

STATE AGENCY ACTION REPORT
ON APPLICATIONS FOR CERTIFICATE OF NEED

A. PROJECT IDENTIFICATION

1. Applicant/CON Action Number

Conway Lakes NC, LLC/CON #10513

709 S. Harbor City Blvd., No. 240
Melbourne, Florida 32901

Authorized Representative: Geoff Fraser
Senior Vice President
(321) 288-0171

Presbyterian Retirement Communities, Inc.

d/b/a Westminster Towers/CON #10514

80 West Lucerne Circle
Orlando, Florida 32801

Authorized Representative: Henry Keith, CFO
(407) 839-0707

Presbyterian Retirement Communities, Inc.

d/b/a Westminster Winter Park/CON #10515

80 West Lucerne Circle
Orlando, Florida 32801

Authorized Representative: Henry Keith, CFO
(407) 839-0707

2. Service District/Subdistrict

District 7/Subdistrict 7-2 (Orange County)

B. PUBLIC HEARING

A public hearing was not held or requested on any of the co-batched proposed projects.

Letters of Support

Conway Lakes NC, LLC (CON application #10513): The applicant submitted 14 letters of support along with a Clear Choice Success Stories CD-ROM. The reviewer notes the following characteristics of these support letters:

- All 14 support letters are signed, 13 of the 14 letters have a date range from December 12, 2017 to December 19, 2017 (one letter is not dated)
- All 14 support letters directly support the proposed project
- Of the 14 support letters, nine indicate origination in Subdistrict 7-2 (Orange County), three indicate origination in Subdistrict 7-4 (Seminole County), one indicates origin in District 6, Subdistrict 6-1 (Hillsborough County) and one does not indicate a location of origin
- Of the 14 support letters, five are signed by physicians, with three of these indicating a practice location in Subdistrict 7-4 (Seminole County), two indicating a practice location in Subdistrict 7-2 (Orange County):

The 14 support letters include individual composition and form letters. The support letters generally have overarching themes, some of which are:

- Conway Lakes Health and Rehabilitation Center (CLHRC) has a good reputation in the community
- CLHRC's clinical products, programs and therapy equipment are of the caliber not usually seen in the area
- CLHRC provides amenities and services (such as private rooms¹, a large high-tech therapy gym with aqua therapy pools, café bistro) that do not exist at other facilities in the community
 - These types of amenities and services are being requested by patients for their post-acute care
- The proposed project will be offering these same kinds of amenities and services
- Hospice patients and their families that utilize CLHRC² offer positive feedback about the facility and its services
- Clear Choice-managed skilled care facilities and nursing homes are very well managed and maintained

¹ The reviewer notes that according to the Agency's FloridaHealthFinder.gov website at <http://www.floridahealthfinder.gov/facilitylocator/FacilityProfilePage.aspx?id=28903>, CLHRC offers eight private rooms and 56 two-bed rooms to account for its 120 licensed beds.

² The reviewer notes that according to the Agency's FloridaHealthFinder.gov website at <http://www.floridahealthfinder.gov/facilitylocator/FacilityProfilePage.aspx?id=28903>, CLHRC's special programs and services, among others, include hospice care.

CON Action Numbers: 10513, 10514 and 10515

The applicant's Clear Choice Success Stories CD-ROM includes two video clips as follows:

- One clip references a resident who received rehabilitation services (to regain maximum independence and quality of life) at a Clear Choice facility. According to this video clip, the resident was rehabilitated enough to return to a home-like setting and indicates that Clear Choice received no reimbursement for services rendered to this patient.
- One clip indicates that an area physician sends all the patients that he can to CLHRC and chose it himself due to its high quality of care and services.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514): The applicant submitted four brief letters/cards of appreciation for prior services rendered. Of these four appreciation letters/cards, the reviewer notes the following characteristics:

- None of the appreciation letters/cards specify the signer's address
- Three of the appreciation letters/cards range from September 7, 2017 to October 9, 2017 with one not dated
- Two of the appreciation letters/cards are signed and two are not
- Two of the appreciation letters/cards are specific to Westminster Towers, one is specific to "Westminster" and one does not distinguish the facility that is being complimented

Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515): The applicant submitted two brief letters/cards of appreciation for prior services rendered. Of these two appreciation letters/cards, the reviewer notes the following characteristics:

- None of the appreciation letters/cards specify the signer's address
- None of the appreciation letters/cards are dated
- Both of the appreciation letters/cards are signed
- One of the appreciation letters/cards is specific to "WWP" (which is not defined) and one is specific to "Westminster"

C. PROJECT SUMMARY

Conway Lakes NC, LLC (CON application #10513), a Florida for-profit entity, also referenced as Conway Lakes, CLNC or the applicant and owned 99 percent by SBK Capital, LLC and one percent by SBK, LLC (with the sole member for both SBK Capital, LLC and SBK, LLC being Samuel B. Kellett), proposes to establish a new 110-bed community nursing home at any one of six potential sites indicated in the Lake Nona area of Greater Orlando, Florida³ (in District 7, Subdistrict 7-2, Orange County, Florida). The applicant seeks to accomplish this project by aggregating community nursing home beds from the fixed need pool as follows:

- 35 beds – Subdistrict 7-2/Orange County
- 14 beds – Subdistrict 7-3/Osceola County
- 61 beds – Subdistrict 7-4/Seminole County

The applicant states that Clear Choice Health Care (Clear Choice or CCHC) will manage CLNC.

The applicant states that CCHC manages the following eight SNFs located in Florida:

- Belleair Health Care Center
- Centre Pointe Health & Rehab Center
- Conway Lakes Health & Rehab Center
- East Bay Rehabilitation Center
- Melbourne Terrace Rehabilitation Center
- Port Charlotte Rehabilitation Center
- Spring Lake Rehabilitation Center
- Sun Terrace Health Care Center

The project involves 85,150 gross square feet (GSF) of new construction. The construction cost is \$14,611,740. Total project cost is \$22,500,000. Project cost includes: land, building, equipment, project development, financing and start-up costs.

The applicant anticipates issuance of the license in January 2020 and initiation of service in January 2020.

³ CON application #10513, page 48, Exhibit B and Appendix K

CON Action Numbers: 10513, 10514 and 10515

CLNC proposes to condition the project as shown below:

1. The applicant commits to provide all private rooms with private showers/bath in the facility.
2. The applicant will provide an array of unique high-intensity sub-acute rehabilitative programs and services for residents in its nursing home, including the following:
 - Left Ventricular Assist Device (LVAD) Program.
 - Lee Silverman Voice Treatment (LSVT) Loud Program.
 - Lee Silverman Voice Treatment (LSVT) BIG Program.
 - Infusion Therapy Services including:
 - a) Peritoneal Dialysis; and,
 - b) Total Peritoneal Nutrition.
 - Aquatic therapy, through development of two hydrotherapy pools.
 - Rehabilitative therapy for patients unable to perform 100% weight-bearing ambulation, through purchase and use of an Anti-Gravity treadmill.
 - Rehabilitative therapy for patients who would benefit from compressed air equipment designed specifically for the aging population, through purchase and use of HUR Equipment and/or specialized equipment.
 - Sunshine Wellness Check Program.
 - Home Assessments:
 - a) Medication Reconciliation; and,
 - b) Rehabilitation Therapy Team Assessment, as appropriate.
 - Transportation Program to transport outpatients from their home environment to therapy sessions when medically necessary. This same transportation program will be utilized for long-term residents' family members without the means to travel to see his/her loved one in the nursing home, as needed.
3. The applicant will ensure highly skilled clinical staff members provide care to residents in its nursing home, evidenced by special training and/or certification as follows:
 - Lee Silverman Voice Treatment (LSVT) Loud Certified.
 - Lee Silverman Voice Treatment (LSVT) BIG Certified.
 - Aquatic Therapy Certification.
 - Certified Stroke Rehabilitation Specialist (CSRS).
 - Lymphedema Certification.
 - Vital Stem Therapy Certification.
 - Neurodevelopmental Treatment (NDT) Certification.
 - Fiberoptic/Flexible Endoscopic Evaluation of Swallowing (FEES)
4. Community Give-Back Programs: Annual Funding of at least \$150,000.

The applicant commits to a total annual Community Give-Back Programs amount of at least \$150,000 comprised of the following components:

CON Action Numbers: 10513, 10514 and 10515

- Unreimbursed indigent/charity care provided to patients requiring services at its facility.
- Donations of goods, services and/or direct funding to local charities selected by residents.
- Scholarship programs, which pay the costs of staff members to enroll in academic programs to further their formal education.

The reviewer notes that the applicant does not condition an exact date or target date for when conditions #2 through #4 will be implemented. Therefore, the Agency cannot determine whether the proposed programs in conditions #2 through #4 will begin immediately upon licensure or at some unknown date after licensure.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514), a Florida non-profit entity, also referenced as WT or the applicant and an affiliate of The Obligated Group (the parent), proposes to add 24 community nursing home beds at WT through conversion of 24 sheltered nursing home beds in Subdistrict 7-2. WT is located at 70 West Lucerne Circle, Orlando, Florida 32801 and currently is a 120-bed SNF with 91 community beds and 29 sheltered beds. If approved, the proposed project would result in WT being a 120-bed SNF with 115 community beds and five sheltered beds.

WT is one of several continuing care retirement communities (CCRCs) operated by Presbyterian Retirement Communities, Inc. Facilities include:

- Westminster Baldwin Park (Baldwin Park)
- Westminster Manor of Bradenton (Bradenton)
- Westminster Oaks (Tallahassee)
- Westminster Palms (St. Petersburg)
- Westminster St. Augustine (St. Augustine)
- Westminster Suncoast (St. Petersburg)
- Westminster Towers (Orlando) – this project
- Westminster Towers and Shores of Bradenton (Bradenton)
- Westminster Winter Park (Winter Park)
- Westminster Woods on Julington Creek (Jacksonville)

The proposed project is a conversion of existing licensed beds and will involve no construction or renovation⁴. The applicant states that the total project costs are project development costs associated with the CON process, a total of \$47,675.

⁴ Schedules 1 and 9 and page 8-4 of CON application #10514.

CON Action Numbers: 10513, 10514 and 10515

The applicant anticipates issuance of the license in March 2018 and initiation of service in April 2018.

The applicant proposes to condition the proposed project on its Schedule C, as shown below:

Presbyterian Retirement Communities, Inc., d/b/a Westminster Towers is willing to condition the award of CON application #10514 on its proposed Medicaid days, with 53 percent of resident days attributed to Medicaid as a payer. This condition is consistent with the facility's historical Medicaid utilization.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515), a Florida non-profit entity, also referenced as WWP or the applicant, and an affiliate of The Obligated Group (the parent), proposes to add 11 community nursing home beds at Westminster Winter Park through conversion of 11 sheltered nursing home beds in Subdistrict 7-2. WWP is located at 111 S. Lakemont Ave., Winter Park, Florida 32792, and is currently an 80-bed SNF with 69 community beds and 11 sheltered beds. If approved, the proposed project would result in WWP being an 80-bed SNF with 80 community beds and no sheltered beds.

WWP is one of several CCRCs operated by Presbyterian Retirement Communities, Inc. Facilities include:

- Westminster Baldwin Park (Baldwin Park)
- Westminster Manor of Bradenton (Bradenton)
- Westminster Oaks (Tallahassee)
- Westminster Palms (St. Petersburg)
- Westminster St. Augustine (St. Augustine)
- Westminster Suncoast (St. Petersburg)
- Westminster Towers (Orlando) – this project
- Westminster Towers and Shores of Bradenton (Bradenton)
- Westminster Winter Park (Winter Park) – this project
- Westminster Woods on Julington Creek (Jacksonville)

The proposed project is a conversion of existing licensed beds and will involve no construction or renovation⁵. The applicant states that the total project costs are project development costs associated with the CON process, a total of \$47,675.

The applicant anticipates issuance of the license in March 2018 and initiation of service in April 2018.

⁵ Schedules 1 and 9 and page 8-4 of CON application #10515.

