

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

**A. PROJECT IDENTIFICATION**

**1. Applicant/CON Action Number**

**Pasco SNF Operations, LLC/CON #10403**

1800 N. Wabash Ave., Suite 300  
Marion, Indiana 46952

Authorized Representative: Ryan Ott  
(765) 664-5400

**2. Service District/Subdistrict**

District 5/Subdistrict 5-1 (Pasco County)

**B. PUBLIC HEARING**

A public hearing was not held or requested regarding the proposed project.

**Letters of Support**

**Pasco SNF Operations, LLC (CON application #10403):** The applicant submitted two letters of support, originating from the local area. James Norton, Chief Executive Officer, North Tampa Behavior Health (NTBH) states in his letter that the proposed project will serve to provide high quality post-acute care to east Pasco County at a time when the need continues to rise with the continued growth of the senior population. Steven Domonkos, Vice Chair, Economic Development of The Greater Wesley Chapel Chamber of Commerce (GWCCC) states in his letter that on behalf of the GWCCC Board of Directors, the proposed project is supported. Mr. Domonkos further states that the proposed project will have a positive economic impact on the area, creating employment for approximately 100 people and \$19,000,000 in new construction.

**C. PROJECT SUMMARY**

**Pasco SNF Operations, LLC (CON application #10403)**, hereafter referred to as PSNFO or the applicant, a newly formed Florida entity, an affiliate of and to be managed by TLC Management, Inc., (referred to as TLC or parent), a private-for-profit nursing home provider, proposes to establish a new 64-bed community nursing home in Subdistrict 5-1, Pasco County, Florida. The proposed project location is in ZIP Code 34639 or 33543<sup>1</sup>.

The parent is stated to operate 16 skilled nursing facilities (SNFs), six assisted living centers and five independent living communities, spread between Indiana and Winter Haven, Florida. The applicant states and the reviewer confirms that TLC was awarded CON application #10346 to establish a new 120-bed community nursing home in a deed-restricted retirement community, On Top of the Word, in Ocala, Marion County, Florida.

TLC manages one SNF in Florida, listed below.

- Astoria Health and Rehabilitation Center

The project involves 47,070 gross square feet (GSF) of new construction. The construction cost is \$7,455,888. Total project cost is \$13,281,550. Project cost includes land, building, equipment, project development, financing and start-up costs.

The applicant anticipates issuance of license in June 2018 and initiation of service in July 2018.

Pasco SNF Operations, LLC offers the following conditions predicated upon award of the certificate of need:

- Locating the planned facility in ZIP Code 34639 or 33543 within Pasco County where there are currently no nursing homes accessible to the community

<sup>1</sup> The reviewer confirms that according to the United States Postal Service website at <https://tools.usps.com/go/ZipLookupAction!input.action>, ZIP Code 34639 is assigned to Land O' Lakes (Pasco County), Florida and ZIP Code 33543 is assigned to Wesley Chapel (Pasco County), Florida. This same source indicates that additionally, Zephyrhills (Pasco County), Florida is an address recognized for addresses in ZIP Code 33543. The reviewer also confirms that through the Agency website at <http://www.floridahealthfinder.gov/facilitylocator/ListFacilities.aspx>, there is no licensed SNF within ZIP Code 33543 and the 120-bed Baldomero Lopez Memorial Veterans Nursing Home (within ZIP Code 34639) is owned by the Florida Department of Veteran's Affairs and is available only to veterans, not to the general public.

- Providing Medicaid managed care at 50 percent of total resident days of care
- Implementing the Abaquis system to support the facility’s Quality Assurance and Performance Improvement (QAPI) process
- Providing all private rooms within the 64-bed facility

*Should the proposed project be approved, the applicant’s conditions would be reported in the annual condition compliance report, as required by Rule 59C-1.013(3), Florida Administrative Code. The Agency will not impose conditions on already mandated reporting requirements.*

<b>Total GSF and Project Costs of CON application #10403</b>					
<b>Applicant</b>	<b>CON #</b>	<b>Project</b>	<b>GSF</b>	<b>Costs \$</b>	<b>Cost Per Bed</b>
Pasco SNF Operations, LLC	10403	New 64-Bed Community Nursing Home	47,070	\$13,281,550	\$207,524

Source: CON applications 10403, Schedules 1 and 9

**D. REVIEW PROCEDURE**

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

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

Rule 59C-1.010(3)(b), Florida Administrative Code, prohibits any amendments once an application has been deemed complete. The burden of proof to entitlement of a certificate rests with the applicant. As such, the applicant is responsible for the representations in the application. This is attested to as part of the application in the Certification of the Applicant.

As part of the fact-finding, the consultant, Steve Love analyzed the application with consultation from the financial analyst, Brian Shoemaker of the Bureau of Central Services, who evaluated the financial data and Gregory Register 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 41, Number 192 of the Florida Administrative Register dated October 2, 2015, a fixed need pool of 64 beds was published for Subdistrict 5-1 for the July 2018 Planning Horizon. Subdistrict 5-1 is comprised of Pasco County.

