.23(3)(a)(1), Florida Statutes, specifies a minimum certified nursing assistant staffing of 2.5 hours of direct care per resident per day and a minimum licensed nursing staffing of 1.0 hour of direct resident care per resident day. Based on the information provided in Schedule 6, neither the nursing assistant staffing, nor the nursing staffing meet this requirement. The projected nursing assistant staffing is 2.09 hours in year two, which is less than the 2.5 hour requirement. The projected nursing staffing is 0.79 hours in year two, which is less than the 1.0 hour requirement.

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The projected NRPD, CPD and profit fall within the group range and are considered reasonable. However, the total cost appears to be slightly understated due to the lack of sufficient staffing as outlined above. Therefore, the overall profitability of the nursing home appears to be overstated.

**Conclusion:**

This project appears to be financially feasible.

**LP Tampa, LLC (CON #10292):**

**Analysis:**

The immediate and long-term financial feasibility of the project is tied to expected profitability. The purpose of our analysis for this section is to evaluate the reasonableness of the applicant’s profitability projections and ultimately whether profitability is achievable for this project. Our analysis includes an evaluation of net revenue per patient day (NRPD), cost per patient day (CPD), nurse staffing ratios and profitability. We compared the NRPD, CPD and profitability to actual operating results from skilled nursing facilities as reported on Medicaid cost reports (2012 and 2013 cost report years). For our comparison group, we selected skilled nursing facilities with similar Medicaid utilizations to the utilization projected by the applicant on a per patient day basis (PPD). Comparison group data was adjusted for inflation to match the second year projection (Inflation factor was based on the New CMS Market Basket Price Index as published in the 3rd Quarter 2014, Health Care Cost Review).

NRPD, CPD and profitability or operating margin that fall within the group range are considered reasonable projections. Below is the result of our analysis.

	PROJECTIONS PER APPLICANT		COMPARATIVE GROUP VALUES PPD		
	Total	PPD	Highest	Median	Lowest
Net Revenues	12,139,246	376	504	398	260
Total Expenses	11,525,078	357	504	378	296
Operating Income	614,168	19	64	16	-113
Operating Margin	5.06%		<b>Comparative Group Values</b>		
	Days	Percent	Highest	Median	Lowest
Occupancy	32,324	80.51%	96.71%	90.25%	70.42%
Medicaid/MDCD HMO	12,214	37.79%	49.81%	44.42%	30.80%
Medicare	14,348	44.39%	62.12%	33.63%	10.26%



**Staffing:**

Section 400.23(3)(a)(1), Florida Statutes, specifies a minimum certified nursing assistant staffing of 2.5 hours of direct care per resident per day and a minimum licensed nursing staffing of 1.0 hour of direct resident care per resident day. Based on the information provided in Schedule 6, the applicant's projected staffing meets this requirement.

The projected NRPD, CPD and profit fall within the group range and are considered reasonable. In addition, the total cost appears to include at least the minimum staffing required. Therefore, the overall profitability appears achievable.

**Conclusion:** This project appears to be financially feasible based on the projections provided by the applicant.

- e. **Will the proposed project foster competition to promote quality and cost-effectiveness? ss. 408.035 (1)(e) and (g), Florida Statutes.**

**Analysis:**

The type of competition that would result in increased efficiencies, service and quality is limited in health care. Cost-effectiveness through competition is typically achieved via a combination of competitive pricing that forces more efficient cost to remain profitable and offering higher quality and additional services to attract patients from competitors. Since Medicare and Medicaid are the primary payers in the nursing home industry, price-based competition is limited. With a large portion of the revenue stream essentially fixed on a per patient basis, the available margin to increase quality and offer additional services is limited. In addition, competitive forces truly do not begin to take shape until existing business' market share is threatened. The publication of need in this area suggests that there is an unmet and untapped customer base for a new entrant to absorb. Since nursing home services are limited to available beds and the need formula suggest excess capacity in the market to fill those beds, the impact on market share would be limited. The combination of the existing health care system's barrier to price-based competition via fixed price payers and the existence of unmet need in the District limits any significant gains in cost-effectiveness and quality that would be generated from competition.

**Conclusion:**

These projects are not likely to have a material impact on competition to promote quality and cost-effectiveness.

- f. Are the proposed costs and methods of construction reasonable? Do they comply with statutory and rule requirements? ss. 408.035 (1) (h), Florida Statutes; Ch. 59A-4, Florida Administrative Code.**

**Highland Oaks NH, LLC (CON #10288):** The applicant has submitted all information and documentation necessary to demonstrate compliance with the architectural review criteria. The cost estimate for the proposed project provided in Schedule 9, Table A and the project completion forecast provided in Schedule 10 appear to be reasonable. A review of the architectural plans, narratives and other supporting documents did not reveal any deficiencies that are likely to have a significant impact on either construction costs or the proposed completion schedule.

The plans submitted with this application were schematic in detail with the expectation that they will be necessarily revised and refined prior to being submitted for full plan review. The architectural review of this application shall not be construed as an in-depth effort to determine complete compliance with all applicable codes and standards. The final responsibility for facility compliance ultimately rests with the applicant owner. Approval from the Agency for Health Care Administration's Office of Plans and Construction is required before the commencement of any construction.

