

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

A. PROJECT IDENTIFICATION

1. Applicant/CON Action Number

Eighth Florida Living Options, LLC/CON #10303

2806 Frizke Road
Dover, Florida 33527

Authorized Representative: Deborah Franklin
(813) 679-7533

Florida Presbyterian Homes, Inc./CON #10305

16 Lake Hunter Drive
Lakeland, Florida 33803

Authorized Representative: John Hehn
(863) 688-5521

Haines City SNF Operations, LLC/CON #10306

1800 N. Wabash Avenue, Suite 300
Marion, Indiana 49652

Authorized Representative: Ryan M. Ott
(765) 664-5400

HSP Citrus, LLC/CON #10307

101 Sunnytown Road, Suite 201
Casselberry, Florida 32707

Authorized Representative: Mark Cronquist
(404) 250-1846

Lakeland Investors, LLC/CON #10308

2123 Centre Point Blvd
Tallahassee, Florida 32308

Authorized Representative: Joseph D. Mitchell
(850) 386-2831

CON Action Numbers: 10303, and 10305 through 10311

Lakeland Oaks NH, LLC/CON #10309

4042 Park Oaks Blvd. Suite 300
Tampa, Florida 33610

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

LP Tampa II, LLC/CON #10310

12201 Bluegrass Parkway
Louisville, Kentucky 40299

Authorized Representative: John Harrison
(502) 568-7742

Polk County Development, LLC/CON #10311

515 Fairmount Avenue
Towson, Maryland 21286

Authorized Representative: Natalie Holland
(410) 494-8166

2. Service District/Subdistrict

District 6/Subdistrict 6-5 (Polk County)

B. PUBLIC HEARING

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

Letters of Support

Eighth Florida Living Options, LLC (CON #10303): The Agency received several letters of support and the applicant also submitted a few letters. The letters were composed by family members of the existing assisted living facility (ALF) and members of the health care industry. One letter was composed by a member of the U.S. House of Representatives, the Honorable Mr. Dennis A. Ross.

Florida Presbyterian Homes, Inc. (CON #10305): The Agency received many letters of support submitted by the applicant. The letters were composed by local health care providers, local business leaders,

CON Action Numbers: 10303, and 10305 through 10311

university administrators, government officials and professional associations including LeadingAge.

Haines City SNF Operations, LLC (CON #10306): The Agency received several letters of support submitted by the applicant. The letters were composed by educational leaders, government officials, and members of the health care community including Ann Barnhart, CEO of Heart of Florida Regional Medical Center.

HSP Citrus, LLC (CON #10307): The Agency received many letters of support submitted by the applicant. The letters were composed by patients of affiliated facilities and their family members, health care providers, associations and business leaders.

The patients and family members are grateful for the care, support and services they have received in the affiliated facilities—some letters single out staff members for going above and beyond.

Lakeland Investors, LLC (CON #10308): The Agency received several letters of support submitted by the applicant. The letters were composed by affiliated facilities, associations, local business leaders and local health care providers, including Lakeland Regional Medical Center.

Lakeland Oaks NH, LLC (CON #10309): 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.

LP Tampa II, LLC (CON #10310): The Agency received a few letters of support submitted by the applicant. The letters were composed by various members of the medical community.

Polk County Development, LLC (CON #10311): The Agency received various letters of support submitted by the applicant, several of which were modified form letters, and one unduplicated letter through mail delivery. The letters were composed by local members of the health care community, insurance companies and residents of the area.

C. PROJECT SUMMARY

Eighth Florida Living Options, LLC (CON #10303) proposes to establish a new 120-bed community nursing home in Polk County. Eighth Florida Living Options (EFLO) is affiliated with Seventh Florida Living Options which the applicant notes operates the Hawthorne Health and Rehabilitation Centers in Florida.

CON Action Numbers: 10303, and 10305 through 10311

The reviewer notes that there were three “Hawthorne Health and Rehab Centers” in Florida according to FloridaHealthFinder.gov:

- Hawthorne Health and Rehab of Brandon
- Hawthorne Health and Rehab of Ocala
- Hawthorne Health and Rehab of Sarasota

The project involves 87,509 gross square feet (GSF) of new construction. The construction cost is \$16,000,000. Total project cost is \$24,702,400. 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.

Florida Presbyterian Homes, Inc. (CON #10305) proposes to add 14 community nursing home beds in Polk County by converting 14 sheltered beds to community nursing home beds.

Florida Presbyterian Homes, Inc. (FPH) is a 48-bed skilled nursing facility with 48 sheltered nursing home beds and 20 approved community nursing home beds. It is located on the campus of a continuing care retirement community (CCRC).

The project involves 15,408 GSF of new construction and 6,200 GSF of renovation. The total construction cost is \$2,281,900. Total project cost is \$3,439,000. 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.

Haines City SNF Operations, LLC (CON #10306), an affiliate of TLC Management (parent company) proposes to establish a new 120-bed community nursing home in Polk County on the campus of or in close proximity to Heart of Florida Regional Medical Center.

TLC Management operates Astoria Health and Rehabilitation Center (Subdistrict 6-5) in Florida.

The project involves 80,051 GSF of new construction. The construction cost is \$11,818,490. Total project cost is \$20,825,500. Project cost includes land, building, equipment, project development, financing and start-up costs.

CON Action Numbers: 10303, and 10305 through 10311

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

HSP Citrus, LLC (CON #10307), a corporate member of the Sovereign Group, which will be managed by its sister entity, Southern HealthCare Management, LLC (referenced as SHCM throughout this document) proposes to establish a new 120-bed community nursing home in Polk County.

The applicant states that SHCM operates 26 SNFs in Florida:

- Arbor Trail Rehab and Skilled Nursing Center
- Moultrie Creek Nursing and Rehab Center
- Atlantic Shores Nursing and Rehab Center
- Ocala Oaks Rehabilitation Center
- Bayshore Pointe Nursing and Rehab Center
- Orange City Nursing and Rehab Center
- Bonifay Nursing and Rehab Center
- Palm City Nursing and Rehab Center
- Boulevard Rehabilitation Center
- Pinellas Point Nursing and Rehab Center
- Braden River Rehabilitation Center
- Port Orange Nursing and Rehab Center
- Crestview Rehabilitation Center
- River Valley Rehabilitation Center
- Fort Walton Rehabilitation Center
- Riviera Palms Rehabilitation Center
- Hunters Creek Nursing and Rehab Center
- Royal Oaks Nursing and Rehab Center
- Jacksonville Nursing and Rehab Center
- Sarasota Point Rehabilitation Center
- Macclenny Nursing and Rehab Center
- Tiffany Hall Nursing and Rehab Center
- Medicana Nursing and Rehab Center
- Tuskawilla Nursing and Center
- Metro West Nursing and Rehab Center

The project involves 82,200 GSF of new construction. The construction cost is \$14,796,000. Total project cost is \$21,205,900. Project cost includes land, building, equipment, project development, financing and start-up costs.

CON Action Numbers: 10303, and 10305 through 10311

The applicant proposes to condition the project as shown below:

- Specialized Programs and Services
 - Rapid Recovery
 - Discharge Support
 - Stroke Recovery
 - Pulmonary Acute Cardiac Episode Recovery (PACER)
 - Respiratory Therapy
 - Infusion Therapy

Lakeland Investors, LLC (CON #10308) proposes to establish a new 120-bed community nursing home in Polk County, by combining 51 beds by transfer from Lakeland Partners, LLC d/b/a Valencia Hills Health and Rehabilitation Center and 69 new community nursing home beds from the fixed need pool. The proposed facility will be operated by Summit Care, the parent company of Valencia Hills Health and Rehabilitation Center.

Summit Care manages 11 nursing homes within Florida.

- Century Health and Rehabilitation Center- Century, FL
- Sandy Ridge Health and Rehabilitation- Milton FL
- Santa Rosa Health and Rehabilitation Center- Milton FL
- Seven Hills Health and Rehabilitation Center- Madison FL
- Madison Health and Rehabilitation Center- Madison, FL
- Diamond Ridge Health and Rehabilitation Center- Lecanto FL
- Valencia Hills Health and Rehabilitation Center-Lakeland FL
- Ybor City Health and Rehabilitation Center-Tampa, FL
- The Springs at Boca Ciega Bay- St. Petersburg, FL
- Surrey Place Healthcare and Rehabilitation –Bradenton, FL
- The Springs at Lake Point Woods- Sarasota, FL

The project involves 74,000 GSF of new construction. The construction cost is \$13,320,000. Total project cost is \$17,001,166. Project cost includes land, building, equipment, project development, financing and start-up costs.

The applicant proposes to condition the project as shown below:

- Transfer beds from existing Valencia Hills Health and Rehabilitation Center Facility to the proposed facility
- Implementation of Electronic Health Record/Electronic Health Information System
- \$10,000 per year training and certification programs
- \$10,000 per year in support of community elderly service initiatives

CON Action Numbers: 10303, and 10305 through 10311

Lakeland Oaks NH, LLC (CON #10309) proposes to establish a new 120-bed community nursing home in Polk County. Lakeland Oaks NH, LLC (also referred to as Lakeland Oaks or the applicant) will be managed by Greystone Healthcare Management.

Greystone operates 26 SNFs and two 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 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.

CON Action Numbers: 10303, and 10305 through 10311

LP Tampa II, LLC (CON #10310), a wholly owned subsidiary of Signature Holdings II LP Holdings (referred to as Signature or the applicant throughout this document), proposes to establish a new 180-bed community nursing home in Polk 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

The project involves 100,406 GSF of new construction. The construction cost is \$18,073,080. Total project cost is \$27,086,760. 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.

Polk County Development, LLC (CON #10311) proposes to establish a new 120-bed community nursing home in Polk County. Polk County Development, LLC (PCD) is an affiliate of Genesis HealthCare, LLC.

CON Action Numbers: 10303, and 10305 through 10311

Genesis HealthCare 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 \$25,472,354. Project cost includes land, building, equipment, project development, financing and start-up costs.

The applicant proposes to condition the project as shown below:

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

Total GSF and Project Costs of Co-Batched Applicants					
Applicant	CON #	Project	GSF	Costs \$	Cost Per Bed
Eighth Florida Living Option LLC	10303	New 120-bed facility	87,509	\$24,702,400	\$205,853
Florida Presbyterian Homes, Inc.	10305	Convert 14 sheltered beds to community beds	15,408	\$3,439,000	\$50,573
Haines City SNF Operations, LLC	10306	New 120-bed facility	80,051	\$20,825,500	\$173,546
HSP Citrus, LLC	10307	New 120-bed facility	82,200	\$21,205,900	\$176,716
Lakeland Investors LLC	10308	New 120-bed facility	74,000	\$17,001,166	\$141,676
Lakeland Oaks NH LLC	10309	New 120-bed facility	83,558	\$22,877,084	\$190,226
LP Tampa II, LLC	10310	New 180-bed facility	100,406	\$27,086,760	\$150,482
Polk County Development LLC	10311	New 120-bed facility	91,400	\$25,472,354	\$212,270

Source: CON applications 10303, and 10305-10311 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

CON Action Numbers: 10303, and 10305 through 10311

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, 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 203 beds was published for Subdistrict 6-5 for the July 2017 Planning Horizon. Subdistrict 6-5 is comprised of Polk County.

CON Action Numbers: 10303, and 10305 through 10311

After publication of this fixed need pool, one existing subdistrict facility filed exemption requests or filed expedited CON reviews to increase or add community nursing home beds.¹

As of November 19, 2014, Subdistrict 6-5 had 2,945 licensed and 20 approved community nursing home beds. During the 12-month period ending June 30, 2014, Subdistrict 6-5 experienced 90.29 percent utilization at 23 existing facilities. Below is a table illustrating nursing home patient days and occupancy within Subdistrict 6-5.

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

Facility	Community Nursing Home Bed Inventory	Bed Days	Patient Days	Total Occupancy	Medicaid Occupancy
Astoria Health and Rehabilitation Center	120	43,800	41,008	93.63%	47.96%
Auburndale Oaks Healthcare Center	120	43,800	34,217	78.12%	58.43%
Bartow Center	120	43,800	39,118	89.31%	79.05%
Brandywyne Health Care Center	120	43,800	39,811	90.89%	80.68%
Consulate Health Care at Lake Parker	120	43,800	41,761	95.34%	59.69%
Consulate Health Care of Lakeland	120	43,800	41,781	95.39%	67.20%
Consulate Health Care of Winter Haven	120	43,800	40,544	92.57%	45.78%
Crossroads, The	60	21,900	19,387	88.53%	55.32%
Grace Healthcare of Lake Wales	100	36,500	30,219	82.79%	62.51%
Groves Center	120	43,800	40,405	92.25%	74.04%
Haines City Health Care	120	43,800	36,747	83.90%	69.09%
Highlands Lake Center	179	65,335	63,681	97.47%	56.27%
Lakeland Hills Center	120	43,800	41,053	93.73%	77.79%
Life Care Center of Winter Haven	177	64,605	58,438	90.45%	47.81%
Manor at Carpenters, The	60	21,900	18,925	86.42%	22.89%
Oakbridge Healthcare Center	120	43,800	42,364	96.72%	45.65%
Palm Garden of Winter Haven	120	43,800	41,738	95.29%	62.63%
Palm Terrace of Lakeland	185	67,525	59,759	88.50%	60.01%
Rohr Home, The	60	21,900	19,807	90.44%	70.24%
Spring Lake Rehabilitation Center	120	43,800	40,756	93.05%	26.61%
Valencia Hills Health and Rehabilitation Center	300	109,500	89,375	81.62%	66.70%
Wedgewood Healthcare Center	120	43,800	41,789	95.41%	47.62%
Winter Haven Health and Rehabilitation Center	144	52,560	47,878	91.09%	77.35%
Total	2,945	1,074,925	970,561	90.29%	77.35%

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

The reviewer notes the current and projected population of Subdistrict 6-5 for the planning horizon. The projected population growth, both numerically and by percent are illustrated below. See the table below.

¹ E140019 to add 20 community nursing home beds to Florida Presbyterian Homes, Inc. was approved by the Agency on 8/7/2014, but was not included in the fixed need publication published on 10/03/2014 pursuant to the fixed need pool methodology as summarized in 59C-1.036 (4), F.A.C.

CON Action Numbers: 10303, and 10305 through 10311

**Current and Projected Population Growth Rate
Polk 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
Polk	503,079	117,345	620,424	527,394	130,656	658,050
District 6	1,975,804	398,830	2,374,634	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
Polk	24,315	13,311	37,626	4.83%	11.34%	6.06%
District 6	83,868	41,024	124,892	4.24%	10.29%	5.26%
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
			Beds per 1,000	Beds per 1,000
Polk	2,945	117,345	25	23
District 6	8,768	398,830	22	20
Florida	80,050	3,548,756	23	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 Batch Cycle

Eighth Florida Living Options, LLC (CON #10303) notes that the proposed facility will be located alongside an ALF and an independent living facility—allowing residents the ability to transition among the facilities as needs change. The applicant indicates several benefits with being co-located with the other facilities, including:

- The Garden Court Alzheimer’s/dementia program
- Adult day care
- Skilled nursing with a focus on person-centered care
- Private treatment rooms for therapies that require a quiet environment or privacy
- A separate area for cardiac rehabilitation
- Water-filled track
- “Bounce Back”, a multidisciplinary approach to therapy for rehab, recovery and returning home
- A specialized exercise program for seniors

EFLO states the proposed new nursing home is slated for development in Polk County, within ZIP Code 33813, defined as Lakeland. The ZIP Code has only one nursing home at the present-Highlands Lake Center. The applicant states that for the most recent annual period, July 1, 2013 to June 30, 2014, Highlands Lake Center reported an occupancy rate of

CON Action Numbers: 10303, and 10305 through 10311

97.47 percent on its 179 licensed beds, thus the proposed location will provide benefit to residents with the addition of another nursing home. The applicant attests that with only one nursing home with that ZIP Code, another facility is warranted to keep pace with the increasing elderly population. EFLO maintains that the target ZIP Code and those that surround it also represent the geographical area from which residents of the new nursing home will likely come as Lakeland continues to be an area of increased development, appealing to retirees.

Florida Presbyterian Homes, Inc. (CON #10305) proposes to convert 14 existing sheltered beds to community beds and place eight of these beds in the new addition authorized by exemption (E1400019), received August 7, 2014, which provides for the addition of up to 20 beds at a facility designated as Gold Seal in section 408.036(3)(k) Florida Statutes. The applicant notes that the proposed 14-bed conversion will not add any additional beds to the facility's capacity.

FPH lists the following for objectives for the proposed project:

- Open the nursing center to members of the general public who do not have continuing care contracts but who seek admission.
- Improve access and availability of nursing home care to a provider distinguished by its quality since the eight community nursing homes that lie within the a five-mile radius around Florida Presbyterian Homes have occupancy rate of 90.7 percent (July 1, 2013 through June 30,2014)
- Place the project in ZIP Code 33803 which has a compound annual growth rate of 2.3 percent for the elderly, those aged 65+

Haines City SNF Operations, LLC (CON #10306) indicates that it has the support of Heart of Florida Regional Medical Center and proposes to locate the facility on the campus of or within proximity of Heart of Florida Regional Medical Center. The applicant indicates that during the period April 2013 to March 2014, 10.2 percent of the total number of resident discharges from Polk County were discharged from short-term acute care hospitals in Florida to SNFs. The applicant analyzes discharges by service line (using Agency discharge data), stating that TLC is aware of the most common patient types and has developed specific programs and services to address their unique needs. See the table below.