After publication of this fixed need pool, zero existing Subdistrict 5-1 facilities filed exemption requests to increase or add community nursing home beds. The reviewer notes that an expedited CON application was submitted on October 19, 2015 and approved on November 23, 2015 (CON application #10396). The expedited application was from Senior Health-Concordia, LLC d/b/a Concordia Manor, to establish a replacement 170-bed community nursing home in Subdistrict 5-1 (Pasco County). The replacement facility is pursuant to the combination of three SNFs, through exemption (E#150034). After approval of the expedited review, Concordia Manor added ten beds to the approved replacement facility through exemption (E#150044).

As of November 18, 2015, Subdistrict 5-1 had 1,938 licensed and zero approved community nursing home beds. During the 12-month period ending June 30, 2015, Subdistrict 5-1 experienced 91.36 percent utilization at 16 existing facilities. Below is a table illustrating nursing home patient days and occupancy within Subdistrict 5-1.

**Pasco County Nursing Home Patient Days and Occupancy July 1, 2014-June 30, 2015**

Facility	Comm. Nursing Home Bed Inventory	Bed Days	Patient Days	Total Occupancy	Medicaid Occupancy
Bayonet Point Health & Rehabilitation Center	180	65,700	58,222	88.62%	55.08%
Bear Creek Nursing Center	120	43,800	39,201	89.50%	43.39%
Consulate Health Care and Bayonet Point	120	43,800	41,781	95.39%	53.01%
Consulate Health Care of New Port Richey	120	43,800	42,412	96.83%	66.23%
Heartland of Zephyrhills	120	43,800	38,165	87.13%	62.78%
Heather Hill Healthcare Center	120	43,800	35,665	81.43%	71.91%
Heritage Park Health and Rehabilitation Center	120	43,800	41,905	95.67%	70.60%
Life Care Center of New Port Richey	113	41,245	37,453	90.81%	28.14%
Madison Pointe Rehabilitation and Health Center	119	43,435	40,264	92.70%	56.84%
Orchard Ridge	120	43,800	42,733	97.56%	61.41%
Royal Oak Nursing Center	120	43,800	40,514	92.50%	65.96%
Southern Pines Healthcare Center	120	43,800	34,863	79.60%	63.72%
Trinity Regional Rehab Center	120	43,800	41,938	95.75%	50.82%
Winsor Woods Rehab and Healthcare Center	103	37,595	33,731	89.72%	61.40%
Zephyr Haven Health & Rehab Center, Inc.	120	43,800	42,046	96.00%	75.58%
Zephyrhills Health & Rehab Center, Inc.	103	37,593	35,387	94.13%	50.67%
<b>Total</b>	<b>1,938</b>	<b>707,370</b>	<b>646,280</b>	<b>91.36%</b>	<b>58.62%</b>

Source: Florida Nursing Home Bed Need Projections by District and Subdistrict, October 2015 Batching Cycle

The reviewer notes the current and projected population of Subdistrict 5-1 for the planning horizon. The projected population growth, both numerically and by percent are illustrated below.

**Current and Projected Population Growth Rate  
Pasco County, District 5, and Florida  
January 2015 and January 2018**

Area	January 1, 2015 Population			January 1, 2018 Population		
	0-64	65+	Total	0-64	65+	Total
Pasco	386,314	103,658	489,972	408,191	114,309	522,500
District 5	1,101,193	316,965	1,418,158	1,110,204	341,295	1,451,499
Florida	16,044,019	3,635,347	19,679,366	16,510,025	4,013,237	20,523,262
Area	2015-2018 Increase			2015-2018 Growth Rate		
	0-64	65+	Total	0-64	65+	Total
Pasco	21,877	10,651	32,528	5.66%	10.28%	6.64%
District 5	9,011	24,330	33,341	0.82%	7.68%	2.35%
Florida	466,006	377,890	843,896	2.90%	10.39%	4.29%

Source: Florida Agency for Health Care Administration Population Estimates, February 2015

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**

Area	Community Beds	2015 Pop. Aged 65+	2015 Beds per 1,000	2018 Pop. Aged 65+	2018 Beds per 1,000
<b>Pasco</b>	1,938	103,658	19	114,309	17
<b>District 5</b>	9,771	316,965	31	341,295	29
<b>Florida</b>	80,130	3,635,347	22	4,013,237	20

Source: Florida Agency for Health Care Administration Population Estimates, February 2015 and Florida Nursing Home Bed Need Projections by District and Subdistrict, October 2015 Batching Cycle

**Pasco SNF Operations, LLC (CON application #10403)** indicates that in addition to the fixed need pool described above, there is a lack of SNFs accessible to community members in the central area of Pasco County. The applicant asserts that the proposed project will remedy this lack of access and the current imbalance in nursing home distribution in Pasco County—with most existing SNFs located on the western and eastern edges of the county. PSNFO estimates some 9,000 residents within five miles of the proposed location for either ZIP Code 34639 or 33543.

The applicant contends that the proposed project will remedy the current SNF availability/accessibility situation in Pasco County through:

- Increasing the availability of community nursing home beds as the existing nursing homes within Pasco County are highly occupied
- Offering a smaller, more intimate facility than those currently available within the county
- Co-locating with an assisted living facility (ALF), providing skilled nursing residents more amenities and options for care
- Providing a facility managed by a company with a strong quality focus, including the operation of five-star SNFs in Florida and Indiana
- Providing all private rooms and private bathrooms to the bed complement where few currently exist

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

**Pasco SNF Operations, LLC (CON application #10403)** is responding to the Agency’s published fixed need pool, therefore this criterion is not applicable.