**Hillsborough County CON, LLC (CON #10289):** The applicant has submitted all information and documentation necessary to demonstrate compliance with the architectural review criteria. The cost estimate for the proposed project provided in Schedule 9, Table A and the project completion forecast provided in Schedule 10 appear to be reasonable. A review of the architectural plans, narratives and other supporting documents did not reveal any deficiencies that are likely to have significant impact on either construction costs or the proposed completion schedule.

The plans submitted with this application were schematic in detail with the expectation that they will be necessarily revised and refined prior to being submitted for full plan review. The architectural review of this application shall not be construed as an in-depth effort to determine complete compliance with all applicable codes and standards. The final responsibility for facility compliance ultimately rests with the applicant owner. Approval from the Agency for Health Care Administration's Office of Plans and Construction is required before the commencement of any construction.

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**Hillsborough County Development, LLC (CON #10290):** The construction type is not listed but building materials are described as non-combustible and comply with the requirements of the applicable codes.

The applicant has submitted all information and documentation necessary to demonstrate compliance with the architectural review criteria. The cost estimate for the proposed project provided in Schedule 9, Table A and the project completion forecast provided in Schedule 10 appear to be reasonable. A review of the architectural plans, narratives and other supporting documents did not reveal any deficiencies that are likely to have a significant impact on either construction costs or the proposed completion schedule.

The plans submitted with this application were schematic in detail with the expectation that they will be necessarily revised and refined prior to being submitted for full plan review. The architectural review of this application shall not be construed as an in-depth effort to determine complete compliance with all applicable codes and standards. The final responsibility for facility compliance ultimately rests with the applicant owner. Approval from the Agency for Health Care Administration's Office of Plans and Construction is required before the commencement of any construction.

**Hillsborough SNF, LLC (CON #10291):** The applicant has submitted all information and documentation necessary to demonstrate compliance with the architectural review criteria. The cost estimate for the proposed project provided in Schedule 9, Table A and the project completion forecast provided in Schedule 10 appear to be reasonable. A review of the architectural plans, narratives and other supporting documents did not reveal any deficiencies that are likely to have a significant impact on either construction costs or the proposed completion schedule.

The plans submitted with this application were schematic in detail with the expectation that they will be necessarily revised and refined prior to being submitted for full plan review. The architectural review of this application shall not be construed as an in-depth effort to determine complete compliance with all applicable codes and standards. The final responsibility for facility compliance ultimately rests with the applicant owner. Approval from the Agency for Health Care Administration's Office of Plans and Construction is required before the commencement of any construction.

**LP Tampa, LLC (CON #10292):** The applicant has submitted all information and documentation necessary to demonstrate compliance with the architectural review criteria. The cost estimate for the proposed

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project provided in Schedule 9, Table A and the project completion forecast provided in Schedule 10 appear to be reasonable. A review of the architectural plans, narratives and other supporting documents did not reveal any deficiencies that are likely to have a significant impact on either construction costs or the proposed completion schedule.

The plans submitted with this application were schematic in detail with the expectation that they will be necessarily revised and refined prior to being submitted for full plan review. The architectural review of this application shall not be construed as an in-depth effort to determine complete compliance with all applicable codes and standards. The final responsibility for facility compliance ultimately rests with the applicant owner. Approval from the Agency for Health Care Administration’s Office of Plans and Construction is required before the commencement of any construction.

- g. Does the applicant have a history of and propose the provision of 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.**

A five-year history of Medicaid patient days and occupancy for the subdistrict, district and state is provided in the table below.

**Medicaid Patient Days and Medicaid Occupancy in Subdistrict 6-1, District 6 and Florida**

<b>Medicaid Patient Days</b>					
<b>Area</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Subdistrict 6-1	755,895	749,314	749,334	741,582	724,292
District 6	1,664,492	1,669,656	1,677,535	1,682,525	1,679,009
Florida	15,411,373	15,530,575	15,612,015	15,733,318	15,700,197
<b>Medicaid Occupancy</b>					
<b>Area</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Subdistrict 6-1	61.73%	61.34%	61.60%	60.11%	59.08%
District 6	59.81%	59.64%	61.75%	59.06%	59.33%
Florida	61.26%	61.33%	61.56%	61.85%	61.66%

Source: Florida Nursing Home Bed Need Projections by District and Subdistrict, October 2014 Batching Cycle

**Highland Oaks NH, LLC (CON #10288)** provides Greystone’s most recent three years total facility utilization and Medicaid utilization to show the historical demand of Medicaid patients at Greystone facilities in Florida. The applicant reports its overall percent Medicaid occupancy at 57.89 percent, 56.51 percent and 55.94 percent for FY 2012, FY 2013 and FY 2014, respectively.

The applicant insists that its data demonstrate that the majority of Greystone facilities have over half of total patient days accounted for by Medicaid patients. Highland Oaks indicates that for each of the past

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three FYs, there have been more than 558,000 Medicaid patient days at Greystone facilities, with 56 to 58 percent of patient days accounted for by Medicaid patients.

The reviewer compiled the following Medicaid occupancy data for Greystone Florida facilities for July 1, 2013 to June 30, 2014. See the table below.