CON Action Numbers: 10513, 10514 and 10515

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

Presbyterian Retirement Communities, Inc., d/b/a Westminster Winter Park conditions the award of CON application #10515 on making a nursing home bed available at its nursing home facility to any Lifecare contract holder residing on the Westminster Winter Park campus who requires nursing home care.

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.

Total GSF and Project Costs of Co-Batched Applicants					
Applicant	CON app. #	Project	GSF	Costs \$	Cost Per Bed
Conway Lakes NC, LLC	10513	New 110-bed facility	85,150	\$22,500,000	\$204,545.00
Westminster Towers	10514	Add 24 beds through conversion of 24 sheltered beds	NA	\$47,675	\$1,986.46
Westminster Winter Park	10515	Add 11 beds through conversion of 11 sheltered beds	NA	\$47,675	\$4,334.09

Source: CON applications 10513-10515 and their respective Schedules 1 and 9

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.

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.

CON Action Numbers: 10513, 10514 and 10515

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, Derron Hillman, Bureau of Central Services, who evaluated the financial data and *Scott Waltz* 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 43, Number 189 of the Florida Administrative Register dated September 29, 2017, a fixed need pool notice of 35 beds was published for Subdistrict 7-2 for the July 2020 Planning Horizon. Subdistrict 7-2 is comprised of a single county – Orange County.

After publication of this fixed need pool, zero existing Subdistrict 7-2 facilities filed exemption requests or filed expedited CON reviews to increase or add community nursing home beds.

As of November 15, 2017 Subdistrict 7-2 had 4,130 licensed and 225 approved community nursing home beds. During the 12-month period ending June 30, 2017, Subdistrict 7-2 experienced 89.17 percent total

CON Action Numbers: 10513, 10514 and 10515

occupancy at 33 existing facilities. Below is a table illustrating nursing home patient days and occupancy within Subdistrict 7-2, for the 12 months ending June 30, 2017.

**Orange County (Subdistrict 7-2) Nursing Home Patient Days and Total Occupancy
July 1, 2016-June 30, 2017**

Facility	Comm. Nursing Home Bed Inventory	Bed Days	Patient Days	Total Occupancy	Medicaid Occupancy
Adventist Care Centers – Courtland, Inc.	120	43,800	39,534	90.26%	51.99%
Avante at Orlando, Inc.	118	43,070	33,082	76.81%	75.12%
Colonial Lakes Health Care	180	65,700	63,231	96.24%	69.79%
Commons at Orlando Lutheran Towers	69	25,185	37,280	148.02%	35.06%
Conway Lakes Health and Rehabilitation Center	120	43,800	40,072	91.49%	31.09%
Courtyards of Orlando Health Center	120	43,800	39,400	89.95%	82.36%
Delaney Park Health and Rehabilitation Center	60	21,900	19,787	90.35%	64.24%
East Orlando Health and Rehab Center, Inc.	120	43,800	38,994	89.03%	55.78%
Gardens at DePugh, The	40	14,600	13,544	92.77%	67.83%
Guardian Care Nursing and Rehabilitation Center	120	43,800	41,160	93.97%	78.24%
Health Central Park	228	83,220	79,376	95.38%	71.78%
Hunters Creek Nursing and Rehab Center	116	42,340	38,394	90.68%	59.60%
Lake Bennett Health and Rehabilitation	120	43,800	41,621	95.03%	61.32%
Life Care Center of Orlando	120	43,800	35,114	80.17%	38.44%
ManorCare Nursing and Rehabilitation Center-Winter Park	138	50,370	35,976	71.42%	53.04%
Mayflower Healthcare Center	24	8,760	8,147	93.00%	0.00%
Metro West Nursing and Rehab Center	120	43,800	38,095	86.97%	74.62%
Ocoee Health Care Center	120	43,800	39,586	90.38%	59.87%
Orlando Health and Rehabilitation Center	420	153,300	123,720	80.70%	80.77%
Palm Garden of Orlando	120	43,800	41,481	94.71%	66.25%
Parks Healthcare and Rehabilitation Center	120	43,800	42,250	96.46%	68.58%
Quality Health of Orange County	120	43,800	32,389	73.95%	62.68%
Regents Park of Winter Park	120	43,800	40,361	92.15%	59.07%
Rehabilitation Center of Winter Park, The	180	65,700	52,080	79.27%	73.50%
Rio Pinar Health Care	180	65,700	64,150	97.64%	66.56%
Rosewood Health and Rehabilitation Center	120	43,800	41,047	93.71%	73.80%
Savannah Cove	39	14,235	11,544	81.10%	26.09%
Solaris Healthcare Windermere	120	43,800	41,491	94.73%	46.34%
Sunbelt Health and Rehab Center – Apopka, Inc.	120	43,800	40,324	92.06%	54.65%
Terra Vista Rehab and Health Center	115	41,975	36,911	87.94%	75.41%
Westminster Towers	91	33,215	28,133	84.70%	65.11%
Westminster Winter Park	109	39,785	33,653	84.59%	35.05%
Winter Park Care and Rehabilitation Center	103	37,595	32,217	85.69%	59.38%
Total	4,130	1,507,450	1,344,144	89.17%	62.99%

Source: Florida Nursing Home Bed Need Projections by District and Subdistrict, October 2017 Batching Cycle

The reviewer notes the current and projected population of Orange County (Subdistrict 7-2), District 7 and Florida overall for the planning horizon. The projected population growth, both numerically and by percent is illustrated in the table below.

CON Action Numbers: 10513, 10514 and 10515

**Current and Projected Population Growth Rate
Orange County (Subdistrict 7-2), District 7, and Florida
January 2017 and January 2020**

County/Area	January 1, 2017 Population			January 1, 2020		
	0-64	65+	Total	0-64	65+	Total
Orange	1,156,325	142,990	1,299,315	1,225,677	161,940	1,387,617
District 7	2,267,442	375,335	2,642,777	2,376,711	420,494	2,797,205
Florida	16,360,629	3,879,874	20,240,503	16,804,097	4,277,046	21,081,143
County/Area	2017-2020 Increase			2017-2020 Growth Rate		
	0-64	65+	Total	0-64	65+	Total
Orange	69,352	18,950	88,3023	6.00%	13.25%	6.80%
District 7	109,269	45,159	154,428	4.82%	12.03%	5.84%
Florida	443,468	397,172	840,640	2.71%	10.24%	4.15%

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

County/Area	Community Beds	2017 Pop. Aged 65+	2017	2020 Pop. Aged 65+	2020
			Beds per 1,000		Beds per 1,000
Orange	4,130	142,990	29	161,940	26
District 7	9,094	375,335	24	420,494	22
Florida	80,416	3,879,874	21	4,277,046	19

Source: Florida Agency for Health Care Administration Population Estimates, February 2015 and Florida Nursing Home Bed Need Projections by District and Subdistrict, October 2017 Batching Cycle

Conway Lakes NC, LLC (CON application #10513) contends that special circumstances exist to support the proposed project. Per CLNC, the proposed project will include all private rooms within a resort-style facility, offering enhanced life enrichment activities. The proposed facility maintains that it will include high-intensity rehabilitation services and equipment available equally to all residents, not typically available in nursing homes in general and not offered by any other existing provider in Orange County (Subdistrict 7-2).

CLNC maintains that the proposed project is best positioned to address the community needs of residents in Orange, Osceola and Seminole Counties, as demonstrated by the following:

- 1) An experienced, local community nursing home management team, with headquarters and a training facility in Florida, will establish and operate the proposed project. This management team is innovative and continues to “raise the bar” on SNF services and facilities in Florida, as illustrated by the following:
 - a) Innovative program offerings, illustrated by university-based intergenerational programs, services and activities available to residents.

CON Action Numbers: 10513, 10514 and 10515

- b) Ever-improving facility design based on resident and families' needs and expectations for an active life experience and activity-focused community.
 - c) Implementation of Agency-approved projects as proposed and on-schedule.
 - d) Recognition that financial viability for nursing home facilities, in the short- and long-term, is typically best achieved with a minimum-sized 100-bed facility due to the economies of scale and efficiencies gained.
- 2) Comprehensive continuity of care provided for SNF residents, including the sub-acute level of high-intensity rehabilitative services, provided by certified clinical staff using advanced equipment and facilities to ensure optimal patient outcomes and recovery. Specifics include:
- a) Specialized and high-intensity rehabilitative programs and services available for all residents.
 - b) Advanced rehabilitative equipment necessary for high-intensity rehabilitative care.
 - c) Certified staff members ensure high quality, specialized rehabilitative services are provided.
 - d) Low hospital readmission rates document success of sub-acute care services.
 - e) Sub-acute care SNF services are a critical component in the continuity of care.
 - f) The project will address a growing need for advanced rehabilitative services in Orange County.
- 3) Design and management of the facility by a community-focused organization that tailors its facility, programs and services and community give-back programs to the local communities' needs – all with the goals of ensuring resident choice, independence and dignity.
- a) A facility currently under construction (Dolphin Pointe Landing in Jacksonville, Florida) demonstrates the high quality, resort-like facility that the applicant will establish in Orange County.
 - b) The facility will include all private rooms with private showers and baths within a resort-style facility that incorporates a multitude of destinations under one roof (e.g., bistro, performing arts center, media center, and lifestyle enrichment area) to provide residents with a range of activities and social interaction opportunities.
- 4) The proven programs and services to be provided will ensure that the highest quality nursing home services are available to the residents in Orange County (and contiguous Osceola and Seminole Counties), evidenced by three Governor's Gold Seal facilities and six facilities with four or five-star rankings based on the Centers for Medicare and Medicaid (CMS) national standards.

CON Action Numbers: 10513, 10514 and 10515

CLNC offers in-depth explanations of the points above throughout CON application #10513.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514) maintains that from a health planning perspective, the proposed project makes the best use of limited health care resources to enhance access. WT asserts that the proposal provides the following advantages:

- Increases access by locating the beds centrally within Subdistrict 7-2. This central location is in close proximity to area hospitals with established referral patterns to the facility.
- Improves access for members of the general public to SNF care by utilizing sheltered beds that can be placed into service within the time required to change the licensure status—a ministerial function
- Provides a financially viable project that implements with minimal costs.

WT contends that the impetus for the proposed project is to provide flexibility for admission to SNF care at WT. The applicant indicates that the following serve as objectives for the project:

- Continue to assure that both members of the public and continuing care contract holders have access to quality SNF care.
- Better align the facility within the community to accommodate demand while maintaining maximum flexibility.
- Maintain continuous operations. Members of the public and contract holders are not segmented within the facility – available beds are used for either type of resident.

According to WT, this opportunity to increase community bed capacity by converting existing licensed sheltered beds is the highest and best use of resources. Also according to WT, members of the public residing in Orange County will experience improved access to community nursing home beds, as well as have the experience of being served within a CCRC. WT states that exposure to amenities that a CCRC offers serves as an introduction to retirees to continuing care. WT indicates that the ability to admit members of the general public to the nursing center has several benefits:

- Elders experience directly the constellation of services and life-style choices available in retirement
- Receive care that often helps transition residents from an SNF to home care allowing a smooth transition to a less institutional environment
- Experience and become familiar with options to maintain health and fitness through assisted living, memory care support and onsite activity centers for recreation, learning and fostering friendships

Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515) asserts that the proposed project achieves benefits without delay, thus saving time and resources, and can be implemented quickly relieving the area's bed "need" sooner.

WWP maintains that from a health planning perspective, the proposed project makes the best use of limited health care resources and directly addresses improvements in access and additionally offers a financially viable project that can be implemented with minimal costs. WWP asserts the following objectives of the proposal:

- Continue to assure that both members of the public and continuing care contract holders have access to high quality SNF care.
- Better align the facility within the community to accommodate demand while maintaining maximum flexibility.
- Maintain continuous operations. Members of the public and contract holders are not segmented within the facility – available beds are used for either type of resident.

WWP contends that the impetus for the proposed project is to provide flexibility for admission to the SNF at WWP. Also, the reviewer notes that the applicant previously pointed out that WWP is located within a five-mile radius of four acute care hospitals representing over 5,700 hospital discharges of elderly Orange County residents to SNF. WWP contends that this proximity may influence hospital discharges to the applicant. The reviewer notes the applicant provides no documentation to confirm that this proximity has influenced hospital discharges to the applicant in the past.