**2. Agency Rule Preferences**

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

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

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

**Pasco SNF Operations, LLC (CON application #10403)** was not 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.

**Pasco SNF Operations, LLC (CON application #10403)** states plans to be certified for participation in both the Medicare and Medicaid Programs. The applicant further states that based on Major Diagnostic Categories (MDCs) and Diagnosis Related Groups (DRGs) for Pasco County age 65+ residents' area hospital discharges, PSNFO plans to offer the following three programs:

- Orthopedic rehabilitation
- Respiratory conditions
- Medically complex cases

Additionally, PSNFO proposes to provide both short-term and long-term care. The applicant plans to be a comprehensive SNF,

providing skilled nursing/restorative care and rehabilitation services. The applicant lists special features as follows:

- Private resident rooms
- Private bathrooms with a walk-in shower
- Flat screen TVs
- Bedside telephones
- In-room safes
- Wi Fi throughout the facility
- Custom-designed furnishings
- Push button and audio nurse call system
- Pressure reducing mattresses
- Microfiber linens
- Complimentary in-room coffee, tea and beverage service
- In-room temperature controls
- High ceilings with oversized windows
- Restaurant-style dining
- Beauty salon
- Laundry services
- Medical transportation assistance
- Activities available seven days a week
- 24-hour visitation
- 24-hour RN coverage
- Handicapped accessible van
- State of the art therapy gym and equipment

PSNFO indicates that the facility's professionals will create service plans that are customized specifically to the unique needs of each individual. Regarding what the applicant considers rehabilitation and restorative services, PSNFO states that the proposed project will include the following specialized programs:

- Physical, occupational, speech and respiratory therapy
- Wound care
- Surgical recovery
- Dysphagia (swallowing techniques)
- IV therapy
- Cardiac services
- Complex medical and pain management
- Stroke rehab
- Orthopedic services
- Tracheotomy care
- Hospice care
- Respite care
- Alzheimer's and dementia care



PSFNO maintains the provision of physical, speech and occupational therapists through a contract services agreement with Creative Health Solutions (CHS). The applicant states that CHS currently holds contracts with all 16 of the parent's SNFs and provides services in Florida. The applicant assures that hospice and palliative care, including medical, social, spiritual, psychological and emotional support will be provided.

According to PSNFO, contract services will be available by appointment and include:

- Physicians
- X-ray
- Psychiatry
- Laboratory
- Podiatry
- Pharmacy
- Dental
- Eye
- Counseling services

PSNFO points out that in order to determine the type of services required at the proposed facility, hospital discharges to nursing homes were examined by MDCs and DRGs and that this identifies the conditions and disorders that nursing home admissions would have. The applicant presents an in-depth review of MDC diagnoses among some of the large MDC groupings and the modalities/services planned for patients discharged to the proposed facility with these MDC discharges on pages 2-9 through 2-17 of the application.

The applicant states that upon admission, a detailed assessment will be conducted to provide a plan of care, directed toward discharge. The applicant includes the parent's Resident Care Plan Policy (CON application #10403, Exhibit 2-1). PSNFO states that plans are reviewed in accordance with a schedule for documenting ongoing progress toward obtaining objectives. The applicant offers a detailed description of admission and care planning on pages 2-17 through 2-19 of CON application #10403.

The applicant states that discharge plans begin with the initial assessment when patient and family needs and attributes are assessed with admission diagnoses specifically addressed. PSNFO maintains that it is the facility's responsibility to have identified the medically related social services or home based services needs of the resident and assure that the needs are met by the

appropriate disciplines. The applicant contends that discharge plans, like the plan of care, include key staff in interdisciplinary coordination along with the resident and family member, if possible. At discharge a written plan is provided to the person, his/her responsible party and to the attending physician. Discharge follow-up is also briefly discussed.

The applicant’s Schedule 7 indicates that the average length of stay (ALOS) is 45 days and 39 days for years one and two, respectively. Schedule 6 illustrates that FTEs for year one (ending June 30, 2019) total 51.5 and total 60.5 for year two (ending June 30, 2020). The proposed project’s year one and year two FTEs are shown in the table below.

<b>Pasco SNF Operations, LLC/CON application #10403 Projected Year One (Ending June 30, 2019) Year Two (Ending June 30, 2020) Staffing</b>		
	<b>Year One FTEs</b>	<b>Year Two FTEs</b>
<b>Administration</b>		
Administrator	1.0	1.0
Assistant Administrator	1.0	1.0
Clerical	2.0	2.0
Director of Nursing	1.0	1.0
Medical Records	1.0	1.0
MDS Coordinator	1.0	1.0
<b>Physicians</b>		
Medical Director	0.5	0.5
<b>Nursing</b>		
RNs	3.0	3.0
LPNs	7.0	15.0
Nurses’ Aides	18.0	28.0
<b>Dietary</b>		
Cooks	2.0	2.0
Food Service Aides	3.0	3.0
<b>Social Services</b>		
Social Service Director	1.0	1.0
Activities Director	2.0	2.0
<b>Housekeeping</b>		
Housekeepers	4.0	4.0
<b>Laundry</b>		
Laundry Aides	3.0	3.0
<b>Plant Maintenance</b>		
Maintenance Supervisor	1.0	1.0
<b>Total</b>	<b>51.5</b>	<b>60.5</b>

Source: CON application #10403, Schedule 6

Employee recruitment and retention, benefits and educational opportunities are discussed and described in Tab 5 of CON application #10403.