**Greystone Florida Medicaid Occupancy  
July 1, 2013-June 30, 2014**

<b>Facility Name</b>	<b>Medicaid Days</b>	<b>Total Patient Days</b>	<b>Medicaid Occupancy</b>
Alhambra Health and Rehabilitation Center	10,913	20,860	52.30%
Apollo Health and Rehabilitation Center	19,859	33,518	59.25%
Carlton Shores Health and Rehabilitation Center	13,768	36,151	38.08%
Citrus Hills Health and Rehabilitation Center	30,326	43,258	71.44%
Club Health and Rehabilitation Center at The Villages	24,265	39,549	61.35%
The Gardens Health and Rehabilitation Center	20,641	38,570	53.52%
Greenbriar Rehabilitation and Nursing Center	8,240	21,596	38.16%
Isle Health and Rehabilitation Center	22,985	38,801	59.24%
Lady Lake Specialty Care Center	17,532	47,343	37.03%
Lehigh Acres Health and Rehabilitation Center	19,555	35,539	55.02%
Lexington Health and Rehabilitation Center	54,248	27,995	51.61%
The Lodge Health and Rehabilitation Center	19,066	33,511	56.89%
North Beach Rehabilitation Center	18,036	33,099	54.49%
North Rehabilitation Center	4,998	14,012	35.67%
Park Meadows Health and Rehabilitation Center	31,532	47,630	66.20%
Ridgecrest Nursing and Rehabilitation Center	25,100	46,601	53.86%
Riverwood Health and Rehabilitation Center	27,430	42,300	64.85%
Rockledge Health and Rehabilitation Center	15,865	35,422	44.79%
Sunset Lake Health and Rehabilitation Center	18,924	41,145	45.99%
Terrace Health and Rehabilitation Center	23,109	43,014	53.72%
Unity Health and Rehabilitation Center	85,135	97,534	87.29%
Viera Health and Rehabilitation Center	7,990	32,482	24.60%
Villa Health and Rehabilitation Center	25,790	43,305	59.55%
Village Place Health and Rehabilitation Center	17,050	33,898	50.30%
Wilton Manors Health and Rehabilitation Center	24,761	47,555	52.07%
Woodland Grove Health and Rehabilitation Center	24,447	42,604	57.45%
<b>Total</b>	<b>611,565</b>	<b>1,017,292</b>	<b>53.26%</b>

Source: Florida Nursing Home Bed Need Projections by District and Subdistrict, October 2014 Batching Cycle

The applicant's Schedule 7 indicates that Medicaid and self-pay represent 41.18 percent and 7.13 percent, respectively, of year one and 39.42 percent and 7.69 percent, respectively, of year two annual total patient days.

Highland Oaks concludes that it will continue to care for all patients, regardless of payer source. The applicant states that patients whose incomes are below a means test are eligible for care to be covered by Medicaid and the new facility will be dually certified for both Medicaid and Medicare.

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**Hillsborough County CON, LLC (CON #10289)** is a new entity and proposes to provide health services to Medicaid and medically indigent patients.

The reviewer created the following chart from the applicant’s Schedule 7. See the table below.

**Projected Admissions and Patient Days  
for Hillsborough County CON, LLC**

Payer	Year One			Year Two		
	Admission	Patient Days	Percent	Admission	Patient Days	Percent
Medicaid	81	17,299	68.58%	11	23,636	63.34%
Medicare	242	6,104	24.20%	321	9,852	26.40%
Self-Pay	9	1,820	7.22%	3	3,831	10.26%
<b>Total</b>	<b>332</b>	<b>25,223</b>	<b>100%</b>	<b>335</b>	<b>37,319</b>	<b>100%</b>

Source: CON application #10288, Schedule 7

The applicant’s Schedule 7 indicates that Medicaid and self-pay represent 68.58 percent and 7.2 percent, respectively, of year one and 63.34 percent and 10.26 percent, respectively, of year two annual total patient days.

**Hillsborough County Development, LLC (CON #10290)** Genesis states it has a history of providing health services to all patients that require nursing home care, without regard to age, sex, race, ethnic group, diagnosis, or ability to pay. The chart below presents the payor mix of Genesis existing facilities in Florida. The reviewer confirms this data in the Agency’s *Florida Nursing Home Bed Need Projections by District and Subdistrict* publication for the October 2014 Batching Cycles.

**Genesis Facilities’ Payor Mix: June 2013-July 2014**

Genesis Facility	Medicaid	All-Other Payors%
Oakhurst Center	63.6%	36.4%
Orchard Ridge	60.9%	39.1%
Bay Tree Center	65.9%	34.1%
West Bay of Tampa	62.5%	37.5%
Sunset Point	57.1%	42.9%
Huntington Place	58.0%	42.0%
Springwood Center	85.7%	14.3%
Pinebrook Center	62.7%	37.3%
Lakeside Pavilion	74.6%	25.4%
<b>Total</b>	<b>65.6%</b>	<b>34.4%</b>

Source: Florida Nursing Home Bed Need Projections by District and Subdistrict-CON application #10290, page 93

HCD states the payor mix will differ from that of Genesis’ other Florida nursing homes because of unique nature of the PowerBack Rehabilitation and its focus on short-stay, post-acute care. The applicant notes that patients suitable are generally covered primarily by Medicare and managed care and for dually eligible patients, Medicare

covers the first 100 days of skilled nursing care in whole or part. HCD indicates that Medicaid will be a secondary payor during the first 100 days and that most patients will experience lengths of stay far below the 100-day limit of Medicare coverage. HCD states that it will also serve younger patients for whom Medicaid is the primary payor as well as medically indigent patients. The reviewer notes that the applicant has no provision for Medicaid on its Schedule 7 and one percent of revenues for bad debt on its Schedule 8. The reviewer further notes that the applicant does not explain or give any details regarding provisions to younger patients.