CON Action Numbers: 10303, and 10305 through 10311

**Polk County Resident Discharges to Skilled Nursing
from Short-Term Acute Care Hospitals
Second Quarter of 2013 through the First Quarter of 2014**

Service Line	Total Discharges	Discharges to SNF	
		Number	Percent
Total Discharges	91,742	9,334	10.2%
Hip/Knee Replacement	2,345	929	39.6%
Septicemia	2,262	508	22.5%
Kidney/UTI	1,968	455	23.1%
Stroke/CVA/TIA	1,981	388	19.6%
Heart Failure	2,525	386	15.3%
Hip/Femur ex. Major Joint	555	368	66.3%
Respiratory Failure/COPD	3,903	348	8.9%
Simple Pneumonia	2,225	268	12.0%
Renal Failure	1,425	265	18.6%

Source: CON application #10306 page 1-8

The applicant maintains that the following health planning factors demonstrate the advantages of the proposed project:

- Creates a new state-of-the-art physical plant built to current code that embraces culture change to improve quality
- Provides for higher quality of life and resident-centered care with all private rooms
- Focus will be placed on special rehabilitation with the most technologically advanced therapy equipment available to return residents to their home environment
- The facility will contain a variety of spaces that are intended to promote resident activity, socialization, entertainment, independence and well-being
- Is being developed by an applicant and its affiliated parent with significant experience in the development and operation of quality long-term care facilities
- The applicant is local to the project planning area with one existing facility in Polk County and is able to keep the project on track and on budget

Haines City SNF Operations states the following demonstrate a need for the proposed facility.

- The fixed need pool estimates for the July 1, 2017 planning horizon is 203 beds, a clear indication of the need for additional facilities.
- Population in the subdistrict is growing and will continue to grow for the foreseeable future
- The senior market segment will continue to grow and place further demand on the availability of skilled nursing
- The subdistrict has a significant number of discharges in services lines and disease categories such as hip and knee procedures and replacement, septicemia, heart failure, and stroke which will further increase demand for skilled nursing care

CON Action Numbers: 10303, and 10305 through 10311

- The long-standing moratorium on new skilled nursing home beds and relative lack of new construction means that more modern facilities are needed to keep pace with technological and clinical developments in health care delivery

HSP Citrus, LLC (CON #10307) states that in addition to the Agency-identified need, SHCM has identified a sub-acute care service gap in the local community for patients who need intensive rehabilitation and recovery services in a SNF such as that proposed by the applicant. HSP Citrus mentions this gap several times throughout the application, below are the facts regarding this gap that the reviewer found in various places in the application:

- The fact that Shands Hospital currently refers certain of its hard-to-place and/or medically complex patients requiring specialized sub-acute care skilled nursing services to SHCM-managed facilities

The reviewer notes that the applicant did not provide any discharge data or statistical analysis to confirm an identified gap.

The applicant states that the proposed project is best positioned to address the SNF needs of residents in Polk County, as demonstrated by the following:

- An experienced, local community nursing home management team will establish and operate the proposed 120-bed community nursing home
- The applicant will provide proven, high quality post-acute care programs and services, including rehabilitation and recovery services for hard-to-place and/or medically complex patients
- The project will enhance geographic access for hard-to-place and/or medically complex post-acute patients by providing a local alternative for those patients to remain close to home for care, including those patients from local hospital who require sub-acute care services
- The project's proposed facility is uniquely designed to support the intensive, high quality rehabilitation and recovery programs and culture of the applicant, and includes a significant number of private rooms
- Proven experience in bringing needed competition to a community such as Polk County, by ensuring the successful development and ongoing operations of a community nursing home

The applicant states that the proposed project will benefit area hospitals that need a local, high quality provider to care for their hard-to-place and/medically complex patients and increase the availability of limited hospital bed space for patients.

CON Action Numbers: 10303, and 10305 through 10311

Lakeland Investors, LLC (CON #10308) states that the proposed facility will be located in the southeast Lakeland area, within the Highway 98 corridor, southeast from downtown Lakeland. The applicant states that in addition to the published fixed need pool, the proposed project is supported by the following:

- The ability to create a new cutting edge 120-bed nursing home facility, while at the same time improving the facility infrastructure and patient experience at Valencia Hills by removing the majority of 4-bed patient rooms currently existing at Valencia Hills
- The ability to significantly enhance availability of new nursing home resources in Polk County with only 69 beds from the fixed need pool, plus approve an additional new 120-bed nursing home, plus allow existing facilities to add up to fourteen new beds-all while all while staying within the Agency's 203 fixed need pool forecast cap
- The implementation of new facility designs and systems including resident neighborhoods with small dining areas and small home like environments
- The broad community support for the proposed new facility
- The ability to link the proposed new facility with Valencia Hills resources and expertise while utilizing Valencia Hill's community linkages to quickly integrate the new facility into the local Polk County health care network

Lakeland Oaks NH, LLC (CON #10309) indicates that the 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. Lakeland 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.

Lakeland Oaks states the proposed 120-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

CON Action Numbers: 10303, and 10305 through 10311

whether it is for short-term rehabilitation therapy or long-term care, Lakeland 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. Lakeland 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 120-beds will improve access and availability of skilled nursing and rehabilitative care in Polk County.

LP Tampa II, LLC (CON #10310) states that the proposed facility will be located in Polk County. The applicant notes that Polk County's elderly population is expected to grow 18 percent between 2014 and 2019, a rate on par with 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, 180-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 6-5 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 Polk County. See the table below.

CON Action Numbers: 10303, and 10305 through 10311

Polk County Pulmonary Case Analysis						
DRG Name and Description	Lakeland Regional Medical Center	Winter Haven Hospital	Heart of Florida	Lake Wales Medical Center	Bartow Regional Medical Center	Total
191-Chronic Obstructive Pulmonary Disease w CC	215	114	90	53	27	499
190-Chronic Obstructive Pulmonary Disease w MCC	189	95	61	78	49	472
192-Chronic Obstructive Pulmonary Disease w/o CC/MCC	126	156	95	59	24	460
194-Simple Pneumonia and Pleurisy w CC	192	119	72	29	25	437
193-Simple Pneumonia and Pleurisy w MCC	95	66	38		54	253
208-Respiratory System Diagnosis w Ventilator support <96 Hours	139	62	26		11	238
195-Simple Pneumonia and Pleurisy w/o CC/MCC	77	92	31	14		214
189-Pulmonary Edema and Respiratory Failure	98	66	20		27	211
178-Respiratory Infections and Inflammations w CC	81	26		13		120
202-Bronchitis and Asthma w CC/MCC	44	24	15			83
177-Respiratory Infections and Inflammations w MCC	46	28			11	85
176-Pulmonary Embolism w/o MCC	44	24	15			83
207-Respiratory System Diagnosis w Ventilator Support 96+ Hours	41	12	11			64
Total	1,409	877	480	246	228	3,240
% Discharged to SNF	21.3%	24.7%	20.7%	18.7%	20.2%	21.9%
Estimated Cases Admitted to SNFs	301	217	100	46	46	709

Source: CON application #10310, page 10

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

CON Action Numbers: 10303, and 10305 through 10311

- Respiratory Therapist
- Nursing, social services and therapists caring for patients in the program who have received Breathe Life program and role specific education

The reviewer notes that the applicant provides 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.

Polk County Development, LLC (CON #10311) states that Genesis is the largest provider of skilled nursing care in the United States and proposes to develop a 120-bed skilled nursing facility to meet the need identified for community nursing home beds under the fixed need pool published on October 3, 2014.

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 Polk County. Omega, a separate legal entity form PCD and Genesis, will acquire the land, develop the project and lease the facility to PCD, which will license and operate the facility.

The applicant maintains that Polk 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.

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

- A 120-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

CON Action Numbers: 10303, and 10305 through 10311

- 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

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.**

Eighth Florida Living Options, LLC (CON #10303) indicates, based on need analysis, services needed within Polk County which include rehabilitative therapy, particularly physical therapy, would be required to return the individual's range of motion, weight bearing, gait training, and stamina. Therefore, the applicant states this project will provide such emphasis in the rehabilitative and restorative options. The proposed facility will provide but not be limited to the following services:

- Cardiac rehabilitation
- Pulmonary services
- Dialysis
- Occupational and speech therapies
- Nutritional support and education
- Memory support (Alzheimer's/dementia Program)
- Hydrotrack
- Personal physician
- Nutritional management and specialized diets for each person's objective
- Social services
- Planned activities
- All suites have a full bath including shower, with drop down seat and hand-held shower nozzle to adapt to each person's needs
- Handicapped accessible bathrooms at 50% of capacity
- Bariatric support program

The applicant notes that the proposed facility will offer two programs that result in improved functional capabilities—Bounce Back and AJ Fitness Center. EFLO states that Bounce Back program relies on equipment to maximize gaining and attaining specific outcomes to help residents “rehab, recover and return home”. The applicant indicates that AJ Fitness Center will be located for residents after discharge from the nursing facility so that residents can continue with guided assistance to maintain their functional status and improve. EFLO states that individuals who utilize the proposed facility for outpatient therapy will also benefit from the AJ Fitness Program as well.

CON Action Numbers: 10303, and 10305 through 10311

EFLO provides a detailed analysis of the services to be provided on pages 2-4 through 2-20 of CON application #10303. The applicant explains that the top six major diagnostic categories (MDCs) were examined to identify the diagnostic related groups that included hospital discharges to SNFs. EFLO declares that its responses address the provisions of rule and discharge data clearly shows that persons being discharged to SNFs need a high level of skilled nursing and restorative and rehabilitative care.

The applicant's Schedule 7 indicates that the average length of stay (ALOS) will be 49.69 days for year one and 49.62 days for year two of operation. Schedule 6A illustrates that FTEs for year one (ending June 30, 2018) total 81.2 and total 144.6 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: 10303, and 10305 through 10311

Eighth Florida Living Options, LLC (CON application #10303) Projected Year One and Year Two Staffing		
	Year One FTEs	Year Two FTEs
Administration		
Administrator	1.0	1.0
Director of Nursing	1.0	1.0
Admissions Director	1.5	2.0
Bookkeeper	1.0	1.5
Secretary	1.5	1.5
Medical Records Clerk	1.5	2.0
Other Nursing Admin	2.2	5.4
Physicians		
Medical Director	0.2	0.3
Nursing		
RNs	7.2	13.2
LPNs	7.2	13.6
Nurses' Aides	29.4	55.4
Ancillary		
Physical Therapist	4.3	8.1
Speech Therapist	1.1	2.0
Occupational Therapist	3.6	6.8
Dietary		
Dietary Supervisor	1.0	1.0
Cooks	3.6	6.8
Dietary Aides	3.6	6.8
Social Services		
Social Service Director	1.0	1.0
Activity Director	1.0	1.0
Activities Assistant	0.7	1.3
Housekeeping		
Housekeeping Supervision	1.0	1.0
Housekeepers	3.5	6.8
Laundry		
Laundry Aides	1.4	2.7
Plant Maintenance		
Maintenance Supervisor	1.0	1.0
Maintenance Assistance	0.7	1.4
Total	81.2	144.6

Source: CON application #10303, Schedule 6A.

Florida Presbyterian Homes, Inc. (CON #10305) states they offer a wide variety of restorative rehabilitation services. FPH indicates that its state-of-the-art skilled nursing facility, Peter McGrath Health Center, is centered in the community, convenient to visitors, dually certified and providing 24/7 nursing care. FPH notes that it is one of the Florida's coveted Gold Seal Award facilities for quality and has received this award numerous times. The applicant states that it provides a broad array of services that exist

CON Action Numbers: 10303, and 10305 through 10311

to serve residents, including rehabilitative services, restorative services and a range of nursing services. FPH provides a list of services:

- Physical, speech and occupational therapy
- Cardiac and pulmonary rehabilitation
- Stroke and neurological rehabilitation
- Wound care
- Ostomy care
- Enteral care
- Foley catheter with maintenance, resident education and maintenance
- Diabetic care and management with resident education
- Dementia care
- Cognitive therapy
- IV therapy
- Dialysis support
- Structure Activities
- Psycho-social assessment and services
- Spiritual activities and support

The applicant notes that services provided under contract include eye care, podiatry, and psychiatric services. FPH states that it has policies and procedures in place including care planning, admission and discharge procedures. The applicant provided detailed descriptions and sample forms, located in Tab 2 of CON application #10305.

Florida Presbyterian Homes notes that when the new construction occurs--the existing physical plant will be decompressed with 14 private rooms on each floor and renovations to six existing rooms. The applicant provides a list of benefits of the renovations:

- The nourishment room will be renovate into a café
- The shower room will be renovated into a spa setting with small, inviting private rooms
- The community floor will feature an open on-floor rehab area, in-room or café dining
- All new rooms will include in-room showers and sufficient space for visitors to stay overnight

The applicant indicates that ALOS will be 34.7 days for year one and 35.2 days for year two of operation for the 14-beds involved in the conversion. The provided Schedule 6A illustrates that no new FTEs will be added for year one (ending December 31, 2017) or year two (ending December 31, 2018).

CON Action Numbers: 10303, and 10305 through 10311

Haines City SNF Operations, LLC (CON #10306) states the new facility will be built, equipped, and staffed to accommodate short-term rehabilitation, typically associated with Medicare stays, and long-term skilled nursing care. The applicant notes that the building will consist of 75,200 square feet of skilled nursing with an attached ALF and will feature all private rooms and bathrooms, configured in accordance with ADA guidelines. Haines City SNF Operations maintains that the focus will be on providing patients with the personalized services and support needed to successfully restore independence. The applicant indicates that additional highlights of the building include:

- Private bathrooms and walk-in showers
- Flat screen HDTV's
- Telephones
- In-room safes
- Wi-Fi
- Electric bariatric beds
- Custom designed furnishings
- Push button and audio nurse call system
- Pressure reducing Panacea Mattress
- Microfiber linens
- Complimentary in-room coffee, tea and beverage service
- In-room temperature
- Nine-foot ceilings with oversized windows

The applicant notes that the proposed facility features an activity room, library and internet resident lounge, salon/spa, shared conference/family dining area and a state-of-the-art therapy suite (where specialized rehabilitation services will be delivered). Haines City SNF Operations states that patient services will include the following:

- Physical, occupational, speech and respiratory therapy services
- Restorative therapy
- Orthopedic rehabilitation
- Post-cardiac rehabilitation
- Pulmonary rehabilitation
- Neurological rehabilitation
- Post-stroke rehabilitation
- Complex wound care with certified wound care physicians and nurses
- Dietician monitored meals and counseling
- Pain management

CON Action Numbers: 10303, and 10305 through 10311

- IV therapy
- 24-hour complex medical care and services
- Memory care
- Hospice care
- Respite care
- Individualized treatment plans
- Medical team of caregivers
- Clinical monitoring
- Patient education
- Post-discharge follow-up, tracking and support
- Restaurant style dining
- 24-hour RN coverage
- Security surveillance
- Foreign language translation available
- Comprehensive dialysis program
- Ipro 2 glucose monitoring
- KCI V.A.C. therapy- designed to help accurately deliver prescribed negative pressure and helps reduce tubing blockage for optimal healing of wounds.
- AlterG anti-gravity treadmill

Haines City SNF Operations indicates that upon admission to the unit, a therapy team, along with doctor, will assess rehabilitation needs and develop a customized treatment plan. The applicant states that this plan will be implemented by a highly professional therapy team with the patient's goal in mind. A copy of the resident care plan policy and clinical assessment report can be found in Exhibit 2-6 of CON application #10306.

The applicant states that upon admissions a care plan will be developed, this comprehensive assessment also reflects the resident's strengths and those programs which may enhance the resident's feelings of self-worth, accomplishment and physical well-being. Haines City SNF Operations indicates that throughout the residents stay and during the plan of discharge, an interdisciplinary team will provide the resident and family with education, resources and post-discharge instructions to support the resident's continued journey to living well again.

The applicant expects that the proposed facility will primarily be utilized to provide short-term rehabilitation whose primary payer is Medicare, with stays between 21 and 40 days. Haines City SNF Operations provided the following data regarding utilization of the proposed facility.

CON Action Numbers: 10303, and 10305 through 10311

Projected Admissions, Patient Days, ALOS and ADC

	Year One	Year Two
Admissions	322	982
Patient Days	9,848	32,102
ALOS	30.6	32.7
ADC	27	88.0

Source: CON application #10306, page 2-9

Schedule 6A illustrates that FTEs for year one (ending June 30, 2018) total 76.6 and total 137.7 for year two (ending June 30, 2019). The proposed project's year one and year two FTEs are shown in the table below.

Haines City SNF Operations, LLC (CON application #10306) Projected Year One and Year Two Staffing		
	Year One FTEs	Year Two FTEs
Administration		
Administrator	1.0	1.0
Director of Nursing	1.0	1.0
Admissions Director	1.0	3.0
Bookkeeper	1.0	1.0
Secretary	3.2	4.6
Medical Records Clerk	1.0	1.0
Nursing		
RNs	4.0	7.0
LPNs	15.5	28.6
Nurses' Aides	27.4	55
Dietary		
Dietary Supervisor	1.0	2.0
Cooks	6.0	10.0
Social Services		
Social Service Director	2.0	2.0
Activity Director	1.0	1.0
Activities Assistant	2.0	4.0
Housekeeping		
Housekeeping Supervision	1.0	1.0
Housekeepers	4.5	9.5
Laundry		
Laundry Aides	3.0	4.0
Plant Maintenance		
Maintenance Supervisor	1.0	1.0
Maintenance Assistance	1.0	1.0
Total	76.6	137.7

Source: CON application #10306, Schedule 6A

HSP Citrus, LLC (CON #10307) indicates that SHCM has developed a unique set of special programs which differentiate their services from those typically offered at other SNFs because SHCM's programs and services focus on rehabilitation and recovery for medically complex and other hard-to-place patients.