**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.**

The applicant is a newly created entity and therefore has not had a nursing facility license denied, revoked or suspended within the 36 months prior to the current application.

- 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?**

The applicant is a newly created entity and therefore has not had a nursing facility placed into receivership.

- 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.**

The applicant indicates 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.**

The applicant indicates 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.**

The applicant indicates 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.**

The applicant states that it will provide the required data to the applicable local health council and to the Agency.

### 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 9,771 community nursing home beds in District 5. Subdistrict 5-1 is composed of Pasco County and has 16 licensed community nursing homes with a total of 1,938 community nursing home beds. The subdistrict averaged 91.36 percent total occupancy for the 12-month period ending June 30, 2015.

**Pasco SNF Operations, LLC (CON application #10403)** indicates that a bed is not available nor is it accessible if it is occupied and discusses relatively high occupancy rates overall at Pasco County SNFs for the 12-month period ending June 30, 2015.

The applicant provides a table (CON application #10403, page 1-7) to account for the SNF names, addresses, cities, ZIP Codes and the number of beds for each facility in Pasco County. The reviewer confirms that Pasco County has 17 licensed SNFs, with 16 being available to the community. The Agency recognizes that 120-bed Baldomero Lopez Memorial Veterans Nursing Home is not available to the community at large and the Agency does not maintain bed day, patient day, total occupancy or Medicaid days/Medicaid occupancy data on this facility. The applicant also provides a map (CON application #10403, page 1-8) to offer a pictorial view of the distribution of SNFs in Pasco County. According to the applicant's map, the only centrally located SNF in the county is Baldomero Lopez Memorial Veterans Nursing Home.

PSNFO contends that the approximately 14,000 residents aged 65+ currently reside in the six ZIP Codes around Land O'Lakes and Wesley Chapel and need to travel east to Zephyrhills, north to Dade City or west to the coast in order to obtain skilled nursing care. The applicant discusses the Subdistrict 5-1 and 5-2, District 5 and Florida's 65+ population, number of beds and beds-per-1,000 population estimates. The applicant's data are consistent with the Agency's estimates of 19 beds-per-1,000 for Pasco County, 31 beds-per-1,000 for District 5 and 22 beds-per-1,000 for Florida in 2015. Using Nielsen Market Research projections for 2015 and 2020, PSNFO shows the Pasco County total population and age 65+ population, by percentage, by ZIP Code and city. See the table below.

**Total Population and Population Age 65 Years and Older, by ZIP Code**

ZIP Codes	Geography Name	2015 Population Age 65+	Percent of Total Population 65+	2015 Total Population	2020 Population Age 65+	Percent of Total Population 65+	2020 Total Population
34610	Spring Hill	2,256	17.5%	12,883	2,783	20.9%	13,302
34637	Land O'Lakes	1,394	19.8%	7,040	1,788	23.1%	7,741
34638	Land O'Lakes	2,077	8.5%	24,437	2,937	10.5%	28,097
<b>34639</b>	<b>Land O'Lakes</b>	<b>3,343</b>	<b>12.8%</b>	<b>26,173</b>	<b>4,437</b>	<b>15.7%</b>	<b>28,301</b>
34652	New Port Richey	6,157	26.4%	23,321	6,721	29.2%	22,987
34653	New Port Richey	7,898	26.5%	29,785	8,587	28.7%	29,877
34654	New Port Richey	4,959	21.6%	22,965	5,980	24.8%	24,128
34655	New Port Richey	11,118	27.4%	40,626	13,108	30.3%	43,332
34667	Hudson	12,403	38.8%	31,941	13,880	42.8%	32,453
34668	Port Richey	10,142	24.4%	41,543	10,644	25.7%	41,361
34669	Hudson	2,832	21.9%	12,913	3,271	24.5%	13,339
34690	Holiday	2,889	22.4%	12,898	3,040	23.8%	12,773
34691	Holiday	4,743	22.4%	21,221	5,160	24.0%	21,500
33523	Dade City	3,092	17.1%	18,059	3,481	19.3%	18,068
33525	Dade City	4,308	24.4%	17,670	4,926	27.1%	18,172
33540	Zephyrhills	2,892	31.5%	9,192	3,236	34.1%	9,495
33541	Zephyrhills	9,303	43.9%	21,175	10,574	46.9%	22,546
33542	Zephyrhills	7,807	38.6%	20,222	8,432	41.0%	20,568
<b>33543</b>	<b>Wesley Chapel</b>	<b>3,333</b>	<b>13.7%</b>	<b>24,249</b>	<b>4,125</b>	<b>15.6%</b>	<b>26,475</b>
33544	Wesley Chapel	2,631	10.4%	25,260	3,589	12.9%	27,878
33545	Wesley Chapel	1,320	8.1%	16,213	1,737	9.5%	18,267
33559	Lutz	1,747	10.7%	16,358	2,390	13.1%	18,250
33576	San Antonio	1,893	33.9%	5,577	2,428	39.7%	6,111
		<b>110,537</b>	<b>22.9%</b>	<b>481,721</b>	<b>127,254</b>	<b>25.2%</b>	<b>505,021</b>

Source: CON application #10403, page 1-10, Table 1-3

As shown in the table above, the applicant indicates an age 65+ population cohort for ZIP Code 34639 (Land O'Lakes) going from 3,343 residents in 2015, to 4,437, by 2020 and for ZIP Code 33543 (Wesley Chapel) going from 3,333 residents in 2015, to 4,125 by 2020. PSNFO points out that the largest number of persons aged 65+ are found in three ZIP Codes: 34655 (New Port Richey), 34667 (Hudson) and 34668 (Port Richey)—all located in the western portion of the county with the largest saturation of nursing home beds for the county/subdistrict.