The applicant discusses its intention to create a local network in Hillsborough County so that patients requiring short-term can be served at HCD while those requiring long-term care will be referred to existing providers in Hillsborough County offering longer-term nursing services.

HCD's Schedule 7 indicates that Medicaid and self-pay represent 0.0 percent and 0.0 percent, respectively, of year one and year two annual total patient days.

**Hillsborough SNF, LLC (CON #10291)** notes that it is a newly created entity developed for the purpose of submitting this CON application and does not hold a license for a nursing facility. The applicant maintains that Consulate owns or operates 80 care centers in Florida and has identified 13 of its SNFs as indicators for the need for this CON application and project. The applicant states that utilization data from the Agency's fixed need pool back-up reports for the aforementioned Consulate Florida 13 are presented as Attachment 5 and a summary of the data regarding occupancy rates for total patients and Medicaid patients is shown as Exhibit 8 of CON application #10291. The reviewer confirms this data in the Agency's *Florida Nursing Home Bed Need Projections by District and Subdistrict* publications for the October 2012, 2013 and 2014 Batching Cycles. However, the applicant includes annual change columns that cannot be confirmed by the reviewer.

The applicant summarizes the major observations of this data:

- The total occupancy rate at the Consulate Florida 13 SNFs of 96.2 percent is higher than the State's rate of 87.3 percent
- The Medicaid occupancy rate of eight of the 13 Consulate care centers is higher than the State's rate of 62.1 percent, but on a total basis, Medicaid occupancy at the Consulate Florida 13 of 52.9 percent is lower than the State's figure
- For the 11 months of January to November 2014, the 80 consulate care centers provided approximately 2 million days of care to Medicaid patients

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- Nevertheless, the utilization data documents that Consulate care centers are available, and utilized by Medicaid and medically indigent persons

The reviewer compiled the following Medicaid occupancy data for the Consulate 13 facilities for July 1, 2013 through June 2014. The reviewer notes that for these facilities, the average Medicaid occupancy percentage was 52.99 percent. See the table below.

**Consulate 13, Florida Medicaid Occupancy  
July 1, 2013-June 30, 2014**

Facility Name	Medicaid Days	Total Days	Medicaid Occupancy
Baya Pointe Nursing and Rehabilitation Center	17,060	30,261	56.38%
Brandon Health and Rehabilitation Center	14,957	42,669	35.05%
Consulate Health Care of Brandon	23,437	42,520	55.12%
Consulate Health Care of Jacksonville	22,577	40,378	55.91%
Fletcher Health and Rehabilitation Center	27,427	42,084	65.17%
Grand Oaks Health and Rehabilitation Center	17,800	42,347	42.03%
Consulate Health Care of Kissimmee	27,222	43,116	63.14%
Lake Mary Health and Rehabilitation	16,138	42,313	37.14%
Franco Nursing and Rehabilitation	30,127	41,198	73.13%
Oakbridge Health Care	19,338	42,364	45.65%
Osprey Point Nursing Home	11,269	20,649	54.57%
Consulate Health Care at West Altamonte	24,501	41,355	59.25%
North Florida Rehabilitation and Specialty Care	41,933	19,439	46.36%
Total	293,786	490,693	52.99%

Source: Florida Nursing Home Bed Need Projections by District and Subdistrict, October 2014 Batching Cycle

Hillsborough SNF projects that the two key payer groups identified by this Agency rule preference are self-pay and Managed Medicaid. See the table below.

**Hillsborough SNF, LLC Medicaid**

Payer	Percent of Total Patient Days	
	Year One	Year Two
Medicaid Managed Care	34.8%	42.1%
Self-Pay	7.3%	8.9%
Total	42.1%	50.1%

Source: CON application #10291, page 90

The applicant's Schedule 7 indicates that Medicaid and self-pay represent 29.2 and 5.5 percent, respectively, of year one and 38.3 percent and 6.0 percent, respectively, of year two annual total patient days.

**LP Tampa, LLC (CON #10292)** states that Signature operates 25 facilities in Florida and states that it has a long history of providing skilled nursing care to Medicaid patients. The applicant states that its 2014 average Florida Medicaid occupancy percentage is 64 percent. The reviewer notes that the applicant did not include a time period for this data or a source.



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The reviewer compiled the following Medicaid occupancy data for Signature HealthCARE’s Florida facilities for July 1, 2013 through June 2014. The reviewer notes that for these facilities, the average Medicaid occupancy percentage was 67.14 percent. See the table below.