CON Action Numbers: 10303, and 10305 through 10311

HSP Citrus insists the implementation of these same programs and services at the proposed facility in Polk County will ensure residents in that community will have local access to a high level of intensive and post-acute care services.

The reviewer notes that the applicant did not respond directly to the specific Agency rule preferences, the reviewer gathered the following information in various places throughout the application.

The applicant provides a detailed description of each of the following unique rehabilitation and recovery programs on pages eight through thirteen of CON application #10307:

- Rapid recovery unit
- Discharge support
- Stroke recovery
- Pulmonary acute cardiac episode recovery (PACER)
- Respiratory therapy services
- Infusion therapy

HSP Citrus notes that the referral services offered through these intensive rehabilitation and recovery programs benefit many stakeholders, including short-term acute care hospitals and their patients and families, as well as their physicians. The applicant insists SHCM has established long-term relationships with local hospitals in the many communities that it serves.

The applicant indicates that additionally, the proposed project will include the following services typically offered by community nursing homes:

- Inpatient and outpatient rehabilitation
- Respite, restorative and end of life care
- Wound care and enteral therapy services
- Enhanced cultural outcomes

HSP Citrus includes a few select policies and procedures as well as select job descriptions in Appendix D of CON application #10307

The applicant's Schedule 7 indicates that the ALOS will be 57.58 days for year one and 57.53 days for year two of operation. Schedule 6A illustrates that FTEs for year one (ending June 30, 2018) total 67.1 and total 114.0 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: 10303, and 10305 through 10311

HSP Citrus, LLC (CON application #10307) Projected Year One and Year Two Staffing		
	Year One FTEs	Year Two FTEs
Administration		
Administrator	1.0	1.0
Director of Nursing	1.0	1.0
Admissions Director	1.0	1.0
Bookkeeper	1.0	1.0
Secretary	1.8	1.8
Medical Records Clerk	0.5	1.0
Other: Admission Staff	1.0	1.0
Other: Nursing Admin	1.0	3.0
Other: BOC and HRC	1.0	1.0
Nursing		
RNs	6.8	11.0
LPNs	6.0	13.4
Nurses' Aides	26.3	49.5
Other	0.0	3.2
Ancillary		
Physical Therapist	5.1	6.1
Speech Therapist	1.0	1.4
Occupational Therapist	3.1	4.0
Dietary		
Dietary Supervisor	1.0	1.0
Cooks	2.8	2.8
Dietary Aides	2.8	4.7
Other: Asst. Dietary Manager	0.0	1.0
Social Services		
Social Service Director	1.0	1.0
Activity Director	1.0	1.0
Plant Maintenance		
Maintenance Supervisor	1.0	1.0
Total	67.1	114.0

Source: CON application #10307, Schedule 6A

Lakeland Investors, LLC (CON #10308) states services proposed to be at the new facility include all services required to meet Medicare, Medicaid and Agency licensure and certification requirements, as well as the services necessary to meet the individual needs of residents served in the proposed new facility. The applicant indicates that programs, services or treatments will be individualized to meet the unique physical, social, emotional, and spiritual needs of each resident.

The applicant states that the proposed facility will be a free-standing 120-bed 74,000 square foot nursing facility consisting of four separate neighborhoods. Lakeland Investors notes that each neighborhood will house no more than 30 residents and will feature a nurse station, nourishment room, satellite kitchenette/serving area, resident common areas, and support

CON Action Numbers: 10303, and 10305 through 10311

area. The applicant states by dividing the building into neighborhoods, the facility becomes more residential in scale, thereby minimizing the institutional atmosphere for the residents.

The applicant indicates that the proposed facility will include a mix of private and semi-private rooms, with 45 semi-private rooms, 28 private rooms and two private hospice rooms. Lakeland Investors states that it will provide but not be limited to the following services:

- Comprehensive care plan
- Sub-acute care
- Respite care
- Palliative care
- Hospice care
- 24-hour nurse care
- Case management
- Personal care support
- Assistance with activities of daily living
- Psychiatric and Psychological
- IV/Infusion therapy
- Electronic Health Information System
- Wound Management
- Physical, speech and occupational therapies
- Pulmonary therapy
- Audiology
- Social services
- Nutrition services
- Imaging services

In addition to these facility services, Lakeland Investors states that the SNF will support the inclusion of each resident's existing medical care support system into the resident care activities--encouraging a seamless linkage of care for the resident as he/she is discharged from the nursing home back to the resident's home setting. The applicant indicates that residents will also have access to the programs and amenities listed below:

- Dining program
- Walking/ambulation program
- Pet therapy
- Music therapy
- Touch therapy
- Sensory dtimulus therapy
- Reality orientation
- Community outings

CON Action Numbers: 10303, and 10305 through 10311

- Arts and crafts
- Gardening
- Sewing
- Bingo
- Coffee/tea hour
- Films/movies

The applicant notes availability of required staff for the facility will also be supported by the applicant's proposed condition to provide a least \$10,000 per year of facility staff training and staff certification activities. Lakeland Investors maintains that this will encourage staff to remain at the facility while upgrading skills/training/certifications--all with the anticipated goal of providing enhanced patient care to the facility's residents.

Lakeland Investors indicates that the existing Valencia Hills' patient assessment and admission tools will be used at the proposed facility--copies of patient assessment and admission tools were included in Appendix C of CON application #10308. The applicant notes that the discharge plan will be developed with input from the resident's interdisciplinary team and will be reviewed periodically during the resident's stay. Lakeland Investors provided information regarding discharge, transfer policies, procedures and guidelines in Appendix E of CON application #10308.

The applicant's Schedule 7 indicates that the ALOS will be 49.89 days for year one and 61.20 days for year two of operation. Schedule 6A illustrates that FTEs for year one (ending December 31, 2017) total 82.77 and total 129.51 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: 10303, and 10305 through 10311

Lakeland Investors (CON application #10308) Projected Year One and Year Two Staffing		
	Year One FTEs	Year Two FTEs
Administration		
Administrator	1.00	1.00
Director of Nursing	1.00	1.00
Admissions Director	1.75	2.00
Bookkeeper	1.00	1.00
Secretary	0.88	1.75
Medical Records Clerk	1.00	1.00
Other: Admission Staff	4.00	6.00
Physicians		
Unit/Program Director	1.00	1.00
Nursing		
RNs	5.40	7.00
LPNs	10.83	19.96
Nurses' Aides	29.55	52.00
Dietary		
Dietary Supervisor	1.25	2.00
Cooks	2.80	2.80
Dietary Aides	4.33	7.50
Social Services		
Social Service Director	2.25	3.00
Activities Assistant	2.25	3.00
Other: MDS/Care Plan	3.25	4.00
Housekeeping		
Housekeeping Supervision	1.00	1.0
Housekeepers	3.77	6.65
Laundry		
Laundry Aides	2.71	3.85
Plant Maintenance		
Maintenance Supervisor	1.0	1.00
Maintenance Assistance	0.75	1.00
Total	82.77	129.51

Source: CON application #10308, Schedule 6A.

Lakeland Oaks NH, LLC (CON #10309) states it will focus on addressing both short and long-term needs. Lakeland 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.

CON Action Numbers: 10303, and 10305 through 10311

Lakeland 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
- IV therapy
- HIV care
- Hospice care
- Palliative care
- Respite care
- Diabetes care
- Dialysis services
- Tracheotomy care
- Outpatient rehabilitation
- Pain management
- 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

CON Action Numbers: 10303, and 10305 through 10311

Lakeland 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 days 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 #10309.

Lakeland 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 28.38 days for year one and 27.66 days for year two of operation. Schedule 6A illustrates that FTEs for year one (ending December 31, 2018) total 118.7 and total 151.5 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: 10303, and 10305 through 10311

Lakeland Oaks NH, LLC (CON application #10309) Projected Year One and Year Two Staffing		
	Year One FTEs	Year Two FTEs
Administration		
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: Human Resources/Marketing	4.1	5.3
Nursing		
RNs	9.9	13.2
LPNs	11.1	15.0
Nurses' Aides	36.9	50.6
Nursing Admin, Central Supply	5.0	5.0
Ancillary		
Physical Therapist	10.2	12.5
Speech Therapist	1.3	1.8
Occupational Therapist	5.2	7.0
Other	2.2	2.9
Dietary		
Dietary Supervisor	1.4	1.4
Cooks	3.8	4.7
Dietary Aides	5.7	7.1
Social Services		
Social Service Director	1.0	1.0
Activity Director	1.0	1.0
Activities Assistant	1.4	1.7
Housekeeping		
Housekeeping Supervision	1.0	1.0
Housekeepers	5.8	6.9
Laundry		
Laundry Aides	3.9	4.6
Plant Maintenance		
Maintenance Supervisor	1.0	1.0
Maintenance Assistance	1.0	1.0
Total	118.7	151.5

Source: CON application #10309, Schedule 6A

LP Tampa II, LLC (CON #10310) states that the proposed facility will provide rehabilitation services for short-term patients, will offer a pulmonary program of distinction (BreatheLife) 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.

CON Action Numbers: 10303, and 10305 through 10311

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
- 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 #10310.

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

CON Action Numbers: 10303, and 10305 through 10311

heavily in each pillar with dedicated staff and other resources focused on the pillars as foundational aspects of the organization.

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 #10310.

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, average ALOS and ADC for the first two years of operation for the proposed 180-bed facility.

Projected Admissions, Patient Days, ALOS and ADC

	Year One (ending 12/31/2017)	Year Two (ending 12/31/2018)
Admissions	236	895
Patient Days	9,086	40,264
Medicare ALOS	28.8	28.8
Medicaid ALOS	123.0	323.8
ADC	24.9	110.3

Source: CON application #10310, page 38

Schedule 6A illustrates that FTEs for year one (ending December 31, 2017) total 38.4 and total 126.3 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: 10303, and 10305 through 10311

LP Tampa II, LLC (CON application #10310) Projected Year One and Year Two Staffing		
	Year One FTEs	Year Two FTEs
Administration		
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	0.7
Bookkeeper/Asst. BOM	0.0	1.0
Medical Records Clerk	1.0	1.5
MDS Coordinator	0.7	2.4
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
Physicians		
Medical Director	Contracted	Contracted
Pulmonologist	Contracted	Contracted
Nursing		
RNs	3.2	5.0
LPNs	4.9	18.4
Nurses' Aides	11.3	50.1
Trans Aide/Central Supply	0.2	1.4
Ancillary		
Respiratory Therapist	0.4	1.4
Dietary		
Dietary Supervisor	0.6	1.0
Cooks	0.2	0.7
Dietary Aides	1.0	2.4
Servers, etc.	1.8	7.9
Social Services		
Social Service Director	1.0	2.4
Activity Director	0.7	1.0
Activities Assistant	0.3	2.0
Other: Chaplain	0.3	1.0
Housekeeping		
Housekeeping Supervision	0.0	1.0
Housekeepers	2.0	8.7
Laundry		
Laundry Supervisor	0.7	2.9
Laundry Aides	0.7	2.9
Plant Maintenance		
Maintenance Supervisor	1.0	1.0
Maintenance Assistance	0.0	1.4
Total	38.4	126.3

Source: CON application #10310, Schedule 6A.

CON Action Numbers: 10303, and 10305 through 10311

Polk County Development, LLC (CON #10311) states Genesis has the experience as well as regional and local administrative staff to develop and operate the proposed facility. The typical 120-bed PowerBack Rehabilitation model contracts for a Medical Director as well as three full-time physicians and four to five nurse practitioners. The 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. PCD indicates that the proposed project will have similar staffing patterns.

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

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

The applicant states that at PowerBack Rehabilitation, individual attention is provided by highly trained and licensed professional specialists. PCD 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

PCD 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

CON Action Numbers: 10303, and 10305 through 10311

The applicant includes a list of design features and the other amenities that will be available at the proposed facility on pages 33-34 of CON application #10311.

The applicant's Schedule 7 indicates average length of stay ALOS will be 18.95 days for year one and 18.50 for year two of operation. PCD notes that this is consistent with Genesis' experience and the emphasis on short-term rehabilitation patients discharged from acute care hospitals indicating that ALOS is 21 days for conventional Medicare patients, 17 days for managed care patients and 15 days for other patients.

Schedule 6A illustrates that FTEs for year one (ending December 31, 2018) total 113.59 and total 175.86 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: 10303, and 10305 through 10311

Polk County Development, LLC (CON application #10311)		
Projected Year One and Year Two Staffing		
	Year One FTEs	Year Two FTEs
Administration		
Administrator	1.0	1.0
Manager-Office Center	0.75	1.3
Bookkeeper, AP	0.17	0.5
Receptionist/Secretary	1.83	2.1
Customer Relation Manager	0.75	1.0
Mgr-Center Scheduling	1.0	1.0
Mgr-HR Center	1.0	1.0
Nursing Administration		
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
Nursing		
RNs	7.05	17.43
LPNs	7.72	15.31
Nurses' Aides	21.88	38.41
Nursing Admin,	7.72	15.50
Nurse-Charge	7.93	12.60
Other	0.89	1.95
Nursing Training		
RN	0.88	0.75
Certified Nursing Aide	0.88	0.75
Nursing Orientation		
RN	3.0	2.0
LPN	0.01	0.01
Certified Nursing Aide	2.88	1.50
Ancillary		
Pharmacist	0.25	0.25
Dietary		
Dietitian	1.58	2.23
Director-Food Srvc I	1.00	1.0
Chef Executive	1.00	1.0
Cook	2.45	2.80
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
Activities and Recreation		
Asst Activities Director	0.75	1.0
Director Guest Svc	1.00	1.0
Specialist Guest Svc	2.01	3.03
Manager-Recreation Program	1.00	1.0
Social Services		
Social Service Director II	1.00	1.0
Social Worker-Hourly	1.58	3.0
Sr Admission Director	1.00	1.0
Director-Admissions	0.67	1.0

CON Action Numbers: 10303, and 10305 through 10311

Housekeeping		
Housekeeping Supervision	1.00	1.0
Housekeepers	5.50	6.54
HSkpg Floor Person	0.94	1.88
Other	0.13	0.13
Laundry		
Laundry Aides	2.09	2.63
Plant Maintenance		
Sr. Maintenance Director	1.00	1.0
Maintenance Assistance	0.75	1.0
Technician- Building Maintenance	0.17	1.0
Total	113.59	175.86

Source: CON application #10311 Schedule 6A

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.**

Eighth Florida Living Options, LLC (CON #10303), Haines City SNF Operations, LLC (CON #10306), Lakeland Oaks NH, LLC (CON #10309), LP Tampa II, LLC (CON #10310) and Polk County Development, LLC (CON #10311) state that they are newly created entities and therefore have not had a nursing facility license denied, revoked or suspended within the 36 months prior to the current application.

Florida Presbyterian Homes, Inc. (CON #10305) states that it is an existing facility and has not had a nursing facility license denied, revoked or suspended within the 36 months prior to the current application.

HSP Citrus, LLC (CON #10307) 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.

Lakeland Investors, LLC (CON #10308) states that Valencia Hills Health and Rehabilitation Center has not had its nursing facility license denied, revoked or suspended within the last 36 months.

CON Action Numbers: 10303, and 10305 through 10311

- 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?**

Eighth Florida Living Options, LLC (CON #10303), Haines City SNF Operations, LLC (CON #10306), Lakeland Oaks NH, LLC (CON #10309), LP Tampa II, LLC (CON #10310) and Polk County Development, LLC (CON #10311) state that they are newly created entities and therefore have not had a nursing facility placed into receivership.

Florida Presbyterian Homes, Inc. (CON #10305) states that it is an existing facility and has not had a nursing facility placed into receivership

HSP Citrus, LLC (CON #10307) 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.

Lakeland Investors, LLC (CON #10308) states that Valencia Hills Health and Rehabilitation Center has not been placed into receivership at any time during the last 36 months.

- 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.**

Eighth Florida Living Options, LLC (CON #10303), Florida Presbyterian Homes, Inc. (CON #10305), Haines City SNF Operations, LLC (CON #10306), Lakeland Investors, LLC (CON #10308), Lakeland Oaks NH, LLC (CON #10309), LP Tampa II, LLC (CON #10310) and Polk County Development, LLC (CON #10311) indicate that this provision is not applicable as nothing was identified above.

HSP Citrus, LLC (CON #10307) did not respond to this rule criterion. The reviewer notes that this provision is not applicable, since there have been no violations.

- 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.**

Eighth Florida Living Options, LLC (CON #10303), Florida Presbyterian Homes, Inc. (CON #10305), Haines City SNF Operations, LLC (CON #10306), Lakeland Investors, LLC (CON #10308), Lakeland Oaks NH, LLC (CON #10309), LP Tampa II, LLC (CON #10310) and Polk County Development, LLC (CON #10311) indicate that this provision is not applicable as nothing was identified above.

HSP Citrus, LLC (CON #10307) did not respond to this rule criterion. The reviewer notes that this provision is not applicable, since there have been no violations.

- 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.**

Eighth Florida Living Options, LLC (CON #10303), Florida Presbyterian Homes, Inc. (CON #10305), Haines City SNF Operations, LLC (CON #10306), Lakeland Investors, LLC (CON #10308), Lakeland Oaks NH, LLC (CON #10309), LP Tampa II, LLC (CON #10310) and Polk County Development, LLC (CON #10311) indicate that this provision is not applicable as nothing was identified above.

HSP Citrus, LLC (CON #10307) did not respond to this rule criterion. The reviewer notes that this provision is not applicable, since there have been no violations.