PSNFO points out that the proposed project is to be located near Florida Hospital Wesley Chapel and will serve the estimated 15,000 aged 65+ residents projected for 2020. The reviewer notes that according to the Agency's website, Floridahealthfinder.gov, Florida Hospital Wesley Chapel is located at 2600 Bruce B. Downs Boulevard, Wesley Chapel, Florida 33544 and has 83 licensed acute care beds with a notification (NF#150055) to add 62 acute care beds to the existing facility.

The applicant estimates that Pasco County's age 65+ population will increase by 16,717 elderly residents (2.9 percent) by 2020. The applicant supplies the elderly population increase and calculated average rate of growth (CARG) estimates for all the Zip Codes in the area, including the potential project location Zip Codes – 34639 or 33543. The

applicant maintains that there will be an ample number of senior residents from which nursing home admissions may occur. See the table below.

**Number of Persons Age 65+ by ZIP Code 2015 and 2020  
with Calculated Annual Growth Rate (CAGR) – Pasco County**

ZIP Codes	Geography Name	2015 Population Age 65+	2020 Population Age 65+	Increase	CARG
34610	Spring Hill	2,256	2,783	527	4.3%
34637	Land O'Lakes	1,394	1,788	394	5.1%
34638	Land O'Lakes	2,077	2,937	860	7.2%
<b>34639</b>	<b>Land O'Lakes</b>	<b>3,343</b>	<b>4,437</b>	<b>1,094</b>	<b>5.8%</b>
34652	New Port Richey	6,157	6,721	564	1.8%
34653	New Port Richey	7,898	8,587	689	1.7%
34654	New Port Richey	4,959	5,980	1,021	3.8%
34655	New Port Richey	11,118	13,108	1,990	3.3%
34667	Hudson	12,403	13,880	1,477	2.3%
34668	Port Richey	10,142	10,644	502	1.0%
34669	Hudson	2,832	3,271	439	2.9%
34690	Holiday	2,889	3,040	151	1.0%
34691	Holiday	4,743	5,160	417	1.7%
33523	Dade City	3,092	3,481	389	2.4%
33525	Dade City	4,308	4,926	618	2.7%
33540	Zephyrhills	2,892	3,236	344	2.3%
33541	Zephyrhills	9,303	10,574	1,271	2.6%
33542	Zephyrhills	7,807	8,432	625	1.6%
<b>33543</b>	<b>Wesley Chapel</b>	<b>3,333</b>	<b>4,125</b>	<b>792</b>	<b>4.4%</b>
33544	Wesley Chapel	2,631	3,589	958	6.4%
33545	Wesley Chapel	1,320	1,737	417	5.6%
33559	Lutz	1,747	2,390	643	6.5%
33576	San Antonio	1,893	2,428	535	5.1%
		<b>110,537</b>	<b>127,254</b>	<b>16,717</b>	<b>2.9%</b>

Source: CON application #10403, page 1-12, Table 1-4

CON application #10403, page 1-13, includes a map showing the Pasco County population concentration of residents aged 65+. According to the applicant, the two proposed ZIP Code locations for the proposed project are estimated to have over 4,000 elderly residents by 2020 and are adjacent to ZIP Codes with approximately 3,000 more elderly residents. The applicant contends that these area residents may need nursing home care. PSNFO presents a map with a five-mile driving area for each of the proposed ZIP Code location centroids, noting that that each of these ZIP Code locations have a population of approximately 3,300 persons 65+--establishing an ample population for the proposed project.

PSNFO illustrates the ratio of nursing home beds per 1,000 population by ZIP Code. The applicant indicates that using Agency nursing home data and Nielsen Market Research data, the community nursing home beds per 1,000. PSNFO maintains that the data support development of the proposed project to increase availability and enhance access to the elderly population in the identified ZIP Codes. See the table below.

**Community Nursing Home Beds  
Beds per 1,000 Population by ZIP Code**

<b>ZIP Code</b>	<b>Total Beds</b>	<b>Population 65+ 2015</b>	<b>Beds/1,000</b>
34667	523	12,403	42.17
34653	712	7,898	90.15
33540	223	2,892	77.11
33525	240	4,308	55.71
33542	120	7,807	15.37
34655	120	11,118	10.79
<b>New Facility Location Options</b>			
34639	64	3,343	19.14
33543	64	3,333	19.20

Source: CON application #10403, page 1-15, Table 1-5

PSNFO points out that components of access include geographic impediments, distance, time to travel and eligibility criteria of qualifying for the service and payer sources. The applicant reiterates the physical location of existing SNFs within Pasco County and that these locations are skewed to the western and eastern portions of the county and that the proposed project will be located in a more central Pasco County location.