The applicant indicates that the presence of assisted living units within the facility may be a draw for families who are not sure if their loved one will be able to return home. WWP notes that having the care at the current SNF provides the option of assisted living, should the family member require additional support once discharged. According to the applicant, this opportunity to increase community bed capacity by converting existing licensed sheltered beds is an efficient use of resources. WWP maintains that members of the public residing in Orange County will experience improved access to community nursing home beds with the proposed project while becoming familiar with the services available as part of a CCRC.

WWP states that it is important to seniors and their families to have access to a private room at a SNF. The applicant contends that with 24 private rooms, WWP has the second largest number of private rooms within the subdistrict. The reviewer notes that per the Agency's FloridaHealthFinder.gov website, WWP's 24 private rooms is the third largest number of private rooms at a SNF within the subdistrict.

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 co-batched applications were submitted to remedy a geographically underserved area as defined above. **CON application #10513** indicates that the referenced rule (item E.2 of this report) does not apply to its proposal but that rather, special circumstances exist to demonstrate need. **CON application #10514 and #10515** indicate that their respective projects are submitted in response to the Agency's fixed need pool (see item E.1.a of this report).

- 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.**

Conway Lakes NC, LLC (CON application #10513) states that for ease of review, the comprehensive array of sub-acute care services to be provided by the applicant is grouped into two broad categories and includes the following components:

Primary Diagnosis/Incident-Specific Sub-Acute Rehabilitative Programs and Services -

- Cardiovascular patients (e.g., congestive heart failure, Left Ventricular Assist Device)
- Neurological patients (e.g., stroke, Parkinson's)
- Pulmonary care (respiratory) patients (e.g., COPD)

Advanced Sub-Acute Services that Enhance Patient Care Across Diagnoses

The applicant asserts that the proposed project will offer proven, high-quality, post-acute care programs and services that are much more intensive and serve higher acuity, more medically complex patients than typically provided in community nursing homes and further, will provide a needed local alternative for patients in central Florida (Orange, Osceola and Seminole Counties).

The applicant itemizes and describes certain services and accompanying equipment items:

- HydroWorx aquatic therapy pools
 - To promote flexibility and strengthen and ultimately return the patient to better functioning
- Alter-G anti-gravity treadmill
 - To allow patients who cannot bear full weight on their legs to complete ambulation for rehabilitation
- HUR equipment
 - To be a pneumatic-based exercise system, so that it uses compressed air to create resistance and allow for smooth movements of the equipment that is most beneficial for older adults

CON Action Numbers: 10513, 10514 and 10515

Other described services and accompanying equipment include:

- Portable biosway
- Omni-cycle
- E-stim
- Ultrasound
- Diathermy
- Kinesis pulley system
- NuStep
- Sci-Fit
- Vitalstim
- Synchrony Dysphagia Treatment
- Dolphin Neurostim
- Solo-Step
- Endoscopic Swallowing Evaluation

CLNC discusses and describes numerous staff certifications for high-intensity, sub-acute rehabilitative services (pages 26 – 28 of the application) that the applicant indicates are in addition to the more typical/expected specialized training and/or certification that staff of the proposed project will also obtain. The applicant provides a list of staff and certifications at Clear Choice-managed facilities (Appendix G of the application).

CLNC discusses Sunshine/Wellness Checks, three scheduled interactions/contacts with the patient within 30 days of discharge at the following intervals: the first contact is within seven days of discharge, the second contact is within 15 days of discharge and the third contact is around 26 to 28 days of discharge.

The applicant contends that the proposed project will have assisted living facility (ALF) and Independent Living Facility (ILF) options in close proximity to the planned nursing home, but will not have the restrictions or high costs of a CCRC.

CLNC proposes the following destinations located along *The City Walk*, offering different activities to residents and patients so that they remain engaged and active in the proposed Clear Choice-managed facility:

- Performing Arts Center
- The Club and Tavern
- The Citrus Café
- The Pelican Room
- Lifestyle enrichment area
- Reflection room

CON Action Numbers: 10513, 10514 and 10515

- Media room
- Salon
- Fun ‘n Fitness area
- The Seminole Square and Therapy Garden
- The Osceola Plaza
- Staff R ‘n R Room

CLNC points out that policies and procedures in place at each CCHC-managed nursing home will serve as the policies and procedures to be developed and implemented at the proposed project. CLNC contends that these policies and procedures encompass not only quality of care, patient rights, safety, clinical guidelines and staff competencies but also provide reinforcement of the ethical standards that are part of the Clear Choice approach to care.

The applicant’s Schedule 7 indicates that the average length of stay (ALOS) will be 66.53 days for year one and 105.91 for year two of operation.

Schedule 6A illustrates that FTEs for year one (ending December 31, 2020) total 119.5 and total 163.3 for year two (ending December 31, 2021). The proposed project’s year one and year two FTEs are shown in the table below.

CON Action Numbers: 10513, 10514 and 10515

Conway Lakes NC, LLC/CON application #10513 Projected Year One (ending 12/31/2020) and Year Two (ending 12/31/2021) 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
Business Office Manager	1.0	1.0
Collection Coordinator	--	1.0
Secretary	2.0	3.0
Medical Records Clerk	1.0	1.0
Other: Marketing	2.0	2.0
Other: Nursing Administration	4.0	7.0
Other: Administration	2.0	3.0
Nursing		
RNs	9.0	9.0
LPNs	19.0	21.0
Nurses' Aides	34.5	52.5
Ancillary		
Physical Therapist	4.0	6.0
PTA	4.0	6.0
Speech Therapist	1.5	2.3
OT	3.0	4.5
COTA	5.0	7.5
Respiratory Therapist	--	1.0
Dietary		
Dietary Manager	1.0	1.0
Cooks	3.5	5.0
Food Services Aides	5.0	7.0
Social Services		
Social Service Director	1.0	1.0
Activities Director	1.0	1.0
Activities Assistant	--	1.5
Other: Transportation	1.0	2.0
Housekeeping		
Housekeeping Supervision	1.0	1.0
Housekeepers	5.0	7.0
Laundry		
Laundry Supervisor	1.0	1.0
Laundry Aides	3.0	3.0
Plant Maintenance		
Maintenance Supervisor	1.0	1.0
Maintenance Assistance	1.0	1.0
Total	119.5	163.3

Source: CON application #10513, Schedule 6

The reviewer confirms that the year one FTE total and the year two FTE total are arithmetically correct.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514) contends that in 2016, 43,707 Orange County residents aged 65+ experienced a hospital stay. The applicant notes that of the 43,707 discharges, 8,800 (approximately 20 percent) required transfer to a SNF upon discharge. Per the applicant, this 8,800 cases/discharges is from the Agency's hospital inpatient data records.

WT points out that from the same source, 22.2 percent of all elderly Orange County residents discharged from a hospital to a SNF were for a musculoskeletal and connective tissue diagnosis (MDC 8). WT indicates that MDC (major diagnostic category) 8 includes the diagnostic related groups (DRGs) of joint replacement, hip replacement, femur procedures, back problems, fractures, spinal fusion and other related types of diagnoses. The applicant maintains that these types of diagnoses require restorative and rehabilitation services. According to the applicant, WT currently has therapies in place for residents with these diagnoses.

The applicant indicates that conditions associated with MDC 5 (Circulatory System) were the second most common type of hospital discharges to a SNF for Orange County residents aged 65+ during 2016. WT indicates that this MDC includes diagnoses and illnesses such as acute myocardial infarction, heart failure, cardiac arrhythmia and other related conditions.

WT offers other MDCs representing a large number of discharges from hospitals to SNFs for the 65+ Orange County population, including MDC 18 (Infectious and Parasitic Diseases) and MDC 1 (Nervous System). The applicant states the use of Agency hospital inpatient data records (2016) to provide a table that accounts for 24 separate MDCs, totaling 8,800 cases/discharges for Orange County residents aged 65+. The 8,800 case/discharge total is itemized by the highest to lowest number of cases and the corresponding percentage. The reviewer includes the applicant's table with the four MDCs discussed above and the aggregated remaining 20 MDCs as "All Other". See the table below.

CON Action Numbers: 10513, 10514 and 10515

**MDCs for Orange County Residents Aged 65 and Older
CY 2016**

MDCs	Number of Cases	Percent of Cases
08 Diseases & Disorders of the Musculoskeletal System & Conn Tissue	1,957	22.2%
05 Diseases & Disorders of the Circulatory System	1,353	15.4%
18 Infectious & Parasitic Diseases, Systemic or Unspecified Sites	956	10.9%
01 Diseases & Disorders of the Nervous System	938	10.7%
All Other	3,596	40.8%
Total	8,800	100.0%

Source: CON application #10514, page 2-3, Table 2-1

The reviewer notes that the four MDCs indicated in the table above (MDCs 08, 05, 18 and 01), in aggregate, total 59.2 percent of all cases. The applicant indicates having examined the most common DRGs associated with the four MDCs that represented (approximately) 59 percent of acute care hospital discharges to SNFs for Orange County residents 65+. The applicant states that from the same source and timeframe, a total of 12 separate DRGs accounted for 2,481 cases (28 percent). See the table below.

**Most Frequent DRGs within Top Four MDCs
Orange County Elderly Discharged from a Hospital to a Nursing Home
CY 2016**

MDC	DRG	Number of Cases
18	871 Septicemia or Severe Sepsis w/o mechanical ventilation > 96 Hours w MCC	577
8	470 Major Joint Replacement or Reattachment of Lower Extremity w/o MCC	446
All Other	All Other	1,458
Total		2,481

Source: CON application #10514, page 2-4, Table 2-2

According to WT, the MDC 18/DRG 871 diagnosis requires Westminster Towers to provide medical management of the condition, including IV care, as well as ensure a hygienic environment that minimizes risk of re-infection or the spread of infection throughout the facility. WT maintains that the MDC 8/DRG 470 diagnosis pertains to major joint replacement. WT asserts that, “the facility offers the rehabilitative services necessary for an elderly resident to regain function and return home.”

The applicant states offering a variety of restorative and rehabilitation services. The applicant also states providing a Rapid Recovery program, with a length of stay of less than 20 days.

CON Action Numbers: 10513, 10514 and 10515

WT indicates that it is both Medicaid and Medicare-certified, offering primarily semi-private rooms for long- and short-term stays. The applicant indicates that licensed nursing staff is available 24 hours a day. The applicant states and the reviewer confirms through the Agency's FloridaHealthFinder.gov website that WT maintains eight private rooms. The applicant contends that WT has a higher number of registered nurse hours per resident per day than for Florida as a whole or the national average.

The applicant points out that for those admitted to the Rapid Recovery program, individuals receive short-term therapy and nursing services, while focused on returning home. According to WT, the facility provides consulting physicians in pulmonary, cardiology and wound care and that its physical, occupational and speech therapy, provided as needed by the resident's care plan, are available seven days a week.

WT lists the provision of the following therapy, rehabilitation and care plans (CON application #10514, pages 2-5 and 2-6):

- Physical therapy
- Occupational therapy
- Speech therapy
- Orthopedic rehabilitation
- Neurological rehabilitation
- Pulmonary rehabilitation
- Medical management
- Palliative care
- Hospice care⁶
- Wound care

The applicant maintains that as an existing facility, WT has trained staff in place to provide services required for their plan of care. Regarding admissions, WT indicates that residents gain admission based on the recommendation of a physician and that social services staff review the facility's information/policies with each admitted resident.

⁶ The reviewer notes that according to the Agency's FloridaHealthFinder.gov website at <http://www.floridahealthfinder.gov/facilitylocator/FacilityProfilePage.aspx?id=28910>, Westminster Towers' special programs and services, among others, include hospice care.