- 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.**

Eighth Florida Living Options, LLC (CON #10303), Florida Presbyterian Homes, Inc. (CON #10305), Haines City SNF Operations, LLC (CON #10306), Lakeland Investors, LLC (CON #10308), Lakeland Oaks NH, LLC (CON #10309), LP Tampa II, LLC (CON #10310) and Polk County Development, LLC (CON #10311) state that they will provide the required data to the applicable local health council and to the Agency.

HSP Citrus, LLC (CON #10303) 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 6-5 is composed of Polk County and has 23 licensed community nursing homes with a total of 2,945 community nursing home beds. The subdistrict averaged 90.29 percent total occupancy for the 12-month period ending June 30, 2014.

Eighth Florida Living Options, LLC (CON #10303) notes Polk County has 23 community nursing homes with a total of 2,945 beds, representing 36 percent of District 6's bed supply. The applicant provides Polk County nursing homes' most recent occupancy rate for July 1, 2013 of June 30, 2014 annual period was 90 percent and notes showing an increase in occupancy from 2012 (88.1 percent) to 2014 (90.3 percent). EFLO contends that the increase in beds shows the increasing demand for nursing facility services arising from residents of Polk County.

The applicant states that the new SNF will be constructed in Polk County ZIP Code 33813, onsite with Hawthorne Inn of Lakeland. EFLO maintains that expansion of the Hawthorne campus by constructing a 120-bed community nursing home will afford improved access to skilled

CON Action Numbers: 10303, and 10305 through 10311

nursing care within the subdistrict. The applicant states that the proposed facility will enhance access to persons residing within Polk County. The applicant affirms that the proposed facility will be dually certified and treatments will be available to all persons.

Eighth Florida Living Options, LLC states the quality management system Abaqis Providigm will be utilized at the proposed facility. This tool for SNFs provides the same quality metrics and tools as used by surveyors. This system, according to the applicant, goes beyond readiness and is the foundation for quality assurance, performance, and compliance.

EFLO indicates the subdistrict utilization of 90.3 percent is higher than for District 6 at 88 percent. The applicant also notes that Medicaid utilization is about the same, with Subdistrict 6-5 only slightly higher. EFLO concludes that high occupancy limits availability and access to skilled nursing care in the subdistrict.

The applicant provides a forecast for nursing home use in the subdistrict for 2019. EFLO explains that when the days per 1,000 65+ (7,885 in 2014) are applied to the 2019 projected population, one derives an ADC of 3,038 or 92 percent occupancy for the subdistrict based on existing beds. The applicant calculates that with the addition of the proposed project of 120 beds, along with the assumption that the applicant will maintain a 92 percent occupancy rate, an ADC of 2,928 will be achieved for all remaining skilled nursing beds. See the table below.

Forecasted Utilization for Hawthorne that Assumes an Occupancy Rate of 92% for Year 2019, Second Year of Operation

Forecast Future Nursing Home Resident Days in Polk County	
Resident Days July1, 2013 to June 30, 2014	970,561
Average Daily Census, 2014	2,659
Polk County Population 65+, 2014	123,056
Days Per 1,000 Persons, 65+, 2014	7,885
Polk County PopulatiOn 65+, 2019	140,635
Resident Days Forecasted for 2019	1,108,939
Average Daily Census, Year 2019	3,038
Proposed Hawthorne Facility Days @ 92%	40,296
Deduct Hawthorne Resident Days from Forecast	1,068,643
Average Daily Census, Year 2019, Remaining Days	2,928

Source: CON application #10303, page 1-10

EFLO presents an analysis of market share for existing SNFs in Polk County showing that for each SNF, forecasted resident days of care in year 2019 exceed what was experienced in the baseline period (2014). The applicant maintains that the data show that the proposed project will have no adverse effect upon the nursing homes within the subdistrict.

CON Action Numbers: 10303, and 10305 through 10311

Florida Presbyterian Homes, Inc. (CON #10305) notes that Polk County had occupancy rates which were higher than District 6 and the state for the last annual reporting periods. FPH provides a map on page 3-3 of CON application #10305, in which population centroids for each Zip Code was mapped along with population estimates for 2014 for persons aged 65+ for Polk County providing a 15-minute drive time contour around FPH. The applicant maintains that 34,843 persons aged 65+ years (28 percent of Polk County’s elderly) live in this contour. FPH provides the following population analysis below.

Zip Code and Corresponding Latitude and Longitude for Each Population Centroid with Corresponding 2014 Population Estimates of Number of Elderly Persons

Zip Code	Latitude Y-coordinate	Longitude X-Coordinate	2014 Population Age 65+	Compounded Annual Growth Rate 65+
33810	28.11901	-82.00788	9,531	3.3%
33813	27.96404	-81.93935	5,404	3.4%
33803	28.01375	-81.95269	6,151	2.3%
33815	28.03929	-81.98696	3,286	1.7%
33805	28.07796	-81.95497	3,671	1.8%
33801	28.03898	-81.91492	5,322	1.7%
33812	27.96499	-81.89808	1,478	5.9%
Total			34,843	

Source: CON application #10305, page 3-4

FPH contends that their location makes access reasonable to more than a fifth of the elderly population in the county—with these Zip Codes showing significant compounded annual growth rates. The applicant asserts that the location of FPH is accessible now and into the future.

In regards to quality of care, FPH indicates that it is a Governor’s Gold Seal facility with a five-STAR rating—an assurance that the highest quality of care will be available and accessible.

The applicant provides a utilization analysis of SNFs within a five-mile radius of FPH—noting the high occupancy experienced at these facilities. See the table below.

CON Action Numbers: 10303, and 10305 through 10311

**Community Nursing Home Resident Days and Occupancy Rates of Facilities
within Five-Mile Radius of Florida Presbyterian Homes,
July 1, 2013 to June 30, 2014**

Facility	Licensed Comm Beds	Bed Days	Resident Days	Total Occupancy
Consulate Health Care of Lakeland	120	43,800	41,781	95.39%
Highlands Lake Center	179	65,335	63,681	97.47%
Lakeland Hills Center	120	43,800	41,053	93.73%
Manor at Carpenters, The	60	21,900	18,053	86.45%
Oakbridge Healthcare Center	120	43,800	42,364	96.72%
Palm Terrace of Lakeland	185	67,525	59,759	88.50%
Valencia Hills Health and Rehabilitation	300	109,500	89,375	81.62%
Wedgewood Health Center	120	43,800	41,789	95.41%
Subtotal	1,204	439,460	398,727	90.7%
Total Polk County	2,945	1,074,925	970,561	90.3%

Source: CON application #10305, page 1-2

The applicant provides a forecast for nursing home use in the subdistrict for 2019. FPH explains that when the days per 1,000 65+ residents (7,885 in 2014) are applied to the 2019 projected population, one derives an ADC of 3,038 or 92 percent occupancy for the subdistrict based on existing beds. The applicant calculates that with the addition of the proposed conversion of 14 beds, along with the assumption that the applicant will maintain a 92 percent occupancy rate, an ADC of 3,025 will be achieved for all remaining skilled nursing beds. See the table below.

**Forecasted of Demand in Subdistrict 6-5, Polk County, Year 2019 With Florida
Presbyterian's 14-Bed Addition**

Forecast Future Nursing Home Resident Days in Polk County	
Resident Days July1, 2013 to June 30, 2014	970,561
Average Daily Census, 2014	2,659
Polk County Population 65+, 2014	123,056
Days Per 1,000 Persons, 65+, 2014	7,885
Polk County PopulatiOn 65+, 2019	140,635
Resident Days Forecasted for 2019	1,108,939
Average Daily Census, Year 2019	3,038
Proposed 14 Beds Concerted Facility Days @ 92%	4,701
Deduct Hawthorne Resident Days from Forecast	1,104,238
Average Daily Census, Year 2019, Remaining Days	3,025

Source: CON application # 10305, page 1-14

FPH presents an analysis of market share for existing SNFs in Polk County showing that for each SNF, forecasted resident days of care in year 2019 exceed what was experienced in the baseline period (2014). The applicant maintains that the data show that the proposed project will have no adverse effect upon the nursing homes within the subdistrict.

CON Action Numbers: 10303, and 10305 through 10311

Haines City SNF Operations, LLC (CON #10306) plans to construct the new 120-bed facility on the campus of or within close proximity to Heart of Florida Regional Medical Center. By locating the proposed facility within proximity of the above mentioned hospital, TLC Management’s specialized services will be accessible and available to residents of the surrounding community who are in need of skilled nursing care.

The applicant states occupancy is an important component of availability since an occupied bed is not an available bed. The applicant notes that there is only one SNF located within 10 miles of Heart of Florida Medical Center-The Crossroads with only 60 beds. Haines City SNF Operations provides nursing home occupancy measures in Polk County, District 6, State of Florida and Astoria Health and Rehabilitation Center. See the table below.

**Nursing Home Occupancy Rates
July 2013-June 2014**

July 2013- June 2014	Polk County	District	State	Astoria Health and Rehabilitation
Resident Days	970,561	2,803,704	25,521,792	41,008
Beds, Community	2,945	8,768	80,050	120
Bed Days	1,074,925	3,200,320	29,219,051	43,800
Medicaid Days	580,693	1,668,849	15,837,261	19,669
Occupancy	90.3%	87.6%	87.4%	93.6%
Medicaid Occupancy	59.8%	59.6%	62.1%	48.0%

Source: CON application #10306, page 3-2

The applicant notes that Ms. Ann Barnhart, CEO of Heart of Florida Regional Medical Center submitted a letter that stated, “We see this new state-of-the-art skilled nursing facility as an opportunity for collaboration with our hospital. It is our expectation that this collaboration will reduce hospital readmissions, cost and negative patient outcomes.” She further states that many Heart of Florida Regional Medical Center patients are discharged to “distant areas” due to the lack of accessible nursing home beds in Haines City causing patients to switch physicians.

Haines City SNF Operations notes that the proposed facility will have 120 private rooms, significantly more private rooms than any other facility in the subdistrict. The applicant provides the following chart denoting room types for the nursing facilities in Subdistrict 6-5.

CON Action Numbers: 10303, and 10305 through 10311

**Nursing Facilities by Room Type
Subdistrict 6-5**

Facility Name	Type of Rooms				Total
	Private	Semi-Private	3-Bed	4-Bed	
Astoria Health and Rehabilitation Center	2	118			120
Auburndale Oaks Healthcare Center	8	112			120
Bartow Center	1	76	15	28	120
Brandywyne Health Care Center		120			120
Consulate Health Care at Lake Parker	6	114			120
Consulate Health Care of Lakeland	12	108			120
Consulate Health Care of Winter Haven	10	110			120
Crossroads, The		60			60
Florida Presbyterian Homes Inc.	32	16			48
Grace Healthcare of Lake Wales	2	62		36	100
Groves Center	1	76	15	28	120
Haines City Health Care	6	114			120
Highlands Lake Center	19	160			179
Lakeland Hills Center		76	12	32	120
Life Care Center of Winter Haven	29	148			177
Manor at Carpenters, The	12	60			72
Oakbridge Healthcare Center	14	106			120
Palm Garden of Winter Haven	6	114			120
Palm Terrace of Lakeland	9	176			185
Rohr Home, The		60			60
Spring Lake Rehabilitation Center	4	116			120
Valencia Hills Health and Rehabilitation Center	8	164		128	300
Wedgewood Healthcare Center	10	110			120
Winter Haven Health and Rehabilitation Center	16	128			144
Total Licensed Beds	207	2,504	42	252	3,005

Source: CON application #10306, page 3-4.

The applicant notes that utilization for the current period shows that occupancy rates for facilities within the subdistrict fluctuate with the average occupancy rate for Polk County is 90.3 percent. Haines City SNF Operations points out that Astoria Health and Rehabilitation Center, has a higher occupancy rate at 93.6 percent that Subdistrict 6-5. The applicant states that the proposed 120-bed facility is expected to reach 90 percent occupancy by the second year of operation (ending June 30, 2019).

Haines City SNF Operations provides the numbers of resident days for the first two years of the project. The applicant indicates that the proposed facility is expected to have an overall occupancy rate of 22.6 percent in the first year during the fill up period and reach 73.3 percent by the second year.

CON Action Numbers: 10303, and 10305 through 10311

**Forecast for Haines City SNF Operations, LLC
Years One and Two of the Project**

Factor	Year One	Year Two
Resident Days	9,890	32,102
Beds, Community	120	120
Bed Days	43,800	43,800
Medicaid Days	857	13,370
Occupancy	22.6%	73.3%
Medicaid Occupancy	8.7%	41.6%

Source: CON application # 10306, Schedule 7

HSP Citrus, LLC (CON #10307) proposes to locate its facility in Polk County. The applicant states that the service area residents and their families, as well as area hospitals, do not have availability and access to the types of specialized, sub-acute care rehabilitation and recovery services proposed in this application. The applicant contends that thus, it has identified a gap in the service delivery for sub-acute care services, including hard-to-place and/or medically complex patients requiring intensive post-acute care.

The applicant asserts that through cooperative relationships with local area hospitals, SHCM will provide hospitals with a high quality facility to place hard-to-place and/or medically complex patients and do so in the most appropriate setting: a community nursing home focusing on patients' rehabilitation and recovery. HSP Citrus insists it will meet the identified gap in care by providing a local alternative for these patients through programs such as the Discharge Support Program.

HSP Citrus states that the proposed facility will be constructed with 56 private rooms and 32 semi-private rooms. The applicant explains that the proposed project will be comprised of four separate "neighborhoods" for residents--each neighborhood will house approximately 30 residents. HSP Citrus believes that by dividing the building into neighborhoods, the facility becomes more residential in scale thereby minimizing the institutional feel and providing a more home-like atmosphere for residents. HSP Citrus asserts that intensive rehabilitation and recovery programs, like those that will be present in the proposed facility, result in larger, relatively costlier projects than other applicants may be willing to invest in the community. The applicant contends it is a conscientious and experienced manager and it will ensure that the proposed project is financially feasible in the short and long-term.

HSP Citrus states that because SHCM is an existing provider, its proposed project will be developed successfully and ongoing operations will be efficiently maintained through the implementation of proven programs, services and processes currently utilized by SHCM. The applicant believes that efficiency is gained because HSP Citrus and

CON Action Numbers: 10303, and 10305 through 10311

SHCM are both members of the Sovereign Group, thus sharing the same management team and its proven programs and services.

HSP Citrus concludes that the uniqueness of sub-acute care services provided by the applicant distinguishes it from all of the existing and proposed health care providers in the area.

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

HSP Citrus, LLC Forecasted Utilization

	Year One	Year Two
Total Admissions	311	630
Total Patient Days	17,908	36,241
Occupancy	40.89%	82.74%

Source: CON application #10307, Schedule 7

Lakeland Investors, LLC (CON #10308) states that the proposed new facility will be located in southeast Lakeland and is being developed in that sector of the county due to a current lack of available facility options in that geographic area. The applicant provides a map page 35 of CON application #10308 showing existing nursing homes in the Lakeland area, noting that facilities are concentrated in close proximity to or to the north of Lakeland Regional Medical Center (LRMC). The applicant states that southeast of Lakeland along Highway 98, there is just one facility directly to the south of Lakeland and then no existing facilities until Bartow or until Auburndale/Winter Haven far to the east.

The applicant contends that development of LRMC’s new hospital-based comprehensive medical rehabilitation unit, which may have some potential overlap with nursing home sub-acute rehabilitation services proposed in this project, is another reason the applicant is proposing to develop the new facility in southeast Lakeland away from LRMC. Lakeland Investors contends that creating new sub-acute care beds in southeast Lakeland will ensure enhanced access to and distribution of needed rehabilitation services to the entire service area.

Lakeland Investors asserts that the transfer of beds from Valencia Hills to the proposed facility will result in the reduction of four-bed patient rooms at Valencia Hills. The applicant notes that as a result of the proposed bed transfer, Valencia Hills will reduce quad-bed patient rooms from thirty-two to five, with twenty four of the existing quad bed rooms converted to semi-private use and three additional four-bed rooms converted to three-bed rooms. Lakeland Investors notes that the reduction of these four-bed patient rooms will have a positive effect on patient privacy, will reduce patient room conflict issues, will reduce potential cross infection issues and will support enhanced patient outcomes and quality of care.

CON Action Numbers: 10303, and 10305 through 10311

In addition to the Agency bed need forecast, the applicant states it is clear that existing Polk County nursing home resources are highly utilized. Lakeland Investors notes that current utilization of community nursing home beds within the subdistrict shows facilities are running full at a 90.23 percent annual occupancy rate and at 91.28 percent occupancy during the winter months of 2014.

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

Lakeland Investors, LLC Forecasted Utilization

	Year One	Year Two
Total Admissions	459	656
Total Patient Days	22,900	40,150
Occupancy	52.28%	91.67%

Source: CON application #10308, Schedule 7

Lakeland Oaks NH, LLC (CON #10309) states that Subdistrict 6-5, Polk County presently has 2,945 licensed community beds or 24.7 licensed SNF beds per 1,000 elderly persons aged 65+, which given the population growth, will decrease to 23.6 SNF beds per 1,000 elderly persons by July 2017 without the addition of beds. Lakeland Oaks states that with the addition of 120 community beds to Subdistrict 6-5, 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.