Regarding quality of care, the applicant indicates that a number (seven) of SNFs in Pasco have one or two stars in terms of quality. The applicant provides an exhibit to display these ratings for area SNFs (CON application #10403, Exhibit 3-1).

PSNFO projects a Pasco County average daily census (ADC) for FY 2015 of 1,771 and an ADC of 2,072 by 2020—along with an ADC accounting for the proposed project of 2,025 remaining for the existing Pasco County SNFs. The applicant notes that the estimate has the proposed project realizing an 82 percent occupancy rate by year two. See the table below.

**Forecast for Pasco County, Subdistrict 5-1 – 2020**

Resident Days July 1, 2014 to June 30, 2015	646,280
<b>ADC FY 2015</b>	<b>1,771</b>
Pasco County Population 65+, 2015	103,658
Days Per 1,000 Persons, 65+, 2015	6,235
Pasco County Population 65+, 2020	121,613
Resident Days Forecasted for 2020	758,225
<b>ADC Year 2020</b>	<b>2,072</b>
Proposed Pasco SNF Facility Days @ 82 Percent	19,208
Deduct Pasco SNF Resident Days from Forecast	739,017
<b>ADC Year 2020, Remaining Days</b>	<b>2,025</b>

Source: CON application #10403, page 1-16, Table 1-6



The applicant maintains that no adverse impact on any existing Subdistrict 5-1 SNF will result from the proposed project. Additionally, the applicant projects an increase in patient days (92,737) for all SNFs in the subdistrict by 2020. PSNFO includes a forecasted payer mix for year one (ending June 30, 2019) and year two (ending June 30, 2020). See the table below.

**Forecasted by Payer for Pasco SNF Operations, LLC,  
Year One Ending June 30, 2019 and Year Two Ending June 30, 2020**

<b>Days by Payer</b>	<b>Year One</b>	<b>Year Two</b>	<b>Percent of Days</b>	<b>Year One ADC</b>	<b>Year Two ADC</b>
Medicare	2,130	3,649	19.0%	6	10
Medicare Managed Care	2,018	3,457	18.0%	6	9
Medicaid Managed Care	5,606	9,604	50.0%	15	26
Commercial Insurance	897	1,537	8.0%	2	4
Private Pay	449	768	4.0%	1	2
Other	112	192	1.0%	0	1
<b>Total</b>	<b>11,213</b>	<b>19,208</b>	<b>100.0%</b>	<b>31</b>	<b>52</b>
			<b>Occupancy</b>	<b>48%</b>	<b>82%</b>

Source: CON application #10403, page 1-17, Table 1-8

PSNFO discusses the Health Care Access Criteria on pages 3-5 through 3-7 of CON application #10403.

- 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.**

**Pasco SNF Operations, LLC (CON application #10403):** As a newly formed entity, the applicant has no quality of care history. According to the applicant, the parent company, TLC, is family-owned and has been in business for over 25 years with over 2,500 individuals employed. PSNFO indicates that TLC parent company owns and operates 16 SNFs, six ALFs and five independent living communities in Indiana and Florida.

PSNFO includes the parent’s Mission, Vision and Values (CON application #10403, page 4-2). PSNF asserts an expectation that each of its employees demonstrate the following behaviors and characteristics every day:

- Recognizing the dignity of all people and being compassionate
- Being concerned about the aging citizen and having a genuine concern for everyone who is entrusted to our care
- Being committed to long-term employment with us in order to ensure continuity of care
- Being an effective member of our team, dedicated to providing the very best quality care for all residents

The applicant asserts that TLC makes every endeavor to recognize and reward its family of facilities for their efforts to ensure the provision of high quality care. The applicant states that one way to do this is giving awards for performance, teamwork, perfect surveys and others. The applicant lists these awards:

- TLC Gold, Silver and Bronze Awards
- TLC Chairman Award
- Twelve-Month Overall Census Development Award
- Operations Award Most Improved

The applicant states that all of the parent's facilities are included in the U.S. News & World Report's Best Nursing Homes list and that six facilities are listed as five-star facilities in the report.

PSNFO states that the proposed facility will employ an on-line system that promotes conformity with the Centers for Medicare and Medicaid Services (CMS) quality of care guidelines-Abaqis Prodigm. The applicant indicates that Abaqis is ideally suited for quality improvement because it facilitates daily assessments at a sustainable level combined with real-time drill-down analysis for facility-level use and roll-up reporting for managing multi-facility organizations. According to PSNFO, Astoria Health and Rehabilitation Center earned the 2014 Prodigm Quality Assurance and Performance Improvement (QAPI) accreditation as a SNF.

The applicant offers discussion and a description of quality measures to address readmissions, consumer satisfaction, Prodigm QAPI accreditation program, QAPI, resident rights and activities on pages 4-5 through 4-11 of CON application #10403.

Agency records indicate that the applicant's parent, TLC, operates one SNF in Florida:

- Astoria Health and Rehabilitation Center

Per the FloridaHealthFinder.gov website, the 120-bed community nursing home Astoria Health and Rehabilitation Center achieved an overall nursing home inspection rating of four-stars. This rating was for the time period April 2013 through September 2015. The Agency's Nursing Home Guide was last updated November 2015. According to the same source, Astoria Health and Rehabilitation Center is not a Gold Seal facility and is not on the Agency's Nursing Home Watch List.