CON Action Numbers: 10513, 10514 and 10515

The applicant notes that a comprehensive resident assessment is completed upon admission. WT maintains that the assessment instrument used is that required by the Centers for Medicare and Medicaid Services (CMS), incorporating the Minimum Data Set (MDS) elements, as well as those elements specific for Florida. WT contends that the resident must participate in the assessment and that WT ensures completion of a Pre-Admission Screen and Resident Review (PASRR). The applicant states that the PASRR identifies serious mental illness and intellectual disabilities that may preclude a specific type of skilled nursing placement. WT indicates that residents are reassessed as their condition changes and if there is no demonstrable change, staff completes a portion of the assessment quarterly with the full assessment completed annually.

Regarding a care plan, WT indicates that when admitted, the facility develops a baseline care plan within 48 hours of admission. The applicant notes that resident-centered comprehensive care plans require completion within seven days and that the interdisciplinary team prepares the care plan, with participation of the attending physician, registered nurse, nurse aide, as well as food and nutrition staff. WT points out that the resident should participate in the care plan development process and that if it is not practical to include the resident, the medical record documents why the resident did not participate.

The applicant cites that an electronic medical health record is utilized for resident records. WT indicates that the software, called ECS, has the MDS data elements within the software and that thus, information can be entered electronically (and transmitted) as well as used to create the resident's care plan, based on the assessment.

Regarding discharge, a resident-specific discharge plan begins when the resident is admitted to the facility, per WT, and this plan incorporates not only the resident's goals for care, treatment preferences and needs associated with reducing preventable readmissions. The applicant maintains that the plan includes an assessment of caregiver needs along with whether the resident has access to a caregiver or support capable of providing the type of care needed. WT points out that the post-discharge plan of care indicates where the resident will reside, the arrangements already made for follow-up care, and medical and non-medical services needed. The applicant notes that staff follow-up with agencies to which a nursing home resident was referred to ensure that residents are receiving necessary services after discharge.

CON Action Numbers: 10513, 10514 and 10515

Schedule 6A shows that for the proposed project, the FTEs for year one (ending March 31, 2019) total 15.38 and for year two (ending March 31, 2020) total 4.41. The FTEs for both years account for the incremental FTEs added as a result of implementation of the proposed project. The facility’s incremental FTEs added are shown in the table below.

Westminster Towers (CON application #10514) Year One (Ending 3/31/2019) and Year Two (Ending 3/31/2020) Staffing		
	Year One Ending 3/31/2019 FTEs	Year Two Ending 3/31/2020 FTEs
Administration		
Other: Nursing Admin	0.25	0.07
Nursing		
RNs	1.21	0.35
LPNs	1.75	0.50
Nurses’ Aides	7.26	2.08
Ancillary		
Physical Therapist	0.33	0.10
Speech Therapist	0.25	0.07
Occupational Therapist	0.24	0.07
Dietary		
Cooks	1.26	0.36
Dietary Aides (incl Servers)	0.91	0.26
Social Services		
Social Service Director & Assistant	0.13	0.04
Activities Assistant	0.42	0.12
Housekeeping		
Housekeepers	1.24	0.35
Plant Maintenance		
Maintenance Assistance	0.13	0.04
Total	15.38	4.41

Source: CON application #10514, Schedule 6A

Notes to Schedule 6A indicate that staffing patterns and the number of FTEs are based on the historical experience of management.

The applicant’s Schedule 7 indicates that the ALOS will be 13.32 days for year one and 16.87 for year two of operation for the proposed bed conversion.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515) contends that in 2016, 43,707 Orange County residents aged 65 and older experienced a hospital stay. The applicant notes that of the 43,707 discharges, 8,800 (or approximately 20 percent) required

CON Action Numbers: 10513, 10514 and 10515

transfer to a SNF upon discharge. Per the applicant, this 8,800 cases/discharges data is from the Agency's hospital inpatient data records.

WWP points out that from the same source, 22.2 percent of all elderly Orange County residents discharged from a hospital to a SNF were for a musculoskeletal and connective tissue diagnosis (MDC 8). WWP indicates that MDC 8 includes the DRGs of joint replacement, hip replacement, femur procedures, back problems, fractures, spinal fusion and other related types of diagnoses. The applicant maintains that with these types of diagnoses, residents require restorative and rehabilitation services. According to the applicant, WWP currently has these therapies in place for residents with these diagnoses.

The applicant indicates that conditions associated with MDC 5 (Circulatory System) constituted the second most common type of hospital discharges to a nursing home facility for Orange County residents aged 65+ during 2016. WWP offers other MDCs representing a large number of discharges from hospitals to SNFs for the 65+ population in Orange County, including MDC 18 and MDC 1. According to WWP, the MDC 18/DRG 871 diagnosis (577 cases in 2016 and the highest number of cases of any single MDC/DRG in 2016) requires WWP to provide medical management of the condition, including IV care, as well as ensure a hygienic environment that minimizes risk of re-infection or the spread of infection throughout the facility.

WWP indicates that it is both Medicaid and Medicare-certified, offering semi-private rooms for long and short-term stays. The applicant indicates that licensed nursing staff is available 24 hours a day.

WWP lists the provision of the following therapy, rehabilitation and care plans (CON application #10515, pages 2-5 and 2-6):

- Physical therapy
- Occupational therapy
- Speech therapy
- Orthopedic rehabilitation
- Neurological rehabilitation
- Pulmonary rehabilitation
- Medical management
- Palliative care
- Hospice care
- Wound care

CON Action Numbers: 10513, 10514 and 10515

The applicant maintains that as an existing facility, WWP has trained staff in place to provide services residents require for their plan of care. Regarding admissions, WWP indicates that residents gain admission based on the recommendation of a physician and that social services staff review the facility's information and policies with each admitted resident.

WWP notes that a comprehensive resident assessment is completed upon admission. WWP maintains that the assessment instrument used is that required by CMS, incorporating the MDS elements, as well as those elements specific for Florida. The applicant asserts that the resident must participate in the assessment and WWP ensures completion of a PASRR. The applicant states that the PASRR identifies serious mental illness and intellectual disabilities that may preclude a specific type of skilled nursing placement. WWP indicates that residents are reassessed as their condition changes and if there is no demonstrable change, staff completes a portion of the assessment quarterly with the full assessment completed annually.

Regarding a care plan, WWP indicates that when admitted, the facility develops a baseline care plan within 48 hours of admission. The applicant notes that resident-centered comprehensive care plans require completion within seven days and that an interdisciplinary team prepares the care plan, with participation of the attending physician, registered nurse, nurse aide, as well as food and nutrition staff. WWP points out that the resident should participate in the care plan development process and that if it is not practical to include the resident, the medical record documents why the resident did not participate.

WWP contends that an individualized care plan must include measurable objectives and timetables that meet the resident's medical, nursing, mental and psychological needs. According to WWP, the plan builds on the resident's strengths and discharge goals, while incorporating identified problems and risk factors. WWP indicates that a member from Social Services notifies the resident's family or representative of care plan meetings.

The applicant cites that an electronic medical health record is utilized for resident records. WWP indicates that the software, called ECS, has the MDS data elements within the software and information can be entered electronically (and transmitted) as well as used to create the resident's care plan, based on the assessment.

CON Action Numbers: 10513, 10514 and 10515

Regarding discharge, a resident-specific discharge plan begins when the resident is admitted to the facility, per WWP, and this plan incorporates not only the resident’s goals for care, treatment preferences and needs associated with reducing preventable readmissions. The applicant maintains that the plan includes an assessment of caregiver needs along with whether the resident has access to a caregiver or support capable of providing the type of care needed. WWP points out that the post-discharge plan of care indicates where the resident will reside, the arrangements already made for follow-up care, and medical and non-medical services needed. The applicant notes that WWP staff follow-up with agencies to which a nursing home resident was referred to ensure the resident is receiving necessary services after discharge.

Schedule 6A shows that for the proposed project, the FTEs for year one (ending March 31, 2019) total 7.40 and for year two (ending March 31, 2020) total 3.99. The FTEs for both years account for the incremental FTEs added as a result of implementation of the proposed project. The facility’s incremental FTEs added are shown in the table below.

Westminster Winter Park (CON application #10515) Year One (Ending 3/31/2019) and Year Two (Ending 3/31/2020) Staffing		
	Year One Ending 3/31/2019 FTEs	Year Two Ending 3/31/2020 FTEs
Administration		
Other: Nursing Admin	0.12	0.06
Nursing		
RNs	0.89	0.48
LPNs	0.64	0.34
Nurses’ Aides	3.38	1.82
Ancillary		
Physical Therapist	0.26	0.14
Speech Therapist	0.11	0.06
Occupational Therapist	0.24	0.13
Dietary		
Cooks	0.67	0.36
Dietary Aides (incl Servers)	0.33	0.18
Social Services		
Social Service Director & Assistant	0.10	0.06
Activities Assistant	0.15	0.08
Housekeeping		
Housekeepers	0.45	0.24
Plant Maintenance		
Maintenance Assistance	0.06	0.03
Total	7.40	3.99

Source: CON application #10515, Schedule 6A

CON Action Numbers: 10513, 10514 and 10515

The reviewer confirms that the year one FTE total (7.40) is arithmetically correct. The stated year two total (3.99) is arithmetically 3.98.

Notes to Schedule 6A indicate that staffing patterns and the number of FTEs are based on the historical experience of management.

The applicant's Schedule 7 indicates that the ALOS will be 6.21 days for year one and 9.38 for year two of operation for the proposed bed conversion.

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.

Conway Lakes NC, LLC (CON application #10513) does not respond directly to this preference, but the reviewer confirms that none of the facilities operated by its parent company have had licenses denied, revoked or suspended within the past 36 months.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514) and **Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515)** each are existing facilities that attest to not having their respective nursing home license denied, revoked or suspended.

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?

Conway Lakes NC, LLC (CON application #10513) does not respond directly to this preference, but the reviewer confirms that the facility has not had a nursing facility placed into receivership in the 36 months prior to the current application.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514) and Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10514) each are existing facilities and attest to not having their respective 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.**

Conway Lakes NC, LLC (CON application #10513) does not respond directly to this preference, but the reviewer notes that the criterion is not applicable.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514) and Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515) each state that because there have been no violations, this provision does not apply to either applicant.

- 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.**

Conway Lakes NC, LLC (CON application #10513) does not respond directly to this preference, but the reviewer notes that the criterion is not applicable.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514) and Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515) each state that because there have been no violations, this provision does not apply to either applicant.

- 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.**

Conway Lakes NC, LLC (CON application #10513) does not respond directly to this preference.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514) and **Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515)** each state that they continue to report required data to the Health Council of East Central Florida, Inc. and to the Agency. Each of these applicants also attest that this data includes the above-cited utilization reports as well as required licensure and financial requirements attendant to operating a licensed nursing facility.

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)(a) and (b), Florida Statutes.**

There are 72 licensed community nursing homes with a total of 9,094 community nursing home beds in District 7. Subdistrict 7-2 is composed solely of Orange County and has 33 licensed community nursing homes with a total of 4,130 community nursing home beds. The subdistrict averaged 89.17 percent total occupancy for the 12-month period ending June 30, 2017.

Conway Lakes NC, LLC/CON application #10513 utilizes the Agency's Florida Population Estimates and Projections by AHCA District 2010 to 2030 publication, issued February 2015, to determine the 2017 and 2020 (the second year of planned operation) total population for Subdistricts 7-2, 7-3 and 7-4 and the age 65+ population for the same years for the same subdistricts. The applicant's total population table indicates a total service area population of 2,231,361 residents (by 2020), an increase of 135,393 residents and a percentage increase of 6.5 percent. The applicant's age 65+ population table indicates an age 65+ service area population of 287,159 residents (by 2020), an increase of 33,412 age 65+ residents and a percentage increase of 13.2 percent. See the tables below.