Availability of Skilled Nursing Beds in Subdistrict 6-5 District 6 and Florida 2014-2017									
Region	2014			2017 with Adding Beds			2017 without Adding Beds		
	Pop 65+	SNF Beds	Beds per 1,000	Pop 65+	SNF Beds	Beds per 1,000	Pop 65+	SNF beds	Beds per 1,000
Subdistrict 6-5	119,098	2,945	24.7	133,151	3,148	23.6	133,151	2,945	22.1
District 6	404,459	8,768	21.7	447,580	9,106	20.3	447,580	8,768	19.6
Florida	3,595,188	80,050	22.3	3,956,602	83,165	21.0	3,956,602	80,050	20.2

Source: CON Application #10309, page 2 Schedule B, Section E3a

Lakeland 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

CON Action Numbers: 10303, and 10305 through 10311

- Increasing the availability of high quality long-term care and rehabilitation services so patients are able to return home and re-hospitalization are reduced

Lakeland Oaks notes its association with Greystone Healthcare Management which manages 28 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. Lakeland 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, Lakeland Oaks states that for the most recent twelve months ending June 30, 2014 nursing facilities in Subdistrict 6-5 reported 970,561 patient days of care, for an average daily census of 2,659 and an average occupancy rate of 90.29 percent—a use rate of 8,149 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 94.44 percent even with the addition of the 203 beds. The applicant provides projected utilization statistics for the service area. See the table below.

Projected Subdistrict 6-5, Polk County Patient Days July 2017

District 6-5 Statistics	Values
District 6-5 Actual Patient Days 2014	970,561
Average Daily Census 2014	2,659
Actual Number of Community Nursing Beds 2014	2,945
Average Occupancy 2014	90.29%
July 1, 2014 Population 65+	119,098
District 6-5 Use Rate (patient days per 1,000) 2014	8,149
July 1, 2017 Project Population 65+	133,151
District 6-5 Use Rate (patient days per 1,000) 2014	8,149
Projected 2017 Patient Days	1,085,083
Projected 2017 Average Daily Census	2,973
Projected Number of Community Nursing Beds with additional 218 beds 2017	3,148
Projected 2017 Occupancy in 3,852 beds	94.44%

Source: CON application # 10309 page 12 Schedule B

The reviewer notes that based on the applicant’s Schedule 7, projected utilization for the proposed 120-bed facility is 29,976 patient days in the first year of operation and 41,245 in the second year of operation, 68.44 percent and 94.17 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 99.98 percent.

CON Action Numbers: 10303, and 10305 through 10311

Lakeland Oaks NH, LLC, Payer Mix

	Year One Ending 12/31/2018	Year Two Ending 12/31/2019
Medicare	41.04%	41.59%
Medicaid	30.74%	29.20%
Other Managed Care	14.36%	15.04%
Self-Pay	7.44%	7.96%
Other Payers	6.42%	6.19%
Total	100%	100%

Source: CON application #10309, Schedule 7

LP Tampa II, LLC (CON #10310) presents Subdistrict 6-5 nursing home occupancy data for July 1, 2013 to June 30, 2014, noting that subdistrict average occupancy is 90.29 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 Polk County to better serve the growing demand in the community.

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.

CON Action Numbers: 10303, and 10305 through 10311

**Projected Admissions, Patient Days
ALOS and Average Daily Census (ADC)**

	Year One	Year Two
Admissions	236	895
Patient Days	9,086	40,264
Medicare ALOS	28.8	28.8
Medicaid ALOS	123.0	323.8
ADC	24.9	110.3

The applicant notes that after census build-up, the Medicaid ALOS is projected to average 461.6 days
Source: CON application #10310 page 38

Polk County Development, LLC (CON #10311) indicates that Polk County is expected to grow by 8.75 percent from 2014 to 2019. The applicant notes that it is important to note all age ranges as PowerBack Rehabilitation draws a broader age range than traditional nursing homes. PCD compares the utilization of three of its existing Power Back Rehabilitation locations in the Northeast with utilization in Polk 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

Age	Power Back	Polk County
90+	9.9%	10.9%
80-89	30.3%	35.4%
70-79	26.1%	31.1%
60-69	19.2%	15.8%
50-59	10.4%	4.9%
40-49	2.9%	1.5%
30-39	0.9%	0.3%
20-29	0.3%	0.1%
Unknown	0.1%	--
Total	100.0%	100.0%

Source: CON application #10310, page 55-56

PCD also notes that Polk County has rapidly growing minority populations. See the table below.

Polk County Population Growth by Race 2014 to 2019			
	2014	2019	Percent Change
White	461,843	474,687	2.78%
African American	94,311	102,214	8.38%
Asian	10,952	12,677	15.75%
Pacific Islander	391	433	10.74%
American Indian	2,892	3,160	9.27%
2 or More Races	16,566	19,214	15.98%
Other Race	36,782	42,472	15.47%
Total	623,737	654,857	4.99%

Source: CON application #10311, 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.

CON Action Numbers: 10303, and 10305 through 10311

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 family. 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.

PCD's contends the its PowerBack Rehabilitation facility in Polk County will enhance the quality of nursing home care by introducing and 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.

The applicant states Polk County has experienced strong utilization of its nursing homes over the past four years with the demand for services projected to increase. The number of patient days has increased from 927,918 to 970,561, growth of 2.2 percent. The reviewer notes that the applicant provided the incorrect information in the "Medicaid Days" and "Occupancy" columns as occupancy should be a percent and Medicaid days should be a six-digit number. See the table below.

Polk County Nursing Home Utilization Trend

FY Ending 6/30	Total Licensed Beds	Bed Days	Patient Days	Medicaid Days	Occupancy	% Medicaid Days of Total Patient Days
2011	2,957	1,059,805	927,918	87.56%	544,825	58.71%
2012	2,957	1,059,805	949,678	88.11%	549,500	57.86%
2013	2,957	1,059,805	958,709	89.19%	568,840	59.33%
2014	2,957	1,059,805	970,561	90.29%	580,693	59.83%

Source: CON application #10311, page 50

PCD maintains that facilities in Polk 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 329.2 percent more physical therapy minutes daily than existing Polk County providers and 239.7 percent more RN care per day than existing Polk County providers. See the table below.

CON Action Numbers: 10303, and 10305 through 10311

Comparison of Staffing Hours Existing Polk County Facilities and PowerBack Average			
	PowerBack Average	Polk County Average	Difference
Total # of licensed nurse staff hours per resident per day	146.5	90.1	162.6%
RN Hours per Resident per Day	103.5	43.2	239.7%
LPN/LVN Hours per Resident per Day	33.125	46.9	70.6%
CNA Hours per Resident per Day	112.125	152.4	73.6%
Physical Therapy Staff Hours per Resident per Day	19.75	6.0	329.2%

Source: CON application #10311, page 54

The applicant notes that while Genesis does not currently operate any other facilities in Polk 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 Polk County residents discharged to SNFs. PCD includes its step-by-step method in projecting utilization on pages 60 to 64 of CON application #10311, producing the following table:

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

	Projected Patients	
	2018	2019
18 to 44	15	32
45 to 64	176	331
65 to 74	231	433
75 to 84	310	579
85+	253	476
Total Incremental Patients	985	1,851
In-migration	52	97
Total Patients	1,037	1,948
Patient Days	21,455	41,610
ADC	58.78	114.00
Occupancy of 120 Beds	49.0%	95.0%

Source: CON application #10310, page 63

- 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.**

Eighth Florida Living Options, LLC (CON #10303) states the patented Abaqis Providigm Quality Management System will be incorporated at the

CON Action Numbers: 10303, and 10305 through 10311

proposed facility. This system, designed for nursing homes, calculates both a raw rate of readmission to hospital within 30 days, as well as a risk-adjusted rate that takes case-mix into account. The current risk-adjustment method used in Abaqis is based on the methods Providigm used to calculate rates for the Medicare Payment Advisory Commission (MedPAC) in their 2013 report.

The applicant notes that the Providigm QAPI (Quality Assurance and Performance Improvement) program is based on four standards for excellence in continuously improving quality of care and life for nursing home residents. The standards are:

- Comprehensive
- Continuous
- Coverage
- Corrective

The applicant states two Florida Living Options facilities are accredited by Providigm at this time, Hawthorne Health and Rehab of Brandon and Hawthorne Health and Rehabilitation of Ocala.

Agency complaint records indicate that the affiliated nursing homes, Astoria Health and Rehabilitation Center, associated with the parent company, for the three-year period ending November 19, 2014, had 14 substantiated complaints at its three facilities. A single complaint can encompass multiple complaint categories. The substantiated complaint categories are listed below:

Nursing Homes affiliated with Florida Living Options	
Complaint Category	Number Substantiated
Quality of Care / Treatment	5
Administration/Personnel	2
Nursing Services	2
Resident/Patient/Client Abuse	2
Admission, Transfer and Discharge Rights	1
Resident/Patient/Client Rights	1
Unqualified Personnel	1

Source: Florida Agency for Healthcare Administration Complaint Records

Florida Presbyterian Homes, Inc. (CON #10305) asserts that it does have a history of providing the highest level of nursing care to its residents as recipient of the Florida Gold Seal Program Award. FPH indicates that it was one of the original seven to receive this award in 2002 and the nursing home's quality has continued to be recognized through receipt of this award in 2006, 2008, 2010, 2012 and 2014. FPH states that it is the only CCRC that is accredited as a Person Centered Long Term Care facility by CARF-CCAC. The applicant provides a list of

CON Action Numbers: 10303, and 10305 through 10311

other awards and recognition on pages 4-4 through 4-6 of CON application #10305.

The applicant notes that the proposed project will employ a systematic program to assure compliance with standards of care (QAPI). FPH provides its mission, vision and values on pages 4-7 through 4-8 of CON application #10305.

The reviewer confirms the applicant is a Gold Seal Program (effective July 1, 2014 to June 30, 2016) and the applicant is not on the Nursing Home Watch List.

The most recent Agency inspection indicates FPH received an overall five star rating out of a possible five stars. The Agency's Nursing Home Guide was last updated November 2014.

FPH had zero substantiated complaints during November 19, 2011 to November 19, 2014.

Haines City SNF Operations, LLC (CON #10306) is a new entity and does not have a history of providing care. TLC Management states that it has a reputation for being a leading health care provider by providing a continuum of care to individuals.

TLC Management states that it has embarked on two initiatives for improving resident care. TLC Management notes that it was one of the first to implement PointClickCare for electronic medical records at each of their facilities. Haines City SNF Operations maintains that the INTERACT (Interventions to reduce Acute Care Transfers) program developed by Dr. Joseph Ouslander of Florida Atlantic University, is applied in combination with PointClickCare to reduce the number of re-hospitalizations. The applicant contends that implementation of these two processes allows nurses to have medical records on hand at the resident's bed side while caring for the resident using an iPad--systems are integrated with the pharmacy to reduce medication errors and costs, as well as labs.

The applicant maintains that all staff is educated on Quality Assurance and Performance Improvement (QAPI) process. The applicant states the QAPI committee will meet monthly to review the issues which require performance improvement measures or activities. Haines City SNF Operations states that the proposed facility is expected to attain and maintain a high quality rating because of its broad-based support of residents. The applicant notes that as an affiliate of TLC Management, the facility will follow the same mission statement and management values. Haines City SNF Operations provides its mission statement, vision and values on pages 4-1 to 4-3 of CON application #10306.

CON Action Numbers: 10303, and 10305 through 10311

Agency licensure records indicate that the affiliated nursing home associated with the parent company, Astoria Health and Rehabilitation Center, for the three-year period ending November 19, 2014, had 15 substantiated complaints for its one facility. A single complaint can encompass multiple complaint categories. The table below has these listed by complaint categories.

Astoria Health and Rehabilitation Center	
Complaint Category	Number Substantiated
Quality of Care/Treatment	11
Administration/Personnel	3
Resident/Patient/Client Assessment	2
Resident/Patient/Client Rights	1
Dietary Services	1
Infection Control	1
Admission, Transfer and Discharge Rights	1

Source: Florida Agency for Health Care Administration complaint records

HSP Citrus, LLC (CON #10307) states that it has demonstrated a long history of providing high quality care. The applicant indicates that its sister entity, SHCM, was founded in August 2003 to provide management services for its affiliated nursing home operators.

HSP Citrus asserts that three SHCM-managed facilities are merely awaiting the Governor's signature to receive the Governor's Gold Seal Award (one of which is a renewal)--which recognizes nursing home facilities that demonstrate excellence in long-term care over a sustained period, promote the stability of the industry, and facilitate the physical, social and emotional well-being of nursing home facility residents and patients. The applicant further notes that 19 SHCM-managed facilities in Florida have CMS four or five star quality ratings. The reviewer notes the FloridaHealthFinder.gov ratings for the 26 facilities. See the table below.

CON Action Numbers: 10303, and 10305 through 10311

**FloridaHealthFinder.gov Star Ratings for SHCM SNFs
As of January 9, 2015**

Facility Name	Star Ratings
Arbor Trail Rehab and Skilled Nursing Center	Five
Atlantic Shores Nursing and Rehab Center	Four
Bayshore Pointe Nursing and Rehab Center	Four
Bonifay Nursing and Rehab Center	Two
Boulevard Rehabilitation Center	Four
Boynton Beach Rehabilitation Center	Three
Braden River Rehabilitation Center	Four
Crestview Rehabilitation Center	One
Fort Walton Rehabilitation Center	Two
Hunters Creek Nursing and Rehab Center	Two
Jacksonville Nursing and Rehab Center	Four
Macclenny Nursing and Rehab Center	Five
Medicana Nursing and Rehab Center	Five
Metro West Nursing and Rehab Center	Four
Moultrie Creek Nursing and Rehab Center	Two
Ocala Oaks Rehabilitation Center	Two
Orange City Nursing and Rehab Center	Three
Palm City Nursing and Rehab Center	One
Pinellas Point Nursing and Rehab Center	One
Port Orange Nursing and Rehab Center	Four
River Valley Rehabilitation Center	Two
Riviera Palms Rehabilitation Center	Four
Royal Oaks Nursing and Rehab Center	Five
Sarasota Point Rehabilitation Center (Inactive 09/13/11-08/13/13)	Five
Tiffany Hall Nursing and Rehab Center	One
Tuskawilla Nursing and Rehab Center	Five

Source: FloridaHealthFinder.gov

HSP Citrus indicates that the unique architectural design it proposes supports the intensive, high quality rehabilitation and recovery programs and culture of the applicant and includes a significant number of private rooms. The applicant maintains its facility design embraces culture change with a progressive neighborhood concept, thoughtful amenities and efficient operations--all designed with residents' quality of life in mind, including intensive rehabilitation and recovery needs.

The applicant concludes that these achievements demonstrate the ability of the applicant to provide quality care because SHCM will manage the proposed project, bringing its intensive rehabilitation and recovery services and unique architectural design to the local community with its proposed new 120-bed nursing facility.

Agency complaint records indicate that the affiliated nursing homes associated with the sister company, for the three-year period ending November 19, 2014, had 67 substantiated complaints at 24 of 26 facilities. A single complaint can encompass multiple complaint categories. The substantiated complaint categories are listed below:

CON Action Numbers: 10303, and 10305 through 10311

Nursing Homes affiliated with Sovereign Healthcare	
Complaint Category	Number Substantiated
Quality of Care/Treatment	41
Resident/Patient/Client Rights	9
Resident/Patient/Client Assessment	8
Nursing Services	7
Physical Environment	7
Admission, Transfer and Discharge Rights	7
Infection Control	4
Administration/Personnel	4
Dietary Services	3
Resident/Patient/Client Abuse	1
Misappropriation of property	1
Unqualified Personnel	1
Resident/Patient/Client Neglect	1
Life Safety Code	1

Source: Florida Agency for Health Care Administration Complaint Records

Lakeland Investors, LLC (CON #10308) states Valencia Hills utilizes the Quality Assurance Performance Improvement approach for the monitoring and improvement of facility performance. The applicant notes that concerns and opportunities are identified and assessed through monthly quality meetings. Lakeland Investors asserts that the facility will also utilize resources from Advancing Excellence, the Health Services Advisory Group, FMQAI and will continue to assess all available resources in support of continuing to enhance patient experiences and outcomes.

The applicant indicates that Valencia Hills has an established and comprehensive array of quality assurance and quality assessment policies, procedure and guidelines that are currently and integrated into all aspects of the organization’s operations. Lakeland Investors includes a copy of Valencia Hills’ full policy and procedures, including quality activities, in Appendix F of CON application #10308.

Lakeland Investors states that in addition to the implementation and usage of its internal quality assurance and improvement guidelines and protocols, Valencia Hills has also been an active participant in a wide array of external industry quality initiatives as well as an active participant at the local level, including the Polk County Coalition for Improved Care Coordination and Transitions.

The applicant provides quality data on its existing facilities through the federal and state star ratings. The reviewer confirmed the state ratings on FloridaHealthFinder.gov. See the table below.

CON Action Numbers: 10303, and 10305 through 10311

Summit Care Facility Star Ratings

Facility	Florida	Federal
Century Health and Rehabilitation Center	4	5
Sandy Ridge Health and Rehabilitation	2	4
Santa Rosa Health and Rehabilitation Center	4	4
Seven Hills Health and Rehabilitation Center	2	3
Madison Health and Rehabilitation Center	3	4
Diamond Ridge Health and Rehabilitation Center	3	4
Valencia Hill Health and Rehabilitation Center	4	4
Ybor City Healthcare and Rehabilitation Center	5	5
The Springs at Boca Ciega Bay	3	5
Surrey Place Healthcare and Rehabilitation	5	3
The Springs at Lake Pointe Woods	5	4

Source: CON application #10308, page 39

Agency complaint records indicate that the affiliated nursing homes associated with the parent company, for the three-year period ending November 19, 2014 had 19 substantiated complaints at nine of 11 facilities. A single complaint can encompass multiple complaint categories. The substantiated complaint categories are listed below:

Nursing Homes affiliated with Summit Care	
Complaint Category	Number Substantiated
Quality of Care/Treatment	13
Admission, Transfer and Discharge Rights	4
Administration/Personnel	3
Resident/Patient Client Assessment	2
Resident/Patient Client Rights	2
Nursing Services	1
Dietary Services	1

Source: Florida Agency for Health Care Administration Complaint Records

Lakeland Oaks NH, LLC (CON #10309) indicates the proposed facility will be managed by an experienced nursing home operator, as parent company Greystone currently runs 26 successful facilities in Florida. Lakeland 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

CON Action Numbers: 10303, and 10305 through 10311

Quarterly Systems Review Forms are included in Exhibit 4-3 of CON application #10309.