Agency complaint records indicate that the affiliated nursing home associated with the parent company had seven substantiated complaints at Astoria Health and Rehabilitation Center for the three-year period

ending November 18, 2015. A single complaint can encompass multiple complaint categories. The substantiated complaint categories are listed below:

<b>Nursing Home Affiliated with Pasco SNF Operations, LLC                      (CON application #10403)                      Astoria Health and Rehabilitation Center                      Three Years Ending November 18, 2015</b>	
<b>Complaint Category</b>	<b>Number Substantiated</b>
Quality of Care/Treatment	4
Administration/Personnel	2
Resident Rights	1

Source: Florida Agency for Healthcare Administration Complaint Records

The applicant states and the reviewer confirms that as of January 5, 2016, according to the CMS Nursing Home Compare website at <https://www.medicare.gov/nursinghomecompare/search.html>, Astoria Health and Rehabilitation Center has a CMS overall five of five star nursing home rating. According to the CMS website, nursing homes with five stars are considered to have “much above average” quality.

- 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.**

**Pasco SNF Operations, LLC (CON application #10403):**

**Analysis:**

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

**Capital Requirements and Funding:**

The applicant indicates on Schedule 2 capital projects totaling \$13,281,550 which includes this project. The applicant also indicates on Schedule 3 of its application that funding for the project will be provided by non-related company financing (\$13,281,550). The applicant provided a letter of interest from Regions Healthcare Banking indicating an interest to fund up to \$25,000,000 to implement this project. While this figure is well above the total projected cost for this project, a letter of interest does not constitute a firm commitment to lend.

**Conclusion:**

Funding for this project is in question.

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

**Pasco SNF Operations, LLC (CON application #10403):**

**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 2015, 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	7,549,058	393	506	356	255
Total Expenses	6,970,036	363	509	345	230
Operating Income	579,022	30	115	15	-113
Operating Margin	7.67%		<b>Comparative Group Values</b>		
	Days	Percent	Highest	Median	Lowest
Occupancy	19,207	82.00%	98.91%	90.50%	66.81%
Medicaid/MDCD HMO	9,604	50.00%	60.04%	49.48%	40.10%
Medicare	7,106	37.00%	49.89%	22.12%	0.00%

**Staffing:**

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

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

**Conclusion:**

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

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

**Analysis:**

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

**Conclusion:**

This project is 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.**

**Pasco SNF Operations, LLC (CON application #10403):** 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.

**Medicaid Patient Days and Medicaid Occupancy in  
Pasco County, District 5 and Florida  
Five Years Ending June 30, 2015**

<b>Medicaid Patient Days</b>					
<b>Area</b>	<b>Jul 2010- Jun 2011</b>	<b>Jul 2011- Jun 2012</b>	<b>Jul 2012- Jun 2013</b>	<b>Jul 2013- Jun 2014</b>	<b>Jul 2014- Jun 2015</b>
Pasco County	371,051	381,259	386,863	371,669	378,846
District 5	2,011,850	2,022,754	2,011,567	1,988,92	1,998,184
Florida	15,612,015	15,726,251	15,676,855	15,837,261	15,875,092
<b>Medicaid Occupancy</b>					
<b>Area</b>	<b>Jul 2010- Jun 2011</b>	<b>Jul 2011- Jun 2012</b>	<b>Jul 2012- Jun 2013</b>	<b>Jul 2013- Jun 2014</b>	<b>Jul 2014- Jun 2015</b>
Pasco County	58.80%	59.91%	60.23%	58.06%	58.62%
District 5	63.78%	64.19%	63.89%	63.06%	63.32%
Florida	61.56%	61.96%	61.58%	62.05%	61.88%

Source: Florida Nursing Home Bed Need Projections by District and Subdistrict, October 2011-October 2015 Batching Cycles

**Pasco SNF Operations, LLC (CON application #10403)** is a newly formed entity and has no Medicaid history. However, the applicant has an expectation that Medicaid Managed Care Plans will continue a downward trend in nursing home placements, offering options to recipients to maintain them in less restrictive settings.

The applicant provides an overview of changes to long-term care including the advent of Statewide Medicaid Managed Care (SMMC) plans. In this discussion, PSNFO includes information on the available plans and services in Region 5.

The reviewer compiled the following Medicaid occupancy data for TLC operated Florida facilities for July 1, 2014 to June 30, 2015. See the table below.

**TLC Operated Facilities, Florida Medicaid Occupancy  
July 1, 2014 to June 30, 2015**

<b>Facility</b>	<b>Medicaid Days</b>	<b>Total Days</b>	<b>Medicaid Occupancy</b>
Astoria Health and Rehabilitation Center	18,056	41,594	43.41%
<b>Total</b>	<b>18,056</b>	<b>41,594</b>	<b>43.41%</b>

Source: Florida Nursing Home Bed Need Projections by District and Subdistrict, October 2015 Batching Cycle

The applicant provides a forecast by payor for the proposed project for year one (ending June 30, 2019) and year two (ending June 30, 2020).