**Signature HealthCARE Florida Medicaid Occupancy  
July 1, 2013-June 30, 2014**

<b>Facility Name</b>	<b>Medicaid Days</b>	<b>Total Days</b>	<b>Medicaid Occupancy</b>
Anchor Care and Rehabilitation Center	25,195	37,961	66.37%
Chautauqua Rehabilitation and Nursing Center	30,346	49,497	61.31%
Golfview Healthcare Center	9,660	17,018	56.76%
Golfcrest Healthcare Center	13,721	22,584	60.76%
Gulfport Rehabilitation Center	1,463	3,419	42.79%
Heritage Park Care and Rehabilitation Center	28,967	41,340	70.07%
Kenilworth Care and Rehabilitation Center	14,375	28,744	50.01%
Peninsula Care and Rehabilitation Center	28,971	40,650	71.27%
Signature HealthCARE at College Park	17,466	25,881	67.49%
Signature HealthCARE at The Courtyard	28,977	41,442	69.92%
Signature HealthCARE Center of Waterford	54,676	73,715	74.17%
Signature HealthCARE of Brookwood Gardens	34,453	48,471	66.95%
Signature HealthCARE of Gainesville	22,075	36,952	59.74%
Signature HealthCARE of Jacksonville	43,221	53,454	80.86%
Signature HealthCARE of North Florida	42,417	55,741	76.10%
Signature HealthCARE of Orange Park	21,921	35,154	62.36%
Signature HealthCARE of Ormond	8,091	18,729	43.20%
Signature HealthCARE of Palm Beach	19,454	36,630	53.11%
Signature HealthCARE of Pinellas Park	24,584	40,542	60.64%
Signature HealthCARE of Port Charlotte	32,566	49,761	65.44%
Southern Pines Healthcare Center	20,240	32,822	61.67%
Surrey Place Care Center	13,345	20,625	64.70%
The Bridge at Bay St. Joe	29,172	40,071	72.80%
Washington Rehabilitation and Nursing Center	45,035	56,084	85.36%
Winter Park Care and Rehabilitation Center	20,594	32,530	63.31%
<b>Total</b>	<b>630,985</b>	<b>939,817</b>	<b>67.14%</b>

Source: Florida Nursing Home Bed Need Projections by District and Subdistrict, October 2014 Batching Cycle

The applicant states that the proposed project will continue to serve the needs of the Medicaid population. Signature notes that it expects that the proposed new facility will attract many Medicare and privately insured patients for short-term rehabilitation resulting in a lower percentage of Medicaid patients in its initial years of operation than that of existing Signature facilities. See the table below.

**Projected Admissions and Patient Days Year One and Two**

<b>OPayer</b>	<b>Year One</b>			<b>Year Two</b>		
	<b>Admissions</b>	<b>Patient Days</b>	<b>Percent of Days</b>	<b>Admissions</b>	<b>Patient Days</b>	<b>Percent of Days</b>
Medicare	144	4,138	51.6%	468	13,484	41.7%
Medicaid	20	2,413	30.1%	27	12,214	37.8%
Self-Pay	6	689	8.6%	23	2,593	8.0%
Insurance/HMO	31	516	6.4%	174	2,881	8.9%
Other/Hospice	3	265	3.3%	15	1,152	3.6%
<b>Total</b>	<b>205</b>	<b>8,021</b>	<b>100.0</b>	<b>707</b>	<b>32,324</b>	<b>100.05</b>

Source: CON application #10292 page 56

The applicant's Schedule 7 indicates that Medicaid and self-pay represent 30.1 percent and 8.6 percent, respectively, of year one and 37.8 percent and 8.0, respectively, percent of year two annual total patient days.

**F. SUMMARY**

**Highland Oaks NH, LLC (CON #10288)** proposes to establish a new 110-bed community nursing home in Subdistrict 6-1, Hillsborough County. Highland Oaks will be managed by Greystone Healthcare Management.

Greystone operates 26 SNFs and two ALFs in Florida.

The project involves 83,558 GSF of new construction. The construction cost is \$15,458,230. Total project cost is \$22,877,084. Project cost includes land, building, equipment, project development, financing and start-up costs.

The applicant does not wish to accept any conditions for the proposed project.

**Hillsborough County CON, LLC (CON #10289)** proposes to establish a new 110-bed community nursing home in Subdistrict 6-1, Hillsborough County. The applicant states that it is a new entity and does not operate any other skilled nursing facilities in Florida. The reviewer notes that letters of support indicate that Reliant Health Care Services (whom the applicant states will be the management company for the proposed facility) operates Excel Rehabilitation and Health Center and Woodbridge Rehabilitation and Health Center.

The project involves 80,080 GSF of new construction. The construction cost is \$14,000,000. Total project cost is \$21,694,000. Project cost includes land, building, equipment, project development, financing and start-up costs.

The applicant does not wish to accept any conditions for the proposed project.

**Hillsborough County Development, LLC (CON #10290)** proposes to establish a new 110-bed community nursing home Subdistrict 6-1, Hillsborough County. HCD is an affiliate of Genesis HealthCare, LLC.

Genesis HealthCare operates nine SNFs in Florida.

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The project involves 91,400 GSF of new construction. The construction cost is \$16,101,250. Total project cost is \$25,622,354. Project cost includes land, building, equipment, project development, financing and start-up costs.

The applicant proposes three conditions on its Schedule C.

**Hillsborough SNF, LLC (CON #10291)**, an affiliate of Consulate Healthcare, proposes to establish a new 110-bed community nursing home in District 6/Subdistrict 6-1, Hillsborough County.

The applicant operates 76 SNFs in Florida.

The project involves 73,928 GSF of new construction. The construction cost is \$12,066,151. Total project cost is \$18,243,414. Project cost includes land, building, equipment, project development and financing costs.

The applicant proposes to 14 conditions on its Schedule C.

**LP Tampa, LLC (CON #10292)**, a wholly owned subsidiary of Signature, proposes to establish a new 110-bed community nursing home in District 6/Subdistrict 6-1, Hillsborough County.