The applicant also explains its commitment to voluntary quality improvement programs that guide Greystone facilities. Lakeland 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
- 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 #10309.

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:

Nursing Homes affiliated with Greystone	
Complaint Category	Number Substantiated
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

LP Tampa II, LLC (CON #10310) states that it does not have a history of providing quality of care because it is a newly formed entity for the

CON Action Numbers: 10303, and 10305 through 10311

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. New & 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

Subdistrict	5-Star	4-Star	3-Star	2-Star	1-Star	Total
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
Totals	10	4	3	6	1	24

Source: CON application #10310, 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 QAPP Steering Committee and is formulating plans for tracking, trending and communication of performance improvement activities for global use.

CON Action Numbers: 10303, and 10305 through 10311

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:

Nursing Homes affiliated with Signature Holdings II, LLC	
Complaint Category	Number Substantiated
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

Polk County Development, LLC (CON #10311) 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 and its quality-related policies in Attachment 38 of CON application #10311.

PCD 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.

The applicant maintains that PowerBack Rehabilitation locations have used a measurable scale to analyze and document the quality outcomes

CON Action Numbers: 10303, and 10305 through 10311

associated with its unique model of care. PCD 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. PCD 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. PCD 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 Polk 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:

Nursing Homes affiliated with Titan Senior Living, LLC	
Complaint Category	Number Substantiated
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

- 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.**

Eighth Florida Living Options, LLC (CON #10303):

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

CON Action Numbers: 10303, and 10305 through 10311

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 very little assets, liabilities, net worth and no revenue. The applicant indicates on Schedule 2 capital projects totaling \$24,702,400 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 (\$250,000) and related company financing (\$24,452,400). The applicant indicated by note that the project will be funded by reserves of the Applicant's affiliates. The applicant, however, did not provide documentation of the availability of affiliated funding. First Mid-Illinois Bank and Trust provided a letter of interest in financing this project. A letter of interest does not constitute a firm commitment to lend.

Given that the funding provided by affiliates is not supported by proof that they have the ability to fund the project, no conclusion can be drawn that the funds would be available to the applicant. While a letter of interest was provided, the applicant states that "no borrowings outside the affiliated Not-for-Profit group has been forecasted"

Conclusion: Funding for this project is in question.

Florida Presbyterian Homes, Inc. (CON #10305):

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

CON Action Numbers: 10303, and 10305 through 10311

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 applicant is a development stage company with no operations to date. The below is an analysis of the audited financial statements of Florida Presbyterian Homes, Inc. where the short-term and long-term measures fall on the scale (highlighted in gray) for the most recent year.

FLORIDA PRESBYTERIAN HOMES, INC		
	Current Year	Previous Year
Current Assets	\$1,603,077	\$1,231,089
Total Assets	\$44,862,851	\$40,835,923
Current Liabilities	\$741,024	\$646,657
Total Liabilities	\$21,460,649	\$18,612,312
Net Assets	\$23,402,202	\$22,223,611
Total Revenues	\$10,443,207	\$10,065,577
Excess of Revenues Over Expenses	(\$122,329)	\$372,830
Cash Flow from Operations	\$3,257,006	\$2,199,222
Short-Term Analysis		
Current Ratio (CA/CL)	2.2	1.9
Cash Flow to Current Liabilities (CFO/CL)	439.53%	340.09%
Long-Term Analysis		
Long-Term Debt to Net Assets (TL-CL/NA)	88.5%	80.8%
Total Margin (ER/TR)	-1.17%	3.70%
Measure of Available Funding		
Working Capital	\$862,053	\$584,432

Position	Strong	Good	Adequate	Moderately Weak	Weak
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 lists \$10,710,300 for capital projects including the application currently under review. The applicant is converting 14 existing sheltered beds and adding 20 newly awarded shelter beds. The cost associated with this CON is the project amount and other capitalization costs totaling \$5,739,300. Funding for this project will be provided by non-related company financing. The applicant provided a letter of interest from Center State Bank to fund this project. The letter outlined a long-standing relationship with Florida Presbyterian Homes, Inc. However, a letter of interest is not a commitment and does not guarantee funding. The applicant (Florida Presbyterian Homes, Inc.) submitted Audited Financial Schedules as proof of available funding. The financial statements indicate that the applicant has working capital and cash flow from operations sufficient to warrant additional debt. Therefore funding from Center State Bank is likely.

Conclusion:

Funding for this project is likely but not guaranteed.

Haines City SNF Operations, LLC (CON #10306):

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 by equity contributions from an affiliate.

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 \$20,825,500 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 (\$5,685,100) and non-related financing (\$15,140,400). Regions Bank provided a letter indicating that the applicant has access to sufficient capital (\$10,000,000) for mortgage down payment. Regions Bank also provided a letter of interest in financing this project. A letter of interest does not constitute a firm commitment to lend. The principles appear to have sufficient equity funding. Although the applicant does not have a firm commitment to lend and may have an additional capital

CON Action Numbers: 10303, and 10305 through 10311

project related to this CON, the funding available from the principles for the equity portion of this loan makes execution of the debt financing likely, but not guaranteed.

Conclusion:

Funding for this project should be available as needed, but is not guaranteed.

HSP Citrus, LLC (CON #10307):

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 on 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 applicant is a development stage company with no operations to date. The below is an analysis of the audited financial statements of The Sovereign Group (parent of the applicant) where the short-term and long-term measures fall on the scale (highlighted in gray) for the most recent year.

CON Action Numbers: 10303, and 10305 through 10311

The Sovereign Group		
	Current Year	Previous Year
Current Assets	\$59,605,098	\$56,354,529
Total Assets	\$83,606,825	\$80,368,180
Current Liabilities	\$56,472,352	\$54,338,997
Total Liabilities	\$78,173,837	\$74,245,174
Net Assets	\$5,432,988	\$6,123,006
Total Revenues	\$311,237,899	\$284,974,550
Excess of Revenues Over Expenses	\$17,564,982	\$14,260,233
Cash Flow from Operations	\$19,115,257	\$16,030,073
Short-Term Analysis		
Current Ratio (CA/CL)	1.1	1.0
Cash Flow to Current Liabilities (CFO/CL)	33.85%	29.50%
Long-Term Analysis		
Long-Term Debt to Net Assets (TL-CL/NA)	399.4%	325.1%
Total Margin (ER/TR)	5.64%	5.00%
Measure of Available Funding		
Working Capital	\$3,132,746	\$2,015,532

Position	Strong	Good	Adequate	Moderately Weak	Weak
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 lists \$63,617,700 for capital projects including this application and two other CON applications currently under review (10307, 10314 – each CON project listed at \$21,205,900). Funding for this project will be provided by cash on hand and a third-party loan. A letter of interest was provided by Regions Healthcare Banking Group to fund up to \$25 million for this project. A letter of interest is not a firm commitment to lend. Based on our analysis above, the applicant has a relatively weak financial position and is highly leveraged. However, operating cash flows on an annual basis are just under the project costs. Given this, funding for this project is likely attainable. Acquiring debt funding simultaneously for all three CON applications may be difficult to achieve.

CON Action Numbers: 10303, and 10305 through 10311

Conclusion:

Funding for this project is likely but not guaranteed; however, funding for the entire capital budget is in question.

Lakeland Investors, LLC (CON #10308):

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., (3rd party) and Summit Care Group II where the two short-term and long-term measures fall on the scale (highlighted in gray) for the most recent year.

CON Action Numbers: 10303, and 10305 through 10311

Omega Healthcare Investors, Inc.		
	Dec-13	Dec-12
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	\$1,300,103,000	\$1,011,329,000
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
Short-Term Analysis		
Current Ratio (CA/CL)	30.0	N/A
Cash Flow to Current Liabilities (CFO/CL)	5598.98%	N/A
Long-Term Analysis		
Long-Term Debt to Net Assets (TL-CL/NA)	165.9%	194.9%
Total Margin (ER/TR)	41.20%	34.44%
Measure of Available Funding		
Working Capital	\$145,120,000	\$126,891,000

Position	Strong	Good	Adequate	Moderately Weak	Weak
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%

CON Action Numbers: 10303, and 10305 through 10311

Summit Care Group II		
	Current Year	Previous Year
Current Assets	\$2,117,180	\$1,121,435
Total Assets	\$6,347,210	\$1,185,025
Current Liabilities	\$1,736,081	\$287,796
Total Liabilities	\$5,823,481	\$287,796
Net Assets	\$523,729	\$897,229
Total Revenues	\$4,896,013	\$4,160,996
Excess of Revenues Over Expenses	\$426,500	\$611,687
Cash Flow from Operations	N/A	N/A
Short-Term Analysis		
Current Ratio (CA/CL)	1.2	3.9
Cash Flow to Current Liabilities (CFO/CL)	0.00%	0.00%
Long-Term Analysis		
Long-Term Debt to Net Assets (TL-CL/NA)	780.4%	0.0%
Total Margin (ER/TR)	8.71%	14.70%
Measure of Available Funding		
Working Capital	\$381,099	\$833,639

Position	Strong	Good	Adequate	Moderately Weak	Weak
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 indicates on Schedule 2 capital projects totaling \$17,406,466 which consists entirely of this project. The applicant indicates on Schedule 3 that funding for the project will be provided by non-related company financing (\$17,001,166). The applicant provided a letter from Omega committing up to \$20,000,000 for constructing and equipping the project (subject to due diligence review and completion of documentation) and, as needed, additional funding for pre-opening expenses and working capital. 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 Action Numbers: 10303, and 10305 through 10311

CON applications in this batching cycle. Summit Care Group II (Affiliated Entity) provided Audited Financial Statements committing to fund ongoing capital projects.

Conclusion:

Funding for this project should be available as needed.

Lakeland Oaks NH, LLC (CON #10309):

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, (3rd party) and where the two short-term and long-term measures fall on the scale (highlighted in gray) for the most recent year.

CON Action Numbers: 10303, and 10305 through 10311

Greystone Healthcare Holdings II, LLC	
	Dec-13
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
Short-Term Analysis	
Current Ratio (CA/CL)	0.3
Cash Flow to Current Liabilities (CFO/CL)	10.10%
Long-Term Analysis	
Long-Term Debt to Net Assets (TL-CL/NA)	-783.8%
Total Margin (ER/TR)	-0.55%
Measure of Available Funding	
Working Capital	(\$14,680,188)

Position	Strong	Good	Adequate	Moderately Weak	Weak
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

CON Action Numbers: 10303, and 10305 through 10311

(\$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.

LP Tampa II, LLC (CON #10310):

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 \$27,136,760 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

CON Action Numbers: 10303, and 10305 through 10311

\$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 \$27,000,000 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.

Polk County Development, LLC (CON #10311):

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., (3rd 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.

CON Action Numbers: 10303, and 10305 through 10311

Omega Healthcare Investors, Inc.		
	Dec-13	Dec-12
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	\$1,300,103,000	\$1,011,329,000
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
Short-Term Analysis		
Current Ratio (CA/CL)	30.0	N/A
Cash Flow to Current Liabilities (CFO/CL)	5598.98%	N/A
Long-Term Analysis		
Long-Term Debt to Net Assets (TL-CL/NA)	165.9%	194.9%
Total Margin (ER/TR)	41.20%	34.44%
Measure of Available Funding		
Working Capital	\$145,120,000	\$126,891,000

Position	Strong	Good	Adequate	Moderately Weak	Weak
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%

CON Action Numbers: 10303, and 10305 through 10311

Genesis Healthcare LLC and Subsidiaries		
	Current Year	Previous Year
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)	\$2,019,000,000
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
Short-Term Analysis		
Current Ratio (CA/CL)	1.4	1.4
Cash Flow to Current Liabilities (CFO/CL)	11.98%	1.56%
Long-Term Analysis		
Long-Term Debt to Net Assets (TL-CL/NA)	-2520.8%	228125.1%
Total Margin (ER/TR)	-3.73%	-5.58%
Measure of Available Funding		
Working Capital	\$241,344	\$235,757

Position	Strong	Good	Adequate	Moderately Weak	Weak
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 lists total capital projects in the amount of \$25,949,329 which includes the CON currently under review (\$25,472,354), \$53,775 for year one capital budget, and \$423,200 for year two capital budget. 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

CON Action Numbers: 10303, and 10305 through 10311

Audited Financial Statements, committing to fund pre-opening costs and working capital. Given that Omega Healthcare Investors has \$145 million in working capital and that Genesis Healthcare, LLC has \$241 million in working capital, the necessary funding should be available.

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.**

Eighth Florida Living Options, LLC (CON #10303):

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.

CON Action Numbers: 10303, and 10305 through 10311

	PROJECTIONS PER APPLICANT		COMPARATIVE GROUP VALUES PPD		
	Total	PPD	Highest	Median	Lowest
Net Revenues	13,843,000	360	581	367	254
Total Expenses	13,340,056	346	562	360	267
Operating Income	502,944	13	112	9	-64
Operating Margin	3.63%		Comparative Group Values		
	Days	Percent	Highest	Median	Lowest
Occupancy	38,504	87.91%	99.58%	92.71%	75.37%
Medicaid	15,401	40.00%	50.02%	41.97%	29.95%
Medicare	13,477	35.00%	61.01%	35.64%	3.48%

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.

Florida Presbyterian Homes, Inc. (CON #10305):

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

CON Action Numbers: 10303, and 10305 through 10311

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	8,848,906	391	1,674	422	284
Total Expenses	8,500,485	376	1,587	410	290
Operating Income	348,421	15	186	17	-173
Operating Margin	3.94%		Comparative Group Values		
	Days	Percent	Highest	Median	Lowest
Occupancy	22,631	91.18%	97.64%	90.75%	55.01%
Medicaid	5,658	25.00%	39.10%	30.43%	20.69%
Medicare	11,315	50.00%	62.12%	38.55%	10.01%

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 applicant nursing home is part of a CCRC. A CCRC is made up of residential units, an ALF and a nursing home and is regulated as a type of insurance arrangement. The idea is that CCRC residents buy into the community and transition through life from residential, to assisted living, and finally to skilled nursing. Skilled nursing is also available for rehabilitation to residents. The business model for a CCRC in general shows the skilled nursing component as a loss with the residential living and assisted living generating enough profit to cover the loss. In this case, the applicant projected an overall profit both with and without the net earnings of the rest of the CCRC.

The range of actual results in our group for small nursing homes is wide due to the small volume and associated scale of cost and revenue. The NRPD, CPD and the operating margin are all within the range. CCRCs are regulated by the Florida Office of Insurance Regulation (OIR). OIR requires CCRCs to maintain a minimum liquid reserve and file financial

CON Action Numbers: 10303, and 10305 through 10311

statements on a regular basis. The existence of a Certificate of Authority issued by OIR and maintenance of a minimum liquid reserve indicates stability of the CCRC. The applicant CCRC has both.

Conclusion:

The project appears financial feasible.

Haines City SNF Operations, LLC (CON #10306):

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	11,579,363	361	581	367	254
Total Expenses	10,962,634	341	562	360	267
Operating Income	616,729	19	112	9	-64
Operating Margin	5.33%		Comparative Group Values		
	Days	Percent	Highest	Median	Lowest
Occupancy	32,102	73.29%	99.58%	92.71%	75.37%
Medicaid	13,370	41.65%	50.02%	41.97%	29.95%
Medicare	16,907	52.67%	61.01%	35.64%	3.48%

CON Action Numbers: 10303, and 10305 through 10311

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.

HSP Citrus, LLC (CON #10307):

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.

CON Action Numbers: 10303, and 10305 through 10311

	PROJECTIONS PER APPLICANT		COMPARATIVE GROUP VALUES PPD		
	Total	PPD	Highest	Median	Lowest
Net Revenues	12,823,447	354	385	300	226
Total Expenses	12,381,310	342	382	293	206
Operating Income	442,137	12	36	7	-34
Operating Margin	3.45%		Comparative Group Values		
	Days	Percent	Highest	Median	Lowest
Occupancy	36,241	82.74%	98.01%	92.50%	62.90%
Medicaid	24,282	67.00%	79.92%	68.44%	60.17%
Medicare	10,871	30.00%	36.16%	16.99%	5.61%

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.

Schedule 7 has math errors in the total column for each type of revenue. It is unknown whether the total column is correct. For the purposes of this review, staff used the individual columns rather than the totals listed on Schedule 7.

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.

Lakeland Investors, LLC (CON #10308):

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

CON Action Numbers: 10303, and 10305 through 10311

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	13,245,503	330	405	304	243
Total Expenses	12,653,086	315	403	298	223
Operating Income	592,417	15	37	7	-34
Operating Margin	4.47%		Comparative Group Values		
	Days	Percent	Highest	Median	Lowest
Occupancy	40,150	91.67%	99.40%	92.69%	62.90%
Medicaid	23,725	59.09%	69.89%	60.63%	49.97%
Medicare	9,855	24.55%	40.36%	19.33%	2.63%

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.

Conclusion:

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

Lakeland Oaks NH, LLC (CON #10309):

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

CON Action Numbers: 10303, and 10305 through 10311

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	16,243,275	394	586	406	286
Total Expenses	14,245,610	345	568	387	270
Operating Income	1,997,665	48	54	13	-58
Operating Margin	12.30%		Comparative Group Values		
	Days	Percent	Highest	Median	Lowest
Occupancy	41,245	94.17%	99.86%	92.53%	60.95%
Medicaid	12,045	29.20%	39.88%	33.87%	20.84%
Medicare	17,155	41.59%	72.34%	46.86%	3.79%

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. Therefore, the overall profitability appears achievable.