CON Action Numbers: 10513, 10514 and 10515

Total Population for Subdistricts (Counties) in District 7

		Total Population		Population Change		Percent of Service Area 2020
Sub-District	County	2017	2020	Number	Percent	
7-2	Orange	1,313,793	1,401,930	88,137	6.7%	63%
7-3	Osceola	330,898	363,082	32,184	9.7%	16%
7-4	Seminole	451,277	466,349	15,072	3.3%	21%
Total Service Area		2,095,968	2,231,361	135,393	6.5%	100.0%

65+ Population for Subdistricts (Counties) in District 7

		65+ Population		Population Change		Percent of Service Area 2020
Sub-District	County	2017	2020	Number	Percent	
7-2	Orange	146,101	165,207	19,106	13.1%	58%
7-3	Osceola	41,633	48,855	7,222	17.3%	17%
7-4	Seminole	66,013	73,097	7,084	10.7%	25%
Total Service Area		253,747	287,159	33,412	13.2%	100.0%

Source: CON application #10513, page 46, Table 4 (Total Population) and Table 5 (65+ Population)

CLNC contends that the six potential sites for the proposed project (with Clear Choice having operational management regardless of the location ultimately selected) was based on a myriad of factors, including but not limited to:

- Ease of patient and family access to the site, e.g., major roadways, general traffic flow, availability of alternate routes such as SR 417 and I-4, etc., from Seminole, Osceola and Orange Counties
- Elderly population within close proximity to the potential site
- The high number of hospital discharges from the area
- Absence of existing SNFs in close proximity to the potential location within the six-mile radius
- Proximity of the potential location to new and expanding health care facilities in the area
- Proximity to the UCF main campus and UCF College of Medicine
- Proximity of the potential location to a fast growing area of Orange County—Lake Nona area is one of the fastest growing areas of Orlando

CLNC provides a map (page 48, Exhibit B and Appendix K of the application) to indicate the six potential locations of the proposed project. CLNC points out that Subdistrict 7-2 (Orange County), where the proposed facility will be located, has by far the highest total population and elderly population now and in the future.

CON Action Numbers: 10513, 10514 and 10515

The applicant indicates that Conway Lakes has the highest skilled rehab average daily census among existing providers, reflective of the specialized nature of its sub-acute care services. CLNC notes that the proposed project will provide similarly intensive services as Conway Lakes. CLNC also indicates that all of the proposed locations of the planned nursing home are in close proximity to UCF, which will facilitate collaboration between UCF and the proposed SNF.

CLNC states site-specific information on the demographics of the area in close proximity to the proposed project (Appendix K of the application), noting that the proposed facility will be located in one of the following ZIP Codes: 32822, 32792, 32825, 32805, 32839 or 32811. The reviewer notes that the applicant does not condition that the proposed project will be located in any one of the listed six ZIP Codes. Other site-specific information noted by the applicant includes:

- A 2015 population (by age cohorts), with a corresponding six-mile and 12-mile radius and a 2020 population (by age cohorts), with a six-mile and 12-mile radius
- A Market Analysis (demographic information for Orange County and Florida overall)
- Hospital Market Analysis
- Hospital Patient Day and Discharge Comparison
- Gross Patient Revenue
- SNF Market Analysis
 - Extended Target Market 12-mile Radius
 - Total Number of Licensed Beds
 - Medicare Average Daily Census
 - Occupancy Percentages
 - Skilled Rehab Average Daily Census

The reviewer compiled the table below to account for the applicant's Schedule 7 to document the estimated payer mix and expected admits, by payer, for year one (ending December 31, 2020) and for year two (ending December 31, 2021) for the proposed 110-bed community nursing home project. The applicant expects a total of 589 admits in year one and a total of 955 admits in year two. See the table below.

CON Action Numbers: 10513, 10514 and 10515

**Forecast Utilization at Proposed Conway at Lake Nona
110 Community Nursing Home Bed Project
First Two Years of Operation**

Payer	Year One Patient Days	Year Two Patient Days	Percent of Total Year One	Percent of Total Year Two
Medicare	11,014	20,013	45.4%	51.8%
Medicare HMO	0	0	0.0%	0.0%
Medicaid	0	0	0.0%	0.0%
Medicaid HMO	6,180	12,110	25.4%	31.3%
Self-Pay	3,459	3,614	14.2%	9.3%
Other Managed Care	2,295	1,460	9.5%	3.8%
Other Payers	1,336	1,460	5.5%	3.8%
Total	24,284	38,657	100.0%	100.0%
Payer	Year One Admits	Year Two Admits		
Medicare	367	667		
Medicare HMO	0	0		
Medicaid	0	0		
Medicaid HMO	69	135		
Self-Pay	38	40		
Other Managed Care	26	16		
Other Payers	89	97		
Total	589	955		

Source: CON application #10513, Schedule 7

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514) states that Orange County has 33 community nursing homes with a total of 4,132 beds, which represents 45.4 percent of District 7’s community nursing home bed supply. WT notes that the four CCRCs in Orange County, including the applicant, together add a total of 151 sheltered beds to the inventory of skilled nursing beds. The applicant notes that just over half (19) of the subdistrict’s facilities experienced occupancy rates in excess of 90 percent during FY 2017. WT indicates that the proposed project (the conversion of sheltered to community beds) provides a cost-effective way to provide an additional 24 community beds.

The applicant states the proposed project would positively impact accessibility. WT indicates that it is conveniently located downtown and is within five miles of Orlando’s largest hospitals, Orlando Health and Florida Hospital. The applicant states, these two facilities represent over 3,700 discharges of Orange County elderly residents to SNFs, as indicated in the Agency’s 2016 hospital inpatient data records.

CON Action Numbers: 10513, 10514 and 10515

WT states that the benefit of the application includes the minimal costs associated with the bed conversion, location convenience and highly occupied facilities within a mile radius of the facility. The applicant asserts that because the beds are in continuous use and no interruption or additional services will occur, the project is ministerial, requiring a change in licensure status.

The applicant contends that the proposed project is designed to increase the access and availability of beds to members of the general public while ensuring the facility has the flexibility of serving WT contract holders as well as community members. WT indicates that the option of community members receiving nursing care at WT promotes an aging-in-place process, as individuals may find they cannot return home but instead require assisted living, available on-site.

The applicant provides an aerial photograph, pointing out that WT is located near downtown Orlando and is proximate to Interstate 4 and the East-West Expressway. The applicant provides a diagram/map of the proposed location and states that two acute care hospitals and three nursing homes are within one mile of WT (CON application #10514, page 1-6, Figure 1-3). The reviewer notes that according to the Agency's FloridaHealthFinder.gov website at <http://www.floridahealthfinder.gov/facilitylocator/ListProximityFacilities.aspx>, WT is 0.46 miles distant from Orland Health and is 0.67 miles distant from Arnold Palmer Medical Center (APMC). WT indicates that APMC does not serve the elderly. The reviewer notes that according to the Agency's FloridaHealthFinder.gov website at <http://www.floridahealthfinder.gov/facilitylocator/ListProximityFacilities.aspx>, WT is 0.36 miles distant from both the 60-bed SNF Delany Park Health and Rehabilitation Center and the 115-bed SNF Terra Vista Rehab and Health Center and is 0.62 miles distant from the 146-bed SNF Commons at Orlando Lutheran Towers.

The applicant states the use of the Agency's Florida Nursing Home Bed Need Projections by District and Subdistrict publication, issued September 29, 2017, to indicate that WT and the three additional SNFs within one mile of WT had an occupancy rate of 99.9 percent for the 12 months ending June 30, 2017. See the table below.

CON Action Numbers: 10513, 10514 and 10515

**Nursing Home Utilization for Facilities within a
One-Mile Radius of Westminster Towers
FY 2017**

Facility	Beds	Bed Days	Resident Days	Occupancy
Commons at Orlando Lutheran Towers	69	25,185	37,280	148.02%
Delany Park Health & Rehabilitation Ctr	60	21,900	19,787	90.35%
Terra Vista Rehab & Health Center	115	41,975	36,911	87.94%
Westminster Towers	91	33,215	28,133	84.70%
Total	335	122,275	122,111	99.9%

Source: CON application #10514, page 1-7, Table 1-1

The reviewer confirms that the beds, bed days and resident days as shown in the table above are consistent with the Agency’s Florida Nursing Home Bed Need Projections by District and Subdistrict publication, issued September 29, 2017, for the 12 months ending June 30, 2017.

WT provides a diagram/map of the location of WT and states that a majority (64 percent) of the subdistrict’s elderly population (65+) resides within a 10-mile radius of the applicant (CON application #10514, page 1-9, Figure 1-5). The reviewer notes that the applicant provides no source to substantiate this attestation. The applicant points out that although WT is located within ZIP Code 32801, which has the lowest CAGR of all ZIP Codes within the 10-mile area, its proximate location to Orlando Health and other hospitals, along with the occupancy rate of SNFs within a 1-mile radius indicate that the community beds are likely to be fully utilized.

Using Claritas data for the 2017 age 65+ population to the 2022 age 65+ population within a 10-mile radius of the proposed project, the applicant expects a population increase of 25,341 (127,995 – 102,654 = 25,341) age 65+ residents by 2022 (CAGR of 4.5 percent). The reviewer collapses the 24 distinct ZIP Codes in the applicant’s table into the totals provided. See the table below.

**Orange County Population Estimates for 10-Mile Radius by
ZIP Code for the Elderly Aged 65 Years and Older for
Years 2017 and 2022**

ZIP Codes	2017 Pop 65+	2022 Pop 65+	CAGR
Total	102,654	127,995	4.5%

Source: CON application #10514, page 1-11, Table 1-2

CON Action Numbers: 10513, 10514 and 10515

According to WT, of the 33 licensed nursing homes within Orange County, 27 facilities, not including the applicant, lie within a 10-mile radius of the applicant. The applicant indicates that (including the applicant) SNFs within a 10-mile radius of the Westminster Towers in FY 2017 had an occupancy rate of 89.07 percent and 63.18 percent Medicaid occupancy. The reviewer collapses the 27 named SNFs in the applicant's table into the totals provided. See the table below.

**Nursing Home Utilization for FY 2017
Based on 10-Mile Radius of Westminster Towers**

Facility	Beds	Bed Days	Resident Days	Occupancy	Medicaid Days	Medicaid Occupancy
Total	3,275	1,184,790	1,055,316	89.07%	666,786	63.18%

Source: CON application #10514, page 1-12, Table 1-3

WT points out that in the table above, the overall occupancy rate for facilities within a 10-mile radius of the applicant was just over 89 percent, slightly less than the occupancy rate for Orange County.

The applicant utilizes the Florida Nursing Home Bed Need Projections by District and Subdistrict, October 2017 Batching Cycle to indicate 1,344,144 nursing home patient/resident days for Orange County for the 12 months ending June 30, 2017 and then utilizes the Agency's 2017 Orange County age 65+ population estimates to reach a nursing home use rate for the subdistrict (per 1,000 population age 65+) to reach 9,400 days per 1,000 persons. See the table summarizing the applicant's analysis below:

**Forecasted Nursing Home Resident Days for the Subdistrict and
Proposed 24 New Community Beds
FY 2019**

Resident Days July 1, 2016 to June 30, 2017	1,344,144
<i>Average Daily Census, FY 2017</i>	3,683
Orange County Population 65+, Jan 1, 2017	142,990
Days per 1,000 Persons, 65+ FY 2017	9,400
Orange County Population 65+, 2019	155,709
<i>Resident Days Forecasted for 2019</i>	1,463,706
<i>Average Daily Census, FY 2019</i>	4,010
Proposed Westminster Towers Days	5,322
Deduct Westminster Towers Days	1,458,384
<i>Average Daily Census, FY 2019, Remaining Days</i>	3,996

Source: CON application #10514, page 1-16, Table 1-5

CON Action Numbers: 10513, 10514 and 10515

Below is the applicant’s estimated payer mix and admissions for years one and two, for the 24-bed proposed project. The applicant expects a total of 76 admits in year one and a total of 95 admits in year two. See the table below.

**Utilization at Westminster Towers
First Two Years of Operation for 24 Community Beds**

Payer	Year One Days	Year Two Days	Percent of Total
Medicare	573	725	11.77%
Medicare HMO	218	276	4.48%
Medicaid	465	589	9.56%
Medicaid Man. Care	2,108	2,672	43.39%
Self-Pay	1,055	1,337	21.71%
Other	442	559	9.08%
Total	4,861	6,158	100.0%

Payer	Year One Admits	Year Two Admits
Medicare	29	37
Medicare HMO	13	16
Medicaid	1	2
Medicaid Man. Care	7	7
Self-Pay	18	23
Other	8	10
Total	76	95

Source: CON application #10514, page 1-17, Table 1-6 and page 9-2, Table 9-2

The applicant anticipates that the proposed project will not negatively impact existing nursing facilities and states having taken into account previously approved CON SNF projects.