Signature currently operates 25 facilities with 3,146 beds in Florida.

The project involves 75,138 GSF of new construction. The construction cost is \$13,500,000. Total project cost is \$20,215,892. Project cost includes land, building, equipment, project development, financing and start-up costs.

The applicant does not wish to accept any conditions for the proposed project.

**Need:**

In Volume 40, Number 193 of the Florida Administrative Register dated October 3, 2014, a fixed need pool of 110 beds was published for Subdistrict 6-1 for the July 2017 Planning Horizon.

As of November 19, 2014, Subdistrict 6-1 had 3,742 licensed and zero approved community nursing home beds. During the 12-month period ending June 30, 2014, Subdistrict 6-1 experienced 87.32 percent utilization at 29 existing facilities.

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**Highland Oaks NH, LLC (CON #10288)** indicates that the proposed facility will be constructed with a combination of private and semi-private rooms configured in a “culture change” design to better serve the rehabilitation patients in the area. The applicant states that the proposed facility will be staffed with people that possess the clinical expertise to care for residents with a wide range of need for rehabilitation care. Highland Oaks notes that the physical plant design will permit the applicant to have the space and equipment needed for rehabilitation including 6,000+ square feet for the therapy suite with separate areas for physical therapy, speech therapy and occupational therapy, separate therapy gyms and an occupational therapy track located within one of the exterior courtyards. An interdisciplinary team provides an array of services in accordance with each resident’s care plan.

Highland Oaks states the proposed 110-bed facility will provide short-term rehabilitation services, bridging the gap between hospital and home, as well as long-term care in a safe, compassionate environment that fosters independence and dignity. The applicant indicates that whether it is for short-term rehabilitation therapy or long-term care, Highland Oaks assures it will deliver a full range of nursing care and social services to treat and support each patient and resident.

The applicant notes that patients who are discharged from the hospital often require short-term care to fully recover. Highland Oaks states the proposed project will provide the needed care for this patient population by working with each patient to develop a personalized care plan to meet their individual goals and abilities and ultimately help them reach their highest level of functioning and return home. The applicant states the continued high demand and rapid growth of the elderly population necessitates maximizing health care resources. Developing a new, high quality SNF with 110-beds will improve access and availability of skilled nursing and rehabilitative care in Hillsborough County.

The applicant’s Schedule 7 indicates that the ALOS for year one is 31.78 days and 30.44 days for year two of operation.

**Hillsborough County CON, LLC (CON #10289)** proposes a 110- facility with 50 private rooms. The applicant states that the proposed facility will have 50 short-term rehabilitation beds and 60 long-term beds. The applicant defines the PSA as:

- ZIP Codes extending from Tampa and Temple Terrace to the north and west, including 33610, 33617 and 33637

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- ZIP Codes in east-central Hillsborough County including 33510, 33511, 33527, 33584 and 33594
- ZIP Codes to the south including 33534, 33569, 33578, 33579, 33596 and 33619

Hillsborough County CON states that there are a number of quantitative and qualitative factors which support approval of the proposed facility:

- The proposed site location improves access and availability
- The PSA elderly population growth supports the site location
- The PSA currently is served by five highly utilized nursing homes with 720 beds with 94.6 percent occupancy in the 12 months ending June 2014--higher than the county-wide average of 87.3 percent
- The PSA has greater demand for nursing home services as indicated by projected growth rates in elderly 65-74 and 75+ populations than the overall subdistrict
- The PSA consists of ZIP codes with a lower bed to elderly population ration, which indicates that the PSA is relatively underserved compared to other areas in the subdistrict

The applicant's Schedule 7 indicates that ALOS will be 75.97 days for year one and 111.4 days for year two of operation.

**Hillsborough County Development, LLC (CON #10290)** proposes to implement Genesis' unique brand of short-term post-acute rehabilitation services, known as PowerBack Rehabilitation, in Hillsborough County. HCD states some of the unique features of its PowerBack Rehabilitation project include:

- A 110-bed, three-story facility with all private rooms designed and developed specifically to meet short-term, post-acute care needs
- An experienced operator of nursing facilities, Genesis HealthCare, with the track record and Florida experience to develop and operate the proposed project
- A proven and highly effective clinical model for quickly restoring patients to maximum health status and physical ability to return home with short lengths of stay
- A unique staffing structure with greater nursing, therapy, and physician staff ratios to quickly assess patients and design a plan of care to return them to maximum functional levels as soon as possible
- A distinctive model of care that is in the forefront of industry trends and Florida's goals and objectives to ensue patients are cared for in the most cost-effective and least restrictive setting

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The applicant’s Schedule 7 indicates that the ALOS will be 18.91 days for year one and 18.33 for year two of operation.

**Hillsborough SNF, LLC (CON #10291)** indicates that the proposed project is a collaboration with USF to develop a teaching and research-based post-acute care facility. The applicant asserts that the proposed facility will serve as a vehicle for comparative, transformation research about quality, outcomes, safety and costs. Hillsborough SNF indicates that clinical faculty, students, residents and fellows will be housed and work within the proposed facility serving to support a physical environment for collaboration, interaction, lectures and onsite grand rounds for students and faculty. The applicant maintains that approval will enhance capabilities to care for Florida’s large and rapidly growing elderly population.