Conclusion:

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

CON Action Numbers: 10303, and 10305 through 10311

LP Tampa II, LLC (CON #10310):

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	14,691,569	365	457	355	276
Total Expenses	14,304,555	355	454	347	289
Operating Income	387,014	10	29	10	-29
Operating Margin	2.63%		Comparative Group Values		
	Days	Percent	Highest	Median	Lowest
Occupancy	40,263	61.28%	99.48%	88.96%	62.35%
Medicaid	14,896	37.00%	50.03%	45.97%	30.87%
Medicare	17,316	43.01%	58.06%	36.42%	17.01%

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.

CON Action Numbers: 10303, and 10305 through 10311

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.

Polk County Development, LLC (CON #10311):

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	20,850,716	501	499	448	311
Total Expenses	19,594,461	471	496	412	340
Operating Income	1,256,255	30	54	33	-25
Operating Margin	6.02%		Comparative Group Values		
	Days	Percent	Highest	Median	Lowest
Occupancy	41,610	95.00%	99.86%	91.31%	60.95%
Medicaid	0	0.00%	29.95%	22.37%	12.57%
Medicare	18,250	43.86%	85.89%	59.23%	7.73%

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 NRPD is slightly above the group highest. The projected CPD, and profitability fall within the group range. Even though the NRPD is slightly above the highest in the group, CPD follows at the higher end of the group and profitability is just below the median. Given the type of service expected to be provided, the overall projections appear reasonable.

Conclusion:

This project appears to be financially feasible.

- 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.**

Eighth Florida Living Options, LLC (CON #10303): 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.

Florida Presbyterian Homes, Inc. (CON #10305): 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.

CON Action Numbers: 10303, and 10305 through 10311

Haines City SNF Operations, LLC (CON #10306): 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.

HSP Citrus, LLC (CON #10307): The applicant has submitted all information and documentation necessary to demonstrate compliance with the architectural review criteria. The cost estimate for the propose 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.

Lakeland Investors, LLC (CON #10308): The applicant has submitted all information and documentation necessary to demonstrate compliance with the architectural review criteria. The cost estimate for the propose 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

CON Action Numbers: 10303, and 10305 through 10311

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.

Lakeland Oaks NH, LLC (CON #10309): 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 II, LLC (CON #10310): 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

CON Action Numbers: 10303, and 10305 through 10311

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.

Polk County Development, LLC (CON #10311): 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.

- 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 county, subdistrict, district and state is provided in the table below.

CON Action Numbers: 10303, and 10305 through 10311

**Medicaid Patient Days and Medicaid Occupancy in Subdistrict 6-5,
District 6 and Florida**

Medicaid Patient Days					
Facility/Area	2009	2010	2011	2012	2013
Polk County	237,334	240,607	242,549	554,399	578,692
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
Medicaid Occupancy					
Facility/Area	2009	2010	2011	2012	2013
Polk County	60.43%	60.84%	60.78%	57.90%	59.99%
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

Eighth Florida Living Options, LLC (CON #10303) the applicant is a newly created entity and hence, has no history of utilization and has no experience to report Medically under-served groups in community nursing homes are those defined as Medicaid recipients. The applicant states by seeking a variety of insureds, including managed care plans and those of Medicaid recipients, Eighth Florida Living Options promotes access and widens the numbers of persons who can be served including medically indigent patients. The applicant provided forecasts for the proposed facility by payer. See the tables below.

**Forecasted Utilization for Hawthorne
First and Second Years of Operation by Payer**

Payer	Year One: 2018 Resident Days	Year Two: 2019 Resident Days	Percent of Days
Medicare	4,074	7,701	20.0%
Medicare Managed Care	3,056	5,776	15.0%
Medicaid Managed Care	8,148	15,401	40.0%
Self-Pay	5,093	9,636	25.0%
Total	20,371	38,514	100.0%
Percent Occupancy	46.5%	87.9%	

Source: CON application # 10303 page1-12

Payer	Year One: 2018 Admits	Year Two: 2019 Admits
Medicare	163	21
Medicare Managed Care	139	16
Medicaid Managed Care	23	42
Self-Pay	85	26
Total	410	161

Source: CON application # 10303 page1-12

CON Action Numbers: 10303, and 10305 through 10311

Payer	Year One: 2018 ADC	Year Two: 2019 ADC
Medicare	11	21
Medicare Managed Care	8	16
Medicaid Managed Care	22	42
Self-Pay	14	26
Total	56	106
Percent Occupancy	49.7	49.6

Source: CON application # 10303 page1-12 Schedule B

EFLO states that charity care was reported on Schedule 8 as 1.22 percent of gross revenues, representing approximately 188 resident days in year one and 222 resident days in year two.

The applicant provides an overview of changes to long-term care including the advent of Statewide Medicaid Managed Care (SMMC) plans. In this discussion, EFLO includes information on the available plans and services in Region 6. The applicant believes that the expectation is that SMMC plans will continue a downward trend in nursing home placements, offering options to recipients to maintain them in less restrictive settings. EFLO states that in contrast, Medicare continues to promote Medicare Advantage Plans and the numbers of enrollees has grown. The applicant reports that 2014 data for enrollees in Polk County show that of the Medicare enrollees of 130,429 there are 49,415 persons enrolled in Advantage plans, yielding a penetration rate of 37.87 percent.

The reviewer compiled the following Medicaid occupancy data for Hawthorne Health and Rehab Center operated in Florida for July 1, 2013 to June 30, 2014. See the table below.

**Summit Care Operated Facilities, Florida Medicaid Occupancy
July 1, 2013 to June 30, 2014**

Facility	Medicaid Days	Total Days	Medicaid Occupancy
Hawthorne Health and Rehab of Brandon	17,010	39,936	42.59%
Hawthorne Health and Rehab of Ocala	24,652	39,989	61.65%
Hawthorne Health and Rehab of Sarasota	1,545	19,867	7.78%
Total	43,207	99,792	43.29%

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 40.0 percent and 25.0 percent, respectively, of year one and year two annual total patient days.

CON Action Numbers: 10303, and 10305 through 10311

Florida Presbyterian Homes, Inc. (CON #10305) states that the table below demonstrates access does exist for payer types that reimburse for nursing home care, and that Medicaid recipients are assured of access. The applicant contends its reputation, letters of support, and operations attest that access occurs. FPH maintains that with the approval of the proposed conversion, it will be accessible to all persons and all payers.

Forecast Years 1 and 2 in the 14 Community Beds Showing Resident Days Census and Admissions by Payer at Florida Presbyterian Homes

Payer	Year One End 12/31/2017	Year Two End 12/31/2018	Percent of Days
Medicare	5,758	7,027	31.1%
Medicare Managed Care	3,514	4,288	18.9%
Medicaid Managed Care	4,636	5,658	25.0%
Life Care Days	3,709	4,526	20.0%
Private Pay	927	1,132	5.0%
Total	18,544	22,361	100.0%
ADC by Payer	Year One	Year Two	
Medicare	16	19	
Medicare Managed Care	10	12	
Medicaid Managed Care	13	16	
Life Care Days	10	12	
Private Pay	3	3	
Total	51	61	
Occupancy	74.33%	91.18%	
Admissions	Year One	Year Two	
Medicare	231	282	
Medicare Managed Care	160	195	
Medicaid Manage Care	13	16	
Life Care Days	75	91	
Private Pay	19	23	
Total	498	607	

Source: CON application #10305, page 9-5

The applicant’s Schedule 7 indicates that Medicaid and self-pay represent 31.2 percent and 6.3 percent, respectively, of year one and 31.3 percent and 6.3 percent of year two annual total patient days, respectively for the proposed project only.

The applicant’s Schedule 7 indicates that Medicaid and self-pay represent 25.0 percent and 5.0 percent, respectively, of year one and year two annual total patient days, respectively for the total facility of 68-beds.

Haines City SNF Operations, LLC (CON #10306) states that it is a new entity and expects to provide Medicaid to accommodate medically underserved, low income elderly. The applicant states through affiliation with TLC Management, the applicant is expected to meet all applicable Federal regulations with respect to access to minorities and the disabled. Haines City SNF Operations states that the facility will be open to all

CON Action Numbers: 10303, and 10305 through 10311

payer types and their subscribers who require post-acute care services, assuring a range of means to promote access to care.

The applicant notes that during the 12-month period ending June 2014, Astoria Health reported 19,669 Medicaid patient days, equating to a Medicaid occupancy of 48.0 percent. The reviewer confirms that Astoria Health’s Medicaid occupancy was 47.96 percent for this time frame in the Agency’s *Florida Nursing Home Bed Need Projections by District and Subdistrict* publication for the October 2014 Batching Cycle. The reviewer also notes that Astoria Health’s Medicaid days and total patient days were 19,669 and 41,008, respectively, for this time frame.

Haines City SNF Operations provides the following table to forecast admissions by payer for the proposed facility.

Forecasted Cases and Days by Payer for the Proposed 120-Bed Skilled Nursing Facility July 2017 and 2018

Payer	Year One: July 2017		Year Two: 2018	
	Patient Days	Percent	Patient Days	Percent
Medicare	7,619	77.0%	16,907	52.7%
Medicaid	857	8.7%	13,370	41.6%
Private Pay	1,414	14.3%	1,825	5.7%
Total	9,890	100.0%	32,102	100.0%

Source: CON application #10306, page 9-2

The applicant states that it is aware of all aspects of the newly implemented Statewide Medicaid Managed Care Long-Term Care program (SMMC LTC) and will form a provider agreement with at least one of the LTC plans available in Region 6. The applicant maintains that it will enroll in, and continue to provide timely and accurate provider information to the Agency Provider Master List. Haines City SNF Operations asserts that it will also collaborate with the chosen LTC plan to identify and implement quality and performance measures to monitor the facility’s clinical performance on an ongoing basis. The applicant provides a summary of available Medicaid SMMC LTC plans operating in Region 6.

The applicant’s Schedule 7 indicates that Medicaid and self-pay represent 8.7 percent and 14.3 percent, respectively, of year one and 41.6 percent and 5.7 percent, respectively, of year two annual total patient days.

HSP Citrus, LLC (CON #10307) indicates that SHCM provides care on a non-discriminatory basis, accepting all skilled nursing facility-appropriate patient referrals without regard to race, religion, national origin, age, sex, disability, marital status or source of payment.

CON Action Numbers: 10303, and 10305 through 10311

HSP Citrus provides the following forecasted payer mix, noting that it is assumed for overall facility based on historical and anticipated market demand:

HSP Citrus, Payer Mix

	Year One	Year Two
Medicare Part A	24%	24%
Medicaid Managed Care	67%	67%
Private and Other Payers	3%	3%
Medicare Part C	6%	6%
Total	100%	100%

Source: CON application #10307, page 70

The reviewer compiled the following Medicaid occupancy data for SHCM managed Florida facilities for July 1, 2013 through June 2014. See the table below.

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

Facility Name	Medicaid Days	Total Days	Medicaid Occupancy
Arbor Trail Rehab and Skilled Nursing Center	24,618	39,210	62.79%
Atlantic Shores Nursing and Rehab Center	25,195	37,961	66.66%
Bayshore Pointe Nursing and Rehab Center	22,818	37,696	60.53%
Bonifay Nursing and Rehab Center	45,846	56,651	80.93%
Boulevard Rehabilitation Center	29,352	53,770	54.59%
Boynton Beach Rehabilitation Center	32,864	50,768	64.73%
Braden River Rehabilitation Center	39,815	57,105	69.72%
Crestview Rehabilitation Center	31,069	44,300	70.13%
Fort Walton Rehabilitation Center	17,477	34,993	49.94%
Hunters Creek Nursing and Rehab Center	21,393	42,340	54.42%
Jacksonville Nursing and Rehab Center	43,859	56,684	77.37%
Macclenny Nursing and Rehab Center	28,192	39,757	70.91%
Medicana Nursing and Rehab Center	24,561	31,224	78.66%
Metro West Nursing and Rehab Center	27,105	41,277	65.67%
Moultrie Creek Nursing and Rehab Center	17,774	38,892	45.74%
Ocala Oaks Rehabilitation Center	28,224	40,105	70.38%
Orange City Nursing and Rehab Center	19,387	39,624	48.93%
Palm City Nursing and Rehab Center	23,373	37,890	61.69%
Pinellas Point Nursing and Rehab Center	14,591	19,465	74.96%
Port Orange Nursing and Rehab Center	15,787	37,590	42.00%
River Valley Rehabilitation Center	23,120	31,748	72.82%
Riviera Palms Rehabilitation Center	28,545	39,589	72.10%
Royal Oaks Nursing and Rehab Center	17,624	39,574	44.53%
Sarasota Point Rehabilitation Center (Inactive 09/13/11-08/13/13)	3,576	6,575	54.93%
Tiffany Hall Nursing and Rehab Center	21,789	38,089	57.21%
Tuskawilla Nursing and Rehab Center	13,302	32,252	41.24%
Total	641,256	1,025,129	61.83%

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 67.0 percent and 3.0 percent, respectively, of year one and two annual total patient days.

CON Action Numbers: 10303, and 10305 through 10311

Lakeland Investors, LLC (CON #10308) states Valencia Hills has strong and proven track record of addressing the needs of low income persons, racial and ethnic minorities, women, handicapped persons and other underserved groups and the elderly. The applicant notes Valencia Hills’ provision of care to these underserved groups, including providing the highest volume of Medicaid days to residents within Polk County and providing the county’s largest secure dementia unit. The reviewer confirms that Valencia Hills Health and Rehabilitation Center provided the highest number of Medicaid days (59,610) in Subdistrict 6-5. Lakeland Investors asserts that the proposed facility will be equally accessible to all segments of the population.

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

**Summit Care-Operated Facilities, Florida Medicaid Occupancy
July 1, 2013 to June 30, 2014**

Facility	Medicaid Days	Total Days	Medicaid Occupancy
Century Health and Rehab Center	24,437	30,885	79.12%
Sandy Ridge Health and Rehab	14,892	20,097	74.10%
Santa Rosa Health and Rehab	28,087	34,974	80.31%
Madison Health and Rehab Center	15,757	20,734	80.82%
Seven Hills Health and Rehab Center	33,575	50,731	66.18%
Diamond Ridge Health and Rehab Center	20,521	40,423	50.77%
Springs at Boca Ciega Bay, The	14,877	37,184	40.01%
Surrey Place Healthcare and Rehab	6,872	20,082	34.22%
Valencia Hills Health and Rehab Center	59,610	89,375	66.70%
Ybor City Healthcare and Rehab Center	20,309	26,734	75.97%
Springs at Lake Pointe Woods, The	19,600	38,202	51.31%
Total	258,537	409,421	63.59%

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 42.84 percent and 16.03 percent, respectively, of year one and 59.09 percent and 9.09 percent, respectively, of year two annual total patient days.

Lakeland Oaks NH, LLC (CON #10309) 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. Lakeland Oaks indicates that for each of the past three FYs, there have been more than 558,000 Medicaid patient days at

CON Action Numbers: 10303, and 10305 through 10311

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**

Facility Name	Medicaid Days	Total Patient Days	Medicaid Occupancy
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%
Total	611,565	1,017,292	53.26%

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 30.74 percent and 7.44 percent, respectively, of year one and 29.20 percent and 7.96 percent, respectively, of year two annual total patient days.

Lakeland 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.

LP Tampa II, LLC (CON #10310) states that Signature operates 25 facilities in Florida and states that it has a long history of providing

CON Action Numbers: 10303, and 10305 through 10311

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.

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**

Facility Name	Medicaid Days	Total Days	Medicaid Occupancy
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%
Total	630,985	939,817	67.14%

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.

CON Action Numbers: 10303, and 10305 through 10311

Projected Admissions and Patient Days Year One and Two

Payer	Year One			Year Two		
	Admissions	Patient Days	Percent of Days	Admissions	Patient Days	Percent of Days
Medicare	153	4,412	48.6%	559	16,108%	40.0%
Medicaid	22	2,705	29.8%	46	14,896%	37.0%
Self-Pay	7	777	8.6%	32	3,623%	9.0%
Insurance/HMO	52	845	9.3%	247	4,026%	10.0%
Other/Hospice	2	346	3.8%	11	1,610%	4.0%
Total	236	9,086	100	895	40,264	100.0

Source: CON application #10310 page 56

The applicant's Schedule 7 indicates that Medicaid and self-pay represent 29.8 percent and 8.6 percent of year one and 37.0 percent and 9.0 percent of year two annual total patient days.

Polk County Development, LLC (CON #10311) 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* publications 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%
Total	65.6%	34.4%

Source: Florida Nursing Home Bed Need-CON application #10311 , page 91

PCD 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. The PCD 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. PCD 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

CON Action Numbers: 10303, and 10305 through 10311

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 Polk County so that patients requiring short-term care can be served at PCD while those requiring long-term care will be referred to existing providers in Polk County offering longer-term nursing services.

PCD'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.

F. SUMMARY

Eighth Florida Living Options, LLC (CON #10303) proposes to establish a new 120-bed community nursing home in Polk County. EFLO is affiliated with Seventh Florida Living Options which the applicant notes operates the Hawthorne Health and Rehabilitation Centers in Florida. The reviewer notes that there were three "Hawthorne Health and Rehab Centers" in Florida according to FloridaHealthFinder.gov:

- Hawthorne Health and Rehab of Brandon
- Hawthorne Health and Rehab of Ocala
- Hawthorne Health and Rehab of Sarasota

The project involves 87,509 GSF of new construction. The construction cost is \$16,000,000. Total project cost is \$24,702,400. 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

Florida Presbyterian Homes, Inc. (CON #10305) proposes to add 14 community nursing home beds in Polk County by converting 14 sheltered beds to community nursing home beds.