The applicant discusses conformity with the Health Care Access Criteria (CON application #10514, page 3-7 through 3-10).

Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515) states that Orange County has 33 community nursing homes with a total of 4,132 beds, which represents 45.4 percent of District 7’s community nursing home bed supply. WWP notes that the four CCRCs in Orange County, including the applicant, together add a total of 151 sheltered beds to the inventory of skilled nursing beds. The applicant notes that just over half (19) of the subdistrict’s facilities experienced occupancy rates in excess of 90 percent during FY 2017.

WWP contends that regarding project benefit, the applicant presents a proposal with minimal costs for the 11 beds. WWP further states that because the beds are in continuous use and no interruption or additional services will occur, the project is ministerial with a change in licensure status of the beds.

CON Action Numbers: 10513, 10514 and 10515

WWP states that ZIP Code 32792 (location of the existing facility) has the second largest number of elderly persons (65+) within Orange County and that approximately 7,904 seniors reside within this ZIP Code as of 2017 and that by 2022, 9,306 seniors will reside within this same ZIP Code (per Claritas).

The applicant contends that the proposed project is designed to increase the access and availability of beds to members of the general public and ensure the facility has the flexibility of serving WWP contract holders as well as community members. The applicant asserts that the ability for community members to receive nursing care at WWP promotes an aging-in-place process, as individuals may find they cannot return home but instead require assisted living available on-site.

The applicant provides an aerial photograph, pointing out that WWP is located in a mixed-use area, with both commercial and residential development. The applicant notes that WWP is approximately 1.1 miles from Winter Park Memorial Hospital (WPMH), which the applicant states is an important referral source for admissions (CON application #10515, page 1-6, Figure 1-3). The reviewer notes that according to the Agency's FloridaHealthFinder.gov website at <http://www.floridahealthfinder.gov/facilitylocator/ListProximityFacilities.aspx>, WPMH is 0.16 miles from WWP. The applicant goes further by providing a diagram/map of the location of WWP and states that four hospitals are within five miles of WWP (CON application #10515, page 1-7, Figure 1-4).

WWP asserts that the proposed project achieves benefits without delay, thus saving time and resources, is implemented quickly and can relieve the area's bed need sooner.

The applicant states that in 2016, when the four hospitals proximate to WWP are considered relative to all elderly (age 65+) Orange County residents discharged to nursing homes during the year, the four hospitals represent just over 65 percent of all discharges to nursing homes within

CON Action Numbers: 10513, 10514 and 10515

the county. The applicant indicates that according to Agency hospital inpatient data records for 2016, there were 8,800 cases/discharges to nursing homes of Orange County residents age 65+. See the table below.

**Orange County Residents 65+ Discharged to a Nursing Home
Hospitals within a Five-Mile Radius of Westminster Winter Park
2016**

Five-Mile Radius Hospital	Cases	Percent of Total
Florida Hospital	2,229	25.3%
Florida Hospital East Orlando	1,078	12.3%
Orlando Health	1,494	17.0%
Winter Park Memorial Hospital	947	10.8%
Subtotal	5,748	65.3%
Balance of Elderly Orange County Residents w/ Discharge to SNF	3,052	34.7%
Total	8,800	100.0%

Source: CON application #10515, page 1-8, Table 1-1

Using Claritas data for the 2017 age 65+ population to the 2022 age 65+ population within Orange County, the applicant expects a population increase of 43,616 (204,608 – 160,922 = 43,616) age 65+ residents by 2022 (CAGR of 4.9 percent). The reviewer collapses the 45 distinct ZIP Codes in the applicant’s table into the totals provided. See the table below.

**Orange County Population Estimates by
ZIP Code for the Elderly Aged 65 Years and Older**

ZIP Codes	2017 Total 65+	2022 Total 65+	Five-Year Change	CAGR
Total	160,992	204,608	43,616	4.9%

Source: CON application #10515, pages 1-9 and 1-10, Table 1-2

According to the applicant, 16 licensed nursing homes within a five-mile radius of WWP (and not including WWP), had an overall annualized occupancy rate of 89.50 percent in FY 2017. The source for this data is the Agency’s Florida Nursing Home Bed Need Projections by District and Subdistrict October 2017 Batching Cycle. The reviewer collapses the 16 named SNFs in the applicant’s table into the totals provided and eliminated the ZIP Code column. See the table below.

**Community Nursing Home Beds Located within a Five-Mile Radius
of Westminster Winter Park with FY 2017 Days and Occupancy Rate**

Name	Comm Beds	Bed Days	Resident Days	Occupancy
Five-Mile Radius Total	1,642	599,330	536,382	89.50%

Source: CON application #10515, page 1-11, Table 1-3

WWP points out that in the table above, the overall occupancy rate for facilities within a five-mile radius of the applicant was 89.5 percent, somewhat higher than the occupancy rate for Orange County overall (89.2 percent).

CON Action Numbers: 10513, 10514 and 10515

The applicant utilizes the Florida Nursing Home Bed Need Projections by District and Subdistrict, October 2017 Batching Cycle to indicate 1,344,144 nursing home patient/resident days for Orange County for the 12 months ending June 30, 2017 and utilizes the Agency's 2017 Orange County age 65+ population estimates to reach a nursing home use rate for the subdistrict (per 1,000 population age 65+) to reach 9,400 days per 1,000 persons. See the table summarizing the applicant's analysis below.

**Forecasted Nursing Home Resident Days for the Subdistrict and
Proposed 11 New Community Beds
FY 2019**

Resident Days July 1, 2016 to June 30, 2017	1,344,144
<i>Average Daily Census, FY 2017</i>	3,683
Orange County Population 65+, Jan 1, 2017	142,990
Days per 1,000 Persons, 65+ FY 2017	9,400
Orange County Population 65+, 2019	155,709
<i>Resident Days Forecasted for 2019</i>	1,463,706
<i>Average Daily Census, FY 2019</i>	4,010
Proposed Westminster Winter Park Days	3,425
Deduct Westminster Winter Park Days	1,460,281
<i>Average Daily Census, FY 2019, Remaining Days</i>	4,001

Source: CON application #10515, page 1-14, Table 1-5

Below is the applicant's estimated payer mix and admissions, for years one and two, for the 11-bed proposed project. The applicant expects a total of 46 admits in year one and a total of 69 admits in year two. See the table below.

**Forecast Utilization at Westminster Winter Park
11 Community Nursing Home Beds Forecast – This Project Only
First Two Years of Operation for the Bed Conversion**

Payer	Year One	Year Two	Percent of Total
Medicare	453	685	20.0%
Medicare HMO	84	127	3.7%
Medicaid	179	270	7.9%
Medicaid Man. Care	696	1,052	30.7%
Self-Pay	751	1,135	33.1%
Other	104	156	4.6%
Total	2,267	3,425	100.0%
Payer	Year One Admits	Year Two Admits	
Medicare	23	35	
Medicare HMO	5	8	
Medicaid	1	1	
Medicaid Man. Care	2	3	
Self-Pay	13	19	
Other	2	3	
Total	46	69	

Source: CON application #10515, page PS-v, Table PS-2, 1-16, Table 1-7 and page 9-2, Table 9-2

CON Action Numbers: 10513, 10514 and 10515

The applicant anticipates that the proposed project will not negatively impact existing nursing facilities or those in development and states having taken into account previously approved CON SNF projects.

The applicant discusses conformity with the Health Care Access Criteria (CON application #10515, page 3-9 through 3-12).

- 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.**

Conway Lakes NC, LLC (CON application #10513) states that through its relationship with Clear Choice, the applicant has demonstrated a long history of providing high quality care. CLNC indicates that Clear Choice was founded in 2007 to provide management services for its affiliated nursing home operators. The applicant provides a table to indicate the eight SNFs that Clear Choice manages in Florida, each facility’s Governor’s Gold Seal (if applicable) designation, its CMS star rating, its city and county. See the table below.

Florida Nursing Home Facilities Managed by Clear Choice Health Care

Facility Name	Quality Ratings		City	County
	Governor’s Gold Seal	CMR Star Rating		
Belleair Health Care Center	(Pending)	5-star	Clearwater	Pinellas
Centre Pointe Health & Rehab Center	✓	5-star	Tallahassee	Leon
Conway Lakes Health & Rehab Center	✓	5-star	Orlando	Orange
East Bay Rehabilitation Center		2-Star	Clearwater	Pinellas
Melbourne Terrace Rehabilitation Center	✓	2-star	Melbourne	Brevard
Port Charlotte Rehabilitation Center		5-star	Port Charlotte	Charlotte
Spring Lake Rehabilitation Center		4-star	Winter Haven	Polk
Sun Terrace Health Care Center		5-star	Sun City Center	Hillsborough

Source: CON application #10513, page 7, Table 1 and page 54, Table 6

The reviewer confirms that according to the Agency’s FloridaHealthFinder.gov website, Conway Lakes Health and Rehabilitation Center is a current Governor’s Gold Seal recipient and the CMS ratings, cities and counties, as shown in the table above, are correct. According to the Medicare.gov website at <https://www.medicare.gov/nursinghomecompare/search.html?>, a five-star rating is “much above average”, a four-star rating is “above average” and a two-star rating is “below average”.

The reviewer compiled the following Agency inspection rating for the eight facilities listed above. The most recent Agency inspection, for the rating

CON Action Numbers: 10513, 10514 and 10515

time period April 2015 to September 2017, was last updated November 2017. See the table below.

Agency Inspection Ratings for SNFs Managed by Clear Choice Health Care

Facility Name	Agency Inspection Star Rating (Overall)	On Agency Watch List?
Belleair Health Care Center	***** (5-star)	No
Centre Pointe Health & Rehab Center	***** (5-star)	No
Conway Lakes Health & Rehab Center	***** (5-star)	No
East Bay Rehabilitation Center	** (2-star)	Yes
Melbourne Terrace Rehabilitation Center	* (1-star)	No
Port Charlotte Rehabilitation Center	*** (3-star)	No
Spring Lake Rehabilitation Center	**** (4-star)	No
Sun Terrace Health Care Center	***** (5-star)	No

Source: Agency's FloridaHealthCare.gov website at <http://www.floridahealthfinder.gov/index.html>

Below is the Agency's FloridaHealthFinder.gov website explanation of the Agency's performance measures (stars) and Watch List information:

★★★★★ Means that for this measure this facility ranked better than 81 percent to 100 percent of the facilities in its region. That is, five stars means that the facility ranked in the top 20 percent of facilities in its region.

★★★★ Means that for this measure this facility ranked better than 61 percent to 80 percent of the facilities in its region.

★★★ Means that for this measure this facility ranked better than 41 percent to 60 percent of the facilities in its region.

★★ Means that for this measure this facility ranked better than 21 percent to 40 percent of the facilities in its region.

★ Means that for this measure this facility ranked better than 0 percent to 20 percent of the facilities in its region. That is, a single star means that the facility ranked in the bottom 20 percent of facilities in its region.

The Watch List identifies nursing homes that are operating under bankruptcy protection or met the criteria for a conditional status during the past 30 months. A conditional status indicates that a facility did not meet, or correct upon follow-up, minimum standards at the time of an inspection. Immediate action is taken if a facility poses a threat to resident health or safety. Under Florida law, nursing homes have a right to challenge state sanctions. Facilities challenging a conditional license are noted as "under appeal." Watch List information is subject to change as appeals are processed.

CON Action Numbers: 10513, 10514 and 10515

CLNC provides a table to compare quality ratings between Conway Lakes, NC, LLC (CON application #10513), co-batched CON application #10514 and #10515 and Subdistrict 7-4 CON application #10516 (page 41, Table 2 and page 55, Table 7 of CON application #10513).