The applicant indicates that it has the interest, ability and commitment to provide effective solutions for the needs of the Subdistrict. Consulate maintains that approval of the proposed project is merited for the following reasons:

- There is a need for nursing facility beds that are responsive to the clinical needs of older and more severely ill patients—as the elderly population increases, their needs will become more intense than in the past
- Changes in reimbursement policies of health care payers are demanding high quality outcomes at lower costs
- As the USF Health Sciences Center has developed to meet the growing demands of prepared nurses for the work force, the University has experienced shortages of sites to assist with the training of nursing, physical therapy and medical students
- There is no post-acute care facility on the USF Campus and there is no dedicated teaching post-acute-care facility within Florida’s State University System. This limits opportunities for the advancement of care

Hillsborough SNF indicates that the ALOS used for the development of the projected patient days in Schedule 5 and 7 are based on the recent Consulate Florida 13 and listed below by the major payer categories.

**Hillsborough SNF, ALOS by Payer**

<b>Payer</b>	<b>ALOS in Days</b>
Medicare	32.3
Managed Care: Commercial, Managed Medicare and Managed Medicaid	20
Private	49
Medicaid	284

Source: CON application #10291, page 29

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**LP Tampa, LLC (CON #10292)** states that the proposed facility will be located in Hillsborough County. The applicant notes that Hillsborough County's elderly population is expected to grow 21 percent between 2014 and 2019, a rate higher than the state of Florida. The applicant notes that given the calculated bed need, current occupancy rates of the Subdistrict, and projected aged population growth--a new, 110 bed skilled nursing facility would benefit the community and meet the growing demand in the county.

Signature states that in developing this application, it made contact with community leaders and health services providers in Subdistrict 6-1 to understand current conditions and needs. The applicant contends that in these discussions it was clear that the area needed a pulmonary program of distinction. Signature presents estimates of SNF admissions by pulmonary cases discharged from hospitals in Hillsborough County.

The applicant asserts that the proposed facility will have a Breathe Life, a pulmonary program of distinction providing a specialized interdisciplinary care to patients diagnosed with a pulmonary related condition. Signature notes that the goals of the program are to reduce exacerbations, reduce ER visits and reduce hospital readmissions. The applicant states that the program requires the following elements:

- Program Champion/Coordinator who provides oversight to the program, as well as tracking admissions and discharges to the program and trending of outcome measures
- Specialty Medical Director (Pulmonologist) providing specialty consultation of programmatic elements, as well as provision of consultation for patients in the program
- Respiratory Therapist
- Nursing, social services and therapists caring for patients in the program who have received Breathe Life program and role specific education

The applicant's Schedule 7 indicates that the ALOS will be 39.12 days for year one and 45.72 days for year two of operation.

**Quality of Care:**

**Each of the applicants** described their ability to provide quality care.

**Highland Oaks NH, LLC (CON #10288):** The applicant's controlling interest had 143 substantiated complaints at its 26 Florida SNFs during November 19, 2011 to November 19, 2014.

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**Hillsborough County CON, LLC (CON #10289):** Agency records indicate that the applicant is a new entity and does not have any operational history for quality of care.

**Hillsborough County Development, LLC (CON #10290):** The applicant's controlling interest had 61 substantiated complaints at its nine Florida SNFs during November 19, 2011 to November 19, 2014.

**Hillsborough SNF, LLC (CON #10291):** The applicant's controlling interest had 411 substantiated complaints at its 76 Florida SNFs during November 19, 2011 to November 19, 2014.

**LP Tampa, LLC (CON #10292):** The applicant's controlling interest had 54 substantiated complaints at 17 of its 25 Florida SNFs during November 19, 2011 to November 19, 2014.

**Financial Feasibility/Availability of Funds:**

**Highland Oaks NH, LLC (CON #10288):** Funding for this project is in question. Based on the information provided in Schedule 6, the applicant's projected staffing meets this requirement. This project appears to be financially feasible based on the projections provided by the applicant.

This project is not likely to have a material impact on competition to promote quality and cost-effectiveness.

**Hillsborough County CON, LLC (CON #10289):** Funding for this project is in question. Based on the information provided in Schedule 6, the applicant's projected staffing meets this requirement. This project appears to be financially feasible based on the projections provided by the applicant.

This project is not likely to have a material impact on competition to promote quality and cost-effectiveness.

**Hillsborough County Development, LLC (CON #10290):** Funding for this project should be available as needed. Based on the information provided in Schedule 6, the applicant's projected staffing meets this requirement. This project appears to be financially feasible based on the projections provided by the applicant.

This project is not likely to have a material impact on competition to promote quality and cost-effectiveness.



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**Hillsborough SNF, LLC (CON #10291):** Funding for this project is not guaranteed but appears likely. Based on the information provided in Schedule 6, neither the nursing assistant staffing, nor the nursing staffing meet this requirement. The projected nursing assistant staffing is 2.09 hours in year two, which is less than the 2.5 hour requirement. The projected nursing staffing is 0.79 hours in year two, which is less than the 1.0 hour requirement. This project appears to be financially feasible.

This project is not likely to have a material impact on competition to promote quality and cost-effectiveness.

**LP Tampa, LLC (CON #10292):** Funding for this project should be available as needed. Based on the information provided in Schedule 6, the applicant's projected staffing meets this requirement. This project appears to be financially feasible based on the projections provided by the applicant.

This project is not likely to have a material impact on competition to promote quality and cost-effectiveness.