Florida Presbyterian Homes, Inc. (FPH) is a 48-bed SNF with 48 sheltered nursing home beds and 20 approved community nursing home beds. It is located on the campus of a CCRC.

The project involves 15,408 GSF of new construction and 6,200 GSF of renovation. The total construction cost is \$2,281,900. Total project cost is \$3,439,000. Project cost includes: land, building, equipment, project development, financing and start-up costs.

CON Action Numbers: 10303, and 10305 through 10311

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

Haines City SNF Operations, LLC (CON #10306), an affiliate of TLC Management (parent company), proposes to establish a new 120-bed community nursing home in Polk County on the campus of or in close proximity to Heart of Florida Regional Medical Center.

TLC Management operates Astoria Health and Rehabilitation Center (Subdistrict 6-5) in Florida.

The project involves 80,051 GSF of new construction. The construction cost is \$11,818,490. Total project cost is \$20,825,500. 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.

HSP Citrus, LLC (CON #10307), corporate member of the Sovereign Group, which will be managed by SHCM, to establish a new 120-bed community nursing home in Polk County.

The applicant states that SHCM operates 26 SNFs in Florida.

The project involves 82,200 GSF of new construction. The construction cost is \$14,796,000. Total project cost is \$21,205,900. Project cost includes land, building, equipment, project development, financing and start-up costs.

The applicant proposes six conditions on its Schedule C.

Lakeland Investors, LLC (CON #10308) proposes to establish a new 120-bed community nursing home in Polk County, by combining a 51-bed transfer from Valencia Hills Health and Rehabilitation Center and 69 new community nursing home beds from the fixed need pool. The proposed facility will be operated by Summit Care, the parent company of Valencia Hills Health and Rehabilitation Center.

Summit Care manages 11 nursing homes within Florida.

The project involves 74,000 GSF of new construction. The construction cost is \$13,320,000. Total project cost is \$17,001,166. Project cost includes land, building, equipment, project development, financing and start-up costs.

CON Action Numbers: 10303, and 10305 through 10311

The applicant proposes four conditions on it Schedule C.

Lakeland Oaks NH, LLC (CON #10309) proposes to establish a new 120-bed community nursing home in Polk County. Lakeland Oaks indicates that it will be managed by Greystone.

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.

LP Tampa II, LLC (CON #10310), a wholly owned subsidiary of Signature Holdings II LP Holdings, proposes to establish a new 180-bed community nursing home in Polk County.

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

The project involves 100,406 GSF of new construction. The construction cost is \$18,073,080. Total project cost is \$27,086,760. 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.

Polk County Development, LLC (CON #10311) proposes to establish a new 120-bed community nursing home in Polk County. PCD is an affiliate of Genesis.

Genesis HealthCare operates nine SNFs in Florida.

The project involves 91,400 GSF of new construction. The construction cost is \$16,101,250. Total project cost is \$25,472,354. Project cost includes land, building, equipment, project development, financing and start-up costs.

The applicant proposes three conditions on its Schedule C.

Need:

In Volume 40, Number 193 of the Florida Administrative Register dated October 3, 2014, a fixed need pool of 203 beds was published for Subdistrict 6-5 for the July 2017 Planning Horizon.

As of November 19, 2014, Subdistrict 6-5 had 2,945 licensed and 20 approved community nursing home beds. During the 12-month period ending June 30, 2014, Subdistrict 6-5 experienced 90.29 percent utilization at 23 existing facilities.

Eighth Florida Living Options, LLC (CON #10303) notes that the proposed facility will be located alongside an ALF and an independent living facility—allowing residents the ability to transition among the facilities as needs change. The applicant indicates several benefits with being co-located with the other facilities, including:

- The Garden Court Alzheimer's/dementia program
- Adult day care
- Skilled nursing with a focus on person-centered care
- Private treatment rooms for therapies that require a quiet environment or privacy
- A separate area for cardiac rehabilitation
- Water-filled track
- "Bounce Back", a multidisciplinary approach to therapy for rehab, recovery and returning home
- A specialized exercise program for seniors

EFLO states the proposed new nursing home is slated for development in Polk County, within ZIP Code 33813, defined as Lakeland. The ZIP Code has only one nursing home at the present-Highlands Lake Center. The applicant states that for the most recent annual period, July 1, 2013 to June 30, 2014, Highlands Lake Center reported an occupancy rate of 97.47 percent on its 179 licensed beds, thus the proposed location will provide benefit to residents with the addition of another nursing home. The applicant attests that with only one nursing home with that ZIP code, another facility is warranted to keep pace with the surrounding increases in the elderly. EFLO maintains that the target ZIP Code and those that surround it also represent the geographical area from which residents of the new nursing home will likely come as Lakeland continues to be an area of increased development, appealing to retirees.

The applicant's Schedule 7 indicates that the average length of stay (ALOS) will be 49.69 days for year one and 49.62 days for year two of operation.

CON Action Numbers: 10303, and 10305 through 10311

Florida Presbyterian Homes, Inc. (CON #10305) proposes to convert 14 existing sheltered beds to community beds and place eight of these beds in the new addition authorized by exemption (E1400019), received August 7, 2014, which provides for the addition of up to 20 beds at a facility designated as Gold Seal in section 408.036(3)(k) F.S. The applicant notes that the proposed 14-bed conversion will not add any additional beds to the facility's capacity.

FPH lists the following for objectives for the proposed project:

- Open the nursing center to members of the general public who do not have continuing care contracts but who seek admission.
- Improve access and availability of nursing home care to a provider distinguished by its quality since the eight community nursing homes that lie within the a 5-mile radius around Florida Presbyterian Homes have occupancy rate of 90.7 percent (July 1, 2013 through June 30,2014)
- Place the project in Zip Code 33803 which has a compound annual growth rate of 2.3 percent for the elderly, those aged 65+

The applicant indicates that ALOS will be 34.7 days for year one and 35.2 days for year two of operation for the 14-beds involved in the conversion.

Haines City SNF Operations, LLC (CON #10306) indicates that it has the support of Heart of Florida Regional Medical Center and proposes to locate the facility on the campus of or within proximity of Heart of Florida Regional Medical Center.

The applicant maintains that the following health planning factors demonstrate the advantages of the proposed project:

- Creates a new state-of-the-art physical plant built to current code that embraces culture change to improve quality
- Provides for higher quality of life and resident-centered care with all private rooms
- Focus will be placed on special rehabilitation with the most technologically advanced therapy equipment available to return residents to their home environment
- The facility will contain a variety of spaces that are intended to promote resident activity, socialization, entertainment, independence and well-being
- Is being developed by an applicant and its affiliated parent with significant experience in the development and operation of quality long-term care facilities

CON Action Numbers: 10303, and 10305 through 10311

- The applicant is local to the project planning area with one existing facility in Polk County and is able to keep the project on track and on budget

The applicant expects that the proposed facility will primarily be utilized to provide short-term rehabilitation whose primary payer is Medicare, with stays between 21 and 40 days. The applicant's Schedule 7 shows an ALOS of 30.6 for year one and 32.7 for year two of operations.

HSP Citrus, LLC (CON #10307) states that the proposed project is best positioned to address the SNF needs of residents in Polk County, as demonstrated by the following:

- An experienced, local community nursing home management team will establish and operate the proposed 120-bed community nursing home
- The applicant will provide proven, high quality post-acute care programs and services, including rehabilitation and recovery services for hard-to-place and/or medically complex patients
- The project will enhance geographic access for hard-to-place and/or medically complex post-acute patients by providing a local alternative for those patients to remain close to home for care, including those patients from local hospital who require sub-acute care services
- The project's proposed facility is uniquely designed to support the intensive, high quality rehabilitation and recovery programs and culture of the applicant, and includes a significant number of private rooms
- Proven experience in bringing needed competition to a community such as Polk County, by ensuring the successful development and ongoing operations of a community nursing home

The applicant states that the proposed project will benefit area hospitals that need local, high quality provider to care for their hard-to-place and/medically complex patients and increase the availability of limited hospital bed space for patients.

The applicant's Schedule 7 indicates that the ALOS will be 57.58 days for year one and 57.53 days for year two of operation.

Lakeland Investors, LLC (CON #10308) states that the proposed facility will be located in the southeast Lakeland area, within the Highway 98 corridor, southeast from downtown Lakeland. The applicant states that in addition to the published fixed need pool, the proposed project is supported by the following:

CON Action Numbers: 10303, and 10305 through 10311

- The ability to create a new cutting edge 120-bed nursing home facility, while at the same time improving the facility infrastructure and patient experience at Valencia Hills by removing the majority of 4-bed patient rooms currently existing at Valencia Hills
- The ability to significantly enhance availability of new nursing home resources in Polk County with only 69 beds from the fixed need pool, plus approve an additional new 120-bed nursing home, plus allow existing facilities to add up to fourteen new beds-all while all while staying within the Agency's 203 fixed need pool forecast cap
- The implementation of new facility designs and systems including resident neighborhoods with small dining areas and small home like environments
- The broad community support for the proposed new facility
- The ability to link the proposed new facility with Valencia Hills resources and expertise while utilizing Valencia Hill's community linkages to quickly integrate the new facility into the local Polk County health care network

The applicant's Schedule 7 indicates that the ALOS will be 49.89 days for year one and 61.20 days for year two of operation.

Lakeland Oaks NH, LLC (CON #10309) indicates that the facility will be constructed with a combination of private and semi-private room 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. Lakeland 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.

Lakeland Oaks states the proposed 120-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, Lakeland Oaks assures it will deliver a full range of nursing care and social services to treat and support each patient and resident.

CON Action Numbers: 10303, and 10305 through 10311

The applicant notes that patients who are discharged from the hospital often require short-term care to fully recover. Lakeland 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 skilled nursing facility with 120-beds will improve access and availability of skilled nursing and rehabilitative care in Polk County.

The applicant's Schedule 7 indicates that the ALOS will be 28.38 days for year one and 27.66 days for year two of operation.

LP Tampa II, LLC (CON #10310) states that the proposed facility will be located in Polk County. The applicant notes that Polk County's elderly population is expected to grow 18 percent between 2014 and 2019, a rate on par with 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, 180-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 6-5 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 Polk 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

CON Action Numbers: 10303, and 10305 through 10311

The applicant provides the following table illustrating the projected admissions, patient days, average ALOS and ADC for the first two years of operation for the proposed 180-bed facility.

Projected Admissions, Patient Days, ALOS and ADC

	Year One (ending 12/31/2017)	Year Two (ending 12/31/2018)
Admissions	236	895
Patient Days	9,086	40,264
Medicare ALOS	28.8	28.8
Medicaid ALOS	123.0	323.8
ADC	24.9	110.3

Source: CON application #10310, page 38

Polk County Development, LLC (CON #10311) maintains that Polk 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.

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

- A 120-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

The applicant’s Schedule 7 indicates average length of stay ALOS will be 18.95 days for year one and 18.50 for year two of operation. PCD notes that this is consistent with Genesis’ experience and the emphasis on short-term rehabilitation patients discharged from acute care hospitals indicating that ALOS is 21 days for conventional Medicare patients, 17 days for managed care patients and 15 days for other patients.

Quality of Care

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

Eighth Florida Living Options, LLC (CON #10303): The applicant's controlling interest had 14 substantiated complaints at its three Florida SNFs during November 19, 2011 to November 19, 2014.

Florida Presbyterian Homes, Inc. /CON (10305): For the most recent rating period, the existing facility had five out of a possible five star quality inspection rating.

FPH had zero substantiated complaints during November 19, 2011 to November 19, 2014.

Haines City SNF Operations, LLC (CON #10306): The applicant's controlling interest had 15 substantiated complaints at its one Florida SNF during November 19, 2011 to November 19, 2014.

HSP Citrus, LLC (CON #10307): The applicant's controlling interest had 67 substantiated complaints at 24 of its 26 Florida SNFs during November 19, 2011 to November 19, 2014.

Lakeland Investors, LLC (CON #10308): The applicant's controlling interest had 19 substantiated complaints at nine of its 11 Florida SNFs during November 19, 2011 to November 19, 2014.

Lakeland Oaks NH, LLC (CON #10309): The applicant's controlling interest had 143 substantiated complaints at its 26 Florida SNFs during November 19, 2011 to November 19, 2014.

LP Tampa II, LLC/ (CON #10310): The applicant's controlling interest had 54 substantiated complaints at 17 of its 25 Florida SNFs during November 19, 2011 to November 19, 2014.

Polk County Development, LLC (CON #10311): The applicant's controlling interest had 61 substantiated complaints at its nine Florida SNFs during November 19, 2011 to November 19, 2014.

Financial Feasibility/Availability of Funds:

Eighth Florida Living Options, LLC (CON #10303): Funding for this

CON Action Numbers: 10303, and 10305 through 10311

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.

Florida Presbyterian Homes, Inc. (CON #10305): Funding for this project is likely but not guaranteed. Based on the information provided in Schedule 6, the applicant's projected staffing meets this requirement. The project appears financial feasible.

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

Haines City SNF Operations, LLC (CON #10306): Funding for this project should be available as needed, but is not guaranteed. Based on the information provided in Schedule 6, the applicant's projected staffing meets this 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.

HSP Citrus, LLC (CON #10307): Funding for this project is likely but not guaranteed; however, funding for the entire capital budget 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.

Lakeland Investors, LLC (CON #10308): 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.

CON Action Numbers: 10303, and 10305 through 10311

Lakeland Oaks NH, LLC (CON #10309): 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.

LP Tampa II, LLC (CON #10310): 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.

Polk County Development, LLC (CON #10311): 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.

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

Medicaid/Charity Care:

Eighth Florida Living Options, LLC (CON #10303) 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 40.0 percent and 25.0 percent, respectively, of year one and year two annual total patient days.

The applicant states that it is aware of all aspects of the newly implemented SMMC LTC.

Florida Presbyterian Homes, Inc. (CON #10305) does not propose to condition project approval to a percentage of Medicaid days.

CON Action Numbers: 10303, and 10305 through 10311

The applicant's Schedule 7 indicates that Medicaid and self-pay represent 31.2 percent and 6.3 percent, respectively, of year one and 31.3 percent and 6.3 percent of year two annual total patient days, respectively for the proposed project only.

The applicant's Schedule 7 indicates that Medicaid and self-pay represent 25.0 percent and 5.0 percent, respectively, of year one and year two annual total patient days, respectively for the total facility of 68-beds.

Haines City SNF Operations, LLC (CON #10306) 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 8.7 percent and 14.3 percent, respectively, of year one and 41.6 percent and 5.7 percent, respectively, of year two annual total patient days.

The applicant states that it is aware of all aspects of the newly implemented SMMC LTC and will form a provider agreement with one of the LTC plans available in Region 6.

HSP Citrus, LLC (CON #10307) 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 67.0 percent and 3.0 percent, respectively, of year one and year two annual total patient days.

Lakeland Investors, LLC (CON #10308) 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 42.84 percent and 16.03 percent, respectively, of year one and 59.09 percent and 9.09 percent, respectively, of year two annual total patient days.

Lakeland Oaks NH, LLC (CON #10309) 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 30.74 percent and 7.44 percent, respectively, of year one and 29.20 percent and 7.96 percent, respectively, of year two annual total patient days.

CON Action Numbers: 10303, and 10305 through 10311

LP Tampa II, LLC (CON #10310) 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 29.8 percent and 8.6 percent of year one and 37.0 percent and 9.0 percent of year two annual total patient days.

Polk County Development, LLC (CON #10311) 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.

Architectural:

Eighth Florida Living Options, LLC (CON #10303): The cost estimate 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.

Heart of Florida Assisted Living BSLC, LLC (CON #10304): The cost estimate 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.

Florida Presbyterian Homes, Inc. (CON #10305)

The cost estimate 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.

Haines City SNF Operations, LLC (CON #10306): The cost estimate 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.

CON Action Numbers: 10303, and 10305 through 10311

HSP Citrus, LLC (CON #10307): The cost estimate 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.

Lakeland Investors, LLC (CON #10308): The cost estimate 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.

Lakeland Oaks NH, LLC (CON #10309): The cost estimate 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 II, LLC (CON #10310): The cost estimate 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.

Polk County Development, LLC (CON #10311): The cost estimate 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 #10305 to add 14 community nursing home beds through the conversion of 14 sheltered nursing home beds in District 6, Subdistrict 5, Polk County. The total project cost is \$3,439,000. The project involves 15,408 GSF of new construction, 6,200 GSF of renovation and a construction cost of \$2,281,900.

CON Action Numbers: 10303, and 10305 through 10311

Approve CON #10308 to establish a 120-bed community nursing home in District 6, Subdistrict 5, Polk County. The total project cost is \$17,001,166. The project involves 74,000 GSF of new construction and a construction cost of \$13,320,000.

CONDITIONS:

- Transfer beds from existing Valencia Hills Health and Rehabilitation Center Facility to the proposed facility
- Implementation of Electronic Health Record/Electronic Health Information System
- \$10,000 per year training and certification programs
- \$10,000 per year in support of community elderly service initiatives

Approve CON #10309 to Lakeland Oaks NH, LLC to establish a 120-bed community nursing home in District 6, Subdistrict 5, Polk County. The total project cost is \$22,877,084. The project involves 83,558 GSF of new construction and a construction cost of \$15,458,230.

Deny CON #10303, CON #10306, CON #10307, CON #10310 and CON #10311.

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