Conway Lakes Health and Rehabilitation Center had no substantiated complaints during the three-year period ending December 27, 2017.

Agency complaint records indicate that the affiliated nursing homes associated with the management company CCHC, for the three-year period ending December 27, 2017 had 20 substantiated complaints, spread among seven of its eight facilities. A single complaint can encompass multiple complaint categories. The substantiated complaint categories are listed below:

Nursing Homes affiliated with Clear Choice Health Care Substantiated Complaints for the Three Years Ending December 27, 2017	
Complaint Category	Number Substantiated
Quality of Care/Treatment	13
Resident/Patient/Client Rights	5
Administration/Personnel	2
Admission, Transfer & Discharge Rights	2
Resident/Patient/Client Assessment	2
Dietary Services	1
Misappropriation of Property	1

Source: Florida Agency for Health Care Administration Complaint Records

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514) provides current Agency licensure that indicates that the licensee, Presbyterian Retirement Communities, Inc., is authorized to operate 120-bed Westminster Towers (page 1-19, Exhibit 1-1 of the application).

WT discusses and provides a copy of its Medicare.gov: Nursing Home Compare/Nursing home profile (page 4-3, Figure 4-1 of the application). According to the Medicare.gov website at <https://www.medicare.gov/nursinghomecompare/profile.html#profTab=0&ID=105757&Distn=0.7&loc=32801&lat=28.5416658&lng=-81.3756862>, CMS has awarded Westminster Towers a three-star (average) overall rating (of a possible five stars). This same website also verifies that the 120-bed facility participates in Medicare and Medicaid and is within a CCRC. From this same website, WT provides 11 quality of resident care, short-stay and long-stay measures. Of these 11 measures, WT points out that regarding the percent of short-stay residents who were successfully discharged to the community, Westminster Towers had a 60.5 percent measure, compared to a Florida average of 55.5 percent and a national average of 57.0 percent, as of

CON Action Numbers: 10513, 10514 and 10515

November 29, 2017. The reviewer reproduces this one measure of the 11 measures shown in the applicant's table. See the table below.

**Excerpts from CMS Quality of Resident Care Measures
Westminster Towers
November 2017 Ratings**

Quality of Resident Care Measure	Westminster Towers	Florida Average	National Average
% of short-stay residents who were successfully discharged to the community	60.5%	55.5%	57.0%

Source: CON application #10514, page 4-4, Table 4-1

WT indicates that its Quality Assurance (QA) program ensures the provision of consistent, high-quality care to all residents. The applicant asserts that the program requires continuous monitoring and assessing resident care practices, identifying and investigating potential problems or concerns and implementing appropriate actions to reduce or eliminate problems to the degree possible. WT discusses the program's QA Committee (page 4-6 of the application), its composition and function. The reviewer notes that no QA program materials are included in the application.

WT states adherence to a Continuous Quality Improvement (CQI) Policy Statement, monitoring and evaluation system, CQI Committee, CQI Plan and process. WT also states that a CQI Manual documents the process for CQI. The applicant provides a CQI Project Flow Chart (page 4-7, Figure 4-2 of the application). The reviewer notes that no CQI Policy Statement, CQI Plan or CQI Manual is included in the application.

WT discusses resident rights (pages 4-8 and 4-9 of the application) and activities (pages 4-9 and 4-10 of the application). The November 2017 Westminster Towers Orlando Activities Calendar is included (page 4-12, Exhibit 4-1 of the application).

According to the Agency's FloridaHealthFinder.gov website, Westminster Towers is not a Gold Seal Program nor is it on the Nursing Home Watch List. The most recent Agency inspection, for the rating time period April 2015 to September 2017, last updated November 2017, indicates that Westminster Towers received an overall two-star rating out of a possible five stars. Again, according to the Agency's FloridaHealthFinder.gov website, a two-star rating means that for this measure this facility ranked better than 21 percent to 40 percent of the facilities in its region.

According to Agency records, Westminster Towers had four substantiated complaints during the three-year period ending December 27, 2017, in

CON Action Numbers: 10513, 10514 and 10515

the complaint categories of quality of care/treatment (two), infection control and unqualified personnel.

Agency complaint records indicate that the affiliated nursing homes associated with the parent company, for the three-year period ending December 27, 2017 had six substantiated complaints at its facilities in the complaint categories of quality of care/treatment (four), infection control and unqualified personnel.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515) provides current Agency licensure that indicates that the licensee, Presbyterian Retirement Communities, Inc., is authorized to operate 80-bed Westminster Winter Park (page 1-18, Exhibit 1-1 of the application).

WWP discusses and provides a copy of its Medicare.gov: Nursing Home Compare/Nursing home profile (page 4-3, Figure 4-1 of the application). According to the Medicare.gov website at <https://www.medicare.gov/nursinghomecompare/profile.html#profTab=0&ID=105757&Distn=0.7&loc=32801&lat=28.5416658&lng=-81.3756862>, CMS has awarded WWP a five-star (much above average) overall rating (of a possible five stars). This same website also verifies that the 120-bed facility participates in Medicare and Medicaid and is within a CCRC. From this same website, WWP provides a total of nine quality of resident care, short-stay measures (page 4-4, Figure 4-2 of the application) and a total of 15 long-stay measures (page 4-5, Figure 4-3 of the application).

WWP indicates that its QA program ensures the provision of consistent, high-quality care to all residents. The applicant asserts that the program requires continuous monitoring and assessing resident care practices, identifying and investigating potential problems or concerns and implementing appropriate actions to reduce or eliminate problems to the degree possible. WWP discusses the program's QA Committee (page 4-7 of the application), its composition and function. The reviewer notes that no QA program materials are included in the application.

CON Action Numbers: 10513, 10514 and 10515

WWP states adherence to a CQI Policy Statement, monitoring and evaluation system, CQI Committee, CQI Plan and process. The applicant notes that the CQI Manual documents the process for CQI. WWP provides a CQI Project Flow Chart (page 4-8, Figure 4-4 of the application). The reviewer notes that no CQI Policy Statement, CQI Plan or CQI Manual is included in the application.

WWP discusses resident rights (pages 4-9 and 4-10 of the application) and activities (pages 4-10 through 4-12 of the application). The November 2017 WWP Calendar is included (page 4-13, Exhibit 4-1 of the application).

According to the Agency's FloridaHealthFinder.gov website, Westminster Winter Park is not a Gold Seal Program nor is it on the Nursing Home Watch List. The most recent Agency inspection, for the rating time period April 2015 to September 2017, last updated November 2017, indicates that Westminster Winter Park received an overall three-star rating out of a possible five stars. Again, according to the Agency's FloridaHealthFinder.gov website, a three-star rating means that for this measure this facility ranked better than 41 percent to 60 percent of the facilities in its region.

Westminster Winter Park had no substantiated complaints during the three-year period ending December 27, 2017.

Agency complaint records indicate that the affiliated nursing homes associated with the parent company, for the three-year period ending December 27, 2017 had six substantiated complaints at its facilities in the complaint categories of quality of care/treatment (four), infection control and unqualified personnel.

- 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.**

Conway Lakes NC, LLC (CON application #10513):

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

CON Action Numbers: 10513, 10514 and 10515

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 provided audited financial statements for Parkwood Properties, Inc. and Subsidiaries, its parent company, where the short term and long-term measures fall on the scale (highlighted in gray) for the most recent year.

Conway Lakes NC, LLC		
	Dec-16	Dec-15
Current Assets	\$3,051,857	\$2,934,641
Total Assets	\$3,343,037	\$3,450,510
Current Liabilities	\$972,087	\$911,873
Total Liabilities	\$1,093,742	\$1,022,523
Net Assets	\$2,249,295	\$2,427,987
Total Revenues	\$18,564,268	\$18,006,446
Excess of Revenues Over Expenses	\$1,463,265	\$1,761,232
Cash Flow from Operations	\$2,278,975	\$1,208,984
Short-Term Analysis		
Current Ratio (CA/CL)	3.1	3.2
Cash Flow to Current Liabilities (CFO/CL)	234.44%	132.58%
Long-Term Analysis		
Long-Term Debt to Net Assets (TL-CL/NA)	5.4%	4.6%
Total Margin (ER/TR)	7.88%	9.78%
Measure of Available Funding		
Working Capital	\$2,079,770	\$2,022,768

CON Action Numbers: 10513, 10514 and 10515

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 \$22,500,000, which includes this project. The applicant states on Schedule 3 that funding for this project will come from 15 percent from cash on hand (\$3,375,000) and 85 percent from non-related company financing (\$19,125,000). The applicant provided audited financial statements showing over \$2 million in working capital. The applicant also provided a bank statement from the parent showing over \$6.9 million in available cash. Based on the table above and the parent's bank statement, the applicant and parent have sufficient working capital and cash to fund 15 percent. Additionally, the applicant provided letters of interest from BB&T to provide financing for 85 percent of the project

(Both have an existing or prior lending relationship with the parent). Although not a firm commitment to lend, these letters of interest document a history of lending to the parent organization.

Conclusion:

Funding for this project is likely but not guaranteed.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514):

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

CON Action Numbers: 10513, 10514 and 10515

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 provided audited financial statements for Parkwood Properties, Inc. and Subsidiaries, its parent company, where the short-term and long-term measures fall on the scale (highlighted in gray) for the most recent year.

The Obligated Group		
	Mar-17	Mar-16
Current Assets	\$45,417,725	\$41,303,421
Total Assets	\$761,994,754	\$566,919,195
Current Liabilities	\$46,767,268	\$36,963,351
Total Liabilities	\$627,673,452	\$438,165,022
Net Assets	\$134,321,302	\$128,754,173
Total Revenues	\$172,344,068	\$164,104,101
Excess of Revenues Over Expenses	(\$6,751,871)	(\$9,068,021)
Cash Flow from Operations	\$39,759,927	\$48,373,026
Short-Term Analysis		
Current Ratio (CA/CL)	1.0	1.1
Cash Flow to Current Liabilities (CFO/CL)	85.02%	130.87%
Long-Term Analysis		
Long-Term Debt to Net Assets (TL-CL/NA)	432.5%	311.6%
Total Margin (ER/TR)	-3.92%	-5.53%
Measure of Available Funding		
Working Capital	(\$1,349,543)	\$4,340,070

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 \$107,525,150, which includes this project, CON 10515, and capitalization. The applicant states on Schedule 3 that funding for this project will come from cash on hand. The applicant provided audited financial statements showing over \$17 million in cash & cash equivalents, and over \$39 million in working capital.

Conclusion:

Funding for this project (\$47,675) is likely.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515):

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 provided audited financial statements for The Obligated Group, where the short term and long-term measures fall on the scale (highlighted in gray) for the most recent year.

CON Action Numbers: 10513, 10514 and 10515

The Obligated Group		
	Mar-17	Mar-16
Current Assets	\$45,417,725	\$41,303,421
Total Assets	\$761,994,754	\$566,919,195
Current Liabilities	\$46,767,268	\$36,963,351
Total Liabilities	\$627,673,452	\$438,165,022
Net Assets	\$134,321,302	\$128,754,173
Total Revenues	\$172,344,068	\$164,104,101
Excess of Revenues Over Expenses	(\$6,751,871)	(\$9,068,021)
Cash Flow from Operations	\$39,759,927	\$48,373,026
Short-Term Analysis		
Current Ratio (CA/CL)	1.0	1.1
Cash Flow to Current Liabilities (CFO/CL)	85.02%	130.87%
Long-Term Analysis		
Long-Term Debt to Net Assets (TL-CL/NA)	432.5%	311.6%
Total Margin (ER/TR)	-3.92%	-5.53%
Measure of Available Funding		
Working Capital	(\$1,349,543)	\$4,340,070

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 \$107,525,150, which includes this project, CON 10514, and capitalization. The applicant states on Schedule 3 that funding for this project will come from cash on hand. The applicant provided audited financial statements showing over \$17 million in cash & cash equivalents, and over \$39 million in working capital.

Conclusion:

Funding for this project (\$47,675) is likely.