**Medicaid/Charity Care**

**Highland Oaks NH, LLC (CON #10288)** does not propose to condition project approval to a percentage of Medicaid days.

The applicant's Schedule 7 indicates that Medicaid and self-pay represent 41.18 percent and 7.13 percent, respectively, of year one and 39.42 percent and 7.69 percent, respectively, of year two annual total patient days.

**Hillsborough County CON, LLC (CON #10289)** does not propose to condition project approval to a percentage of Medicaid days.

The applicant's Schedule 7 indicates that Medicaid and self-pay represent 68.58 percent and 7.22 percent, respectively, of year one and 63.34 percent and 10.26 percent, respectively, of year two annual total patient days.

**Hillsborough County Development, LLC (CON #10290)** does not propose to condition project approval to a percentage of Medicaid days.

The applicant's Schedule 7 indicates that Medicaid and self-pay represent 0.0 percent and 0.0 percent, respectively, of year one and year two annual total patient days.

**Hillsborough SNF, LLC (CON #10291)** proposes to condition project approval to provide a combination of least 29 percent the first year and 38 percent thereafter, of total patient days to patients who are reimbursed under traditional Medicaid, Managed Medicaid or Long-Term Medicaid or uncompensated care.

The applicant's Schedule 7 indicates that Medicaid and self-pay represents 29.2 percent and 5.5 percent, respectively, in year one and 38.3 percent and 6.0 percent, respectively, in year two annual total patient days.

**LP Tampa, LLC (CON #10292)** does not propose to condition project approval to a percentage of Medicaid days.

The applicant's Schedule 7 indicates that Medicaid and self-pay represent 30.1 percent and 8.6 percent, respectively, of year one and 37.8 percent and 8.0 percent, respectively, of year two annual total patient days.

### **Architectural**

**Highland Oaks NH, LLC (CON #10288):** The cost estimate for the proposed project and the project completion forecast appear to be reasonable. A review of the architectural plans, narratives and other supporting documents did not reveal any deficiencies that are likely to have a significant impact on either construction costs or the proposed completion schedule.

**Hillsborough County CON, LLC (CON #10289):** The cost estimate for the proposed project and the project completion forecast appear to be reasonable. A review of the architectural plans, narratives and other supporting documents did not reveal any deficiencies that are likely to have a significant impact on either construction costs or the proposed completion schedule.

**Hillsborough County Development, LLC (CON #10290):** The cost estimate for the proposed project and the project completion forecast appear to be reasonable. A review of the architectural plans, narratives and other supporting documents did not reveal any deficiencies that are likely to have a significant impact on either construction costs or the proposed completion schedule.

**Hillsborough SNF, LLC (CON #10291):** The cost estimate for the proposed project and the project completion forecast appear to be reasonable. A review of the architectural plans, narratives and other supporting documents did not reveal any deficiencies that are likely to have a significant impact on either construction costs or the proposed completion schedule.

**LP Tampa, LLC (CON #10292):** The cost estimate for the proposed project and the project completion forecast appear to be reasonable. A review of the architectural plans, narratives and other supporting documents did not reveal any deficiencies that are likely to have a significant impact on either construction costs or the proposed completion schedule.

**G. RECOMMENDATION**

Approve CON #10291 to establish a 110-bed community nursing home in District 6, Subdistrict 1, Hillsborough County. The total project cost is \$18,243,414. The project involves 73,928 GSF of new construction and a construction cost of \$12,066,151.

**CONDITIONS:**

- The facility will have support space for academic faculty from the Colleges of Medicine, Nursing, Pharmacy and Allied Health Professionals, medical residents and medical nursing, physical therapy, pharmacy, physician assistant and public health students
- The facility will have space for conferences and classrooms in support of community and staff education and training goals
- An EMR system will be included in the new facility and in operation within three months of opening
  - The EMR system will meet Phase 1 of the meaningful use requirements within 24 months
- The applicant will provide all eligible employees the opportunity to complete educational courses with tuition reimbursement, that will support the care center's efforts of providing the highest level of quality care and achieve operational excellence
- The applicant care center will partner with Consulate and serve as a facility for health care professionals to obtain clinical rotations
- The applicant will enter into a collaborative agreement with The University of South Florida to develop and deploy an interdisciplinary clinical care team model within the Hillsborough SNF, LLC care center
- A nurse navigator will be employed at the care center and will responsible for overseeing the management of patients' medical needs upon admission to the facility and for up to 60 days following discharge

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- Free community health screenings will be offered at least four times per calendar year (CY) to community members, employees, residents and families
- Education programs at Dementia Awareness to improve the independence and quality of life of persons with dementia and their caregivers will be provided at no cost in accordance with state and federal laws
- The applicant will provide a combination of least 29 percent the first year and 38 percent thereafter, of total patient days to patients who are reimbursed under traditional Medicaid, Managed Medicaid or Long-Term Medicaid or uncompensated care
- The applicant will provide space and staffing to support the community's need for Adult Day Care services
- The applicant will provide in-house hemodialysis services
- The applicant will have the capability to operate up to 20 ventilator-capable beds
- The applicant will construct the facility to include Telehealth capabilities in each patient room

Deny CON #10288, CON #10289, CON #10290 and CON #10292.

**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: \_\_\_\_\_

\_\_\_\_\_  
Marisol Fitch  
**Health Services and Facilities Consultant Supervisor**  
**Certificate of Need**