**Forecasted by Payer for Pasco SNF Operations, LLC,  
Year One Ending June 30, 2019 and Year Two Ending June 30, 2020**

<b>Days by Payer</b>	<b>Year One</b>	<b>Year Two</b>	<b>Percent of Days</b>	<b>Year One ADC</b>	<b>Year Two ADC</b>
Medicare	2,130	3,649	19.0%	6	10
Medicare Managed Care	2,018	3,457	18.0%	6	9
Medicaid Managed Care	5,606	9,604	50.0%	15	26
Commercial Insurance	897	1,537	8.0%	2	4
Private Pay	449	768	4.0%	1	2
Other	112	192	1.0%	0	1
<b>Total</b>	<b>11,213</b>	<b>19,208</b>	<b>100.0%</b>	<b>31</b>	<b>52</b>
			<b>Occupancy</b>	<b>48%</b>	<b>82%</b>

Source: CON application #10403, page 1-17, Table 1-8

The applicant’s Schedule 7 indicates that Medicaid HMO and self-pay represent 50.0 percent and 4.0 percent, respectively, of year one and year two annual total patient days.

Pasco SNF Operations, LLC offers as a condition to provide Medicaid Managed Care at 50 percent of total resident days of care.

**F. SUMMARY**

**Pasco SNF Operations, LLC (CON application #10403)**, a newly formed Florida entity, an affiliate of and managed by TLC Management, Inc., proposes to establish a new 64-bed community nursing home in Subdistrict 5-1, Pasco County, Florida. The proposed project location is in ZIP Code 34639 or 33543. The reviewer confirms that these ZIP Code locations are within Pasco County.

TLC manages one SNF in Florida--Astoria Health and Rehabilitation Center.

The project involves 47,070 GSF of new construction. The construction cost is \$7,455,888. Total project cost is \$13,281,550. Project cost includes land, building, equipment, project development, financing and start-up costs.

The applicant proposes to condition the project as shown on page two of this report.



**Need:**

In Volume 41, Number 192 of the Florida Administrative Register dated October 2, 2015, a fixed need pool of 64 beds was published for Subdistrict 5-1 for the July 2018 Planning Horizon. Subdistrict 5-1 is comprised of Pasco County.

After publication of this fixed need pool, zero existing Subdistrict 5-1 facilities filed exemption requests to increase or add community nursing home beds. An expedited CON application was approved on November 23, 2015 (CON application #10396) from Senior Health-Concordia, LLC d/b/a Concordia Manor, to establish a replacement 170-bed community nursing home in Subdistrict 5-1 (Pasco County). The replacement facility is pursuant to the combination of three SNFs, through exemption (E#150034). After approval of the expedited review, Concordia Manor added 10 beds to the approved replacement facility through exemption (E#150044).

As of November 18, 2015, Subdistrict 5-1 had 1,938 licensed and zero approved community nursing home beds. During the 12-month period ending June 30, 2015, Subdistrict 5-1 experienced 91.36 percent utilization at 16 existing facilities.

**Pasco SNF Operations, LLC (CON application #10403)** contends that the proposed project will remedy issues related to the lack of availability/accessibility of SNFs in Pasco County through:

- Addressing imbalances in nursing home distribution in Pasco County as existing SNFs are all currently located on the western and eastern edges of the county
- Increasing the availability of community nursing home beds as the existing nursing homes within Pasco County are highly occupied
- Offering a smaller, more intimate facility than those currently available within the county
- Co-locating with an assisted living facility, providing skilled nursing residents more amenities and options for care
- Providing a facility managed by a company with a strong quality focus
- Providing all private rooms and private bathrooms in a county where few currently exist

The applicant indicates that on its Schedule 7 that the ALOS will be 45 days for year and 39 days for year two.

**Quality of Care:**

**Pasco SNF Operations, LLC (CON application #10403)** described its ability to provide quality care.

The applicant's controlling interest had seven substantiated complaints at its one Florida SNF during the three-year period ending November 18, 2015.

**Financial Feasibility/Availability of Funds:**

**Pasco SNF Operations, LLC (CON application #10403):**

- Funding for this project is in question.
- Based on the information provided in Schedule 6, the applicant's projected nursing staffing meets the statutory requirement.
- This project appears to be financially feasible based on the projections provided by the applicant.
- This project is not likely to have a material impact on competition to promote quality and cost-effectiveness.

**Medicaid/Charity Care:**

**Pasco SNF Operations, LLC (CON application #10403):**

- Proposes to condition project approval to provide Medicaid Managed Care at 50 percent of total resident days of care
- Schedule 7 indicates that Medicaid HMO and self-pay represent 50.0 percent and 4.0 percent, respectively, of year one and year two annual total patient days

**Architectural:**

**Pasco SNF Operations, LLC (CON application #10403):**

- 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.

**G. RECOMMENDATION**

Approve CON #10403 to establish a new 64-bed community nursing home in District 5, Subdistrict 1, Pasco County. The total project cost is \$13,281,550. The project involves 47,070 GSF of new construction and a construction cost of \$7,455,888.

**CONDITIONS:**

- Locating the planned facility in ZIP Code 34639 or 33543 within Pasco County where there are currently no nursing homes accessible to the community
- Providing Medicaid managed care at 50 percent of total resident days of care
- Implementing the Abaqis system to support the facility's Quality Assurance and Performance Improvement (QAPI) process
- Providing all private rooms within the 64-bed facility

**AUTHORIZATION FOR AGENCY ACTION**

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

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

\_\_\_\_\_  
Marisol Fitch  
**Health Administration Services Manager**  
**Certificate of Need**