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

Conway Lakes NC, LLC (CON application #10513):

Analysis:

The immediate and long-term financial feasibility of the project is tied to expected profitability. The purpose of our analysis for this section is to evaluate the reasonableness of the applicant’s profitability projections and, ultimately, whether profitability is achievable for this project. Our analysis includes an evaluation of net revenue per patient day (NRPD), cost per patient day (CPD), nurse staffing ratios and profitability. We compared the NRPD, CPD and profitability to actual operating results from skilled nursing facilities as reported on Medicaid cost reports (2015, 2016, and 2017 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 2017, 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	17,078,561	442	2,134	522	299
Total Expenses	15,812,419	409	2,109	522	342
Operating Income	1,266,142	33	182	-10	-492
Operating Margin	7.41%		Comparative Group Values		
	Days	Percent	Highest	Median	Lowest
Occupancy	38,657	96.28%	99.31%	85.90%	37.49%
Medicaid	12,110	31.33%	29.84%	18.62%	0.00%
Medicare	20,013	51.77%	99.59%	30.16%	5.51%

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 meets this requirement.

Conclusion:

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

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514):

Analysis:

The immediate and long-term financial feasibility of the project is tied to expected profitability. The purpose of our analysis for this section is to evaluate the reasonableness of the applicant's profitability projections and, ultimately, whether profitability is achievable for this project. Our analysis includes an evaluation of net revenue per patient day (NRPD), cost per patient day (CPD), nurse staffing ratios and profitability. We compared the NRPD, CPD and profitability to actual operating results from skilled nursing facilities as reported on Medicaid cost reports (2015, 2016, and 2017 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 2017, 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: 10513, 10514 and 10515

	PROJECTIONS PER APPLICANT		COMPARATIVE GROUP VALUES PPD		
	Total	PPD	Highest	Median	Lowest
Net Revenues	11,968,500	290	1,268	404	269
Total Expenses	11,848,300	287	1,501	393	317
Operating Income	120,200	3	65	7	-200
Operating Margin	1.00%		Comparative Group Values		
	Days	Percent	Highest	Median	Lowest
Occupancy	41,293	94.02%	99.55%	91.67%	76.81%
Medicaid	21,865	52.95%	49.27%	41.53%	30.03%
Medicare	6,718	16.27%	57.26%	33.29%	1.20%

The projected NRPD and profit fall within the group range and are considered reasonable. The projected CPD is slightly lower than the lowest in the control group. Expenses may be understated. The overall profitability appears achievable.

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 meets this requirement.

Conclusion:

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

Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515):

Analysis:

The immediate and long-term financial feasibility of the project is tied to expected profitability. The purpose of our analysis for this section is to evaluate the reasonableness of the applicant’s profitability projections and, ultimately, whether profitability is achievable for this project. Our analysis includes an evaluation of net revenue per patient day (NRPD), cost per patient day (CPD), nurse staffing ratios and profitability. We compared the NRPD, CPD and profitability to actual operating results from skilled nursing facilities as reported on Medicaid cost reports (2015, 2016, and 2017 cost report years). For our comparison group, we

CON Action Numbers: 10513, 10514 and 10515

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 2017, 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	8,984,400	337	1,964	451	300
Total Expenses	8,875,400	333	1,789	445	317
Operating Income	109,000	4	151	6	-64
Operating Margin	1.21%		Comparative Group Values		
	Days	Percent	Highest	Median	Lowest
Occupancy	26,659	91.05%	97.74%	89.04%	70.53%
Medicaid	10,290	38.60%	40.02%	30.55%	21.38%
Medicare	6,321	23.71%	67.52%	39.97%	8.40%

The projected NRPD, CPD, and profit fall within the group range and are considered reasonable. The overall profitability appears achievable.

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 meets this requirement.

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.**

Each Co-Batched Project:

Strictly from a financial perspective, 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:

None of the co-batched projects are 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.**

Conway Lakes NC, LLC/CON application #10513: 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.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514): The Office of Plans and Construction notes that the codes and standards regulating the design and construction of SNFs are the same for beds licensed as sheltered beds and community beds.

It is the position of the Office of Plans and Construction that a review of the architectural submissions for this project is unnecessary since the existing nursing beds have already been reviewed and approved by the Agency for use as skilled nursing beds in accordance with Florida Statutes 400.232 and Florida Administrative Code 59A-4.133.

The reviewer notes that any modifications or alterations of the physical plant due to a conversion would need to be reviewed by the Office of Plans and Construction.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515): The Office of Plans and Construction notes that the codes and standards regulating the design and construction of SNFs are the same for beds licensed as sheltered beds and community beds.

It is the position of the Office of Plans and Construction that a review of the architectural submissions for this project is unnecessary since the existing nursing beds have already been reviewed and approved by the Agency for use as skilled nursing beds in accordance with Florida Statutes 400.232 and Florida Administrative Code 59A-4.133.

The reviewer notes that any modifications or alterations of the physical plant due to a conversion would need to be reviewed by the Office of Plans and 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 Medicaid occupancy for the subdistrict, district and state (for the five-year period ending June 30, 2017) is provided in the table below.

CON Action Numbers: 10513, 10514 and 10515

**Medicaid Patient Days and Medicaid Occupancy
in Orange County (Subdistrict 7-2),
District 7 and Florida**

Medicaid Patient Days					
Area	JUL 2012- JUN 2013	JUL 2013- JUN 2014	JUL 2014- JUN 2015	JUL 2015- JUN 2016	JUL 2016- JUN 2017
Orange County	816,140	837,307	834,464	850,964	846,616
District 7	1,750,964	1,776,171	1,774,373	1,814,280	1,806,594
Florida	15,676,855	15,837,261	15,875,092	16,097,612	16,077,665
Medicaid Occupancy					
Area	JUL 2012- JUN 2013	JUL 2013- JUN 2014	JUL 2014- JUN 2015	JUL 2015- JUN 2016	JUL 2016- JUN 2017
Orange County	61.73%	63.65%	62.46%	63.66%	62.99%
District 7	59.83%	60.79%	59.99%	60.98%	60.92%
Florida	61.58%	62.05%	61.88%	62.73%	63.34%

Source: Florida Nursing Home Bed Need Projections by District and Subdistrict, September 2013 – September 2017 Batching Cycle

Conway Lakes NC, LLC (CON application #10513) states that Clear Choice, in all of its managed SNFs, provides care on a non-discriminatory basis, accepting all SNF-appropriate patient referrals without regard to race, religion, national origin, age, disability, marital status or source of payment. CLNC also states that Clear Choice instills a culture of caring and giving back to the community.

CLNC indicates the proposed project’s year one and year two total Medicaid percent of patient days. The year one percentage is proposed at 30 percent and the year two percentage is proposed at 36 percent. See the table below.

Proposed Project will Serve Significant Amount of Medicaid Patients

Medicaid Patient Type (Description)	Percent of Patient Days	
	Project Year One	Project Year Two
“Residential” Medicaid	25%	31%
“Community/Skilled”Dual-Eligible Medicaid	5%	5%
Total Medicaid Percent of PT Days	30%	36%

Source: CON application #10513, pages 59 and 62 and notes to Schedule 7

The reviewer compiled CON application #10513, Schedule 7 data, to account for Medicaid/Medicaid HMO and self-pay for year one (ending December 31, 2020) and for year two (ending December 31, 2021). See the table below.

CON Action Numbers: 10513, 10514 and 10515

**Conway Lakes, NC, LLC (CON application #10513)
Medicaid/Medicaid HMO and Self-Pay
Year One (ending 12/31/2020) and Year Two (ending 12/31/2021)**

Payer	Percent of Total Patient Days	
	Year One	Year Two
Medicaid	0.0%	0.0%
Medicaid HMO	25.4%	31.3%
Self-Pay	14.2%	9.3%
Total	39.6%	40.6%

Source: CON application #10513, Schedule 7

The applicant’s Schedule 7 indicates that Medicaid/Medicaid HMO and self-pay represent 25.4 percent and 14.2 percent, respectively, of year one and 31.3 percent and 9.3 percent, respectively, of year two, total annual patient days.

CON application #10513 does not condition any Medicaid/Medicaid HMO total annual patient days or percentage, pursuant to this proposal. However, the applicant’s condition #4 indicates:

Community Give-Back Programs: Annual Funding of at least \$150,000. The applicant commits to a total annual Community Give-Back Programs amount of at least \$150,000 comprised of the following components:

- Unreimbursed indigent/charity care provided to patients requiring services at its facility
- Donations of goods, services and/or direct funding to local charities selected by residents
- Scholarship programs, which pay the costs of staff members to enroll in academic programs to further their formal education

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514) states that, as a CCRC, WT offers skilled nursing to life care residents as well as elderly persons outside the retirement community.

WT indicates that it is dually-certified to provide both Medicare and Medicaid skilled nursing services. The applicant maintains having a commitment to residents with Medicaid as a payer. The applicant indicates the use of the Agency’s Florida Nursing Home Utilization by District and Subdistrict, July 1 through June 30, fiscal years 2015 to 2017 to reflect a highest Medicaid occupancy rate of 74.2 percent (FY 2016) and a lowest Medicaid occupancy rate of 65.1 percent (FY 2017). The applicant points out that the resident days shown are only those associated with the community beds operated by WT. See the table below.

Westminster Towers

CON Action Numbers: 10513, 10514 and 10515

FY 2015 – 2017 Medicaid Utilization

	Resident Days			Medicaid Days	
	Beds	Days	Occup	Days	Occup
FY 2015	61	20,331	91.3%	13,674	67.3%
FY 2016	91(1)	21,400	86.8%	15,872	74.2%
FY 2017	91	28,133	84.7%	18,317	65.1%

Note: (1) – The change in the number of community nursing home beds from 61 to 91 occurred during the fiscal year. The 30 additional community beds did not operate a full year.

Source: CON application #10514, page 3-9, Table 3-2 and page 9-1, Table 9-1

The reviewer confirms that the data shown in the applicant’s table above is consistent with the referenced Agency records.

WT points out that its community beds had an overall 85 percent or higher occupancy rate over the past three fiscal years (ending June 30, 2017) and a Medicaid 65 percent or higher occupancy rate over the same period.

Previously shown in item E.3.a of this report, but replicated below for convenience, is the applicant’s estimated payer mix and admits, for years one and two, for the 24-bed proposed project. The applicant expects a total of 4,861 patient days in year one and a total of 6,158 patient days in year two. The applicant expects a total of 76 admits in year one and a total of 95 admits in year two. See the table below.

**Forecasted Utilization at Westminster Towers, 24 Community Bed Forecast
First Two Years of Operation for the Bed Conversion**

Payer	Year One Days	Year Two Days	Percent of Total
Medicare	573	725	11.77%
Medicare HMO	218	276	4.48%
Medicaid		589	9.56%
Medicaid Man. Care	2,108	2,672	43.39%
Self-Pay	1,055	1,337	21.71%
Other	442	559	9.08%
Total	4,861	6,158	100.0%

Payer	Year One Admits	Year Two Admits
Medicare	29	37
Medicare HMO	13	16
Medicaid	1	2
Medicaid Man. Care	7	7
Self-Pay	18	23
Other	8	10
Total	76	95

Source: CON application #10514, page PS-iii, Table PS-1, page 1-17, Table 1-6 and page 9-2, Table 9-2

The applicant’s Schedule 7 indicates that for the 24-bed conversion, as proposed, Medicaid/Medicaid HMO represents 53.0 percent and self-pay represents 21.7 percent (in year one, ending March 31, 2019 and in year two, ending March 31, 2020), total annual patient days. In the same schedule, the same percentages, for these same payers, for the same time period are indicated for the entire 120-bed SNF.

CON Action Numbers: 10513, 10514 and 10515

CON application #10514 conditions 53 percent of resident days attributed to Medicaid as a payer.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515) states that, as a CCRC, WWP offers skilled nursing to residents as well as the community.

WWP indicates that it retains dual certification for both Medicare and Medicaid. The applicant maintains offering access to and services to those in the community with Medicaid as a payer. The applicant indicates the use of the Agency’s Florida Nursing Home Utilization by District and Subdistrict, July 1 through June 30, fiscal years 2015 to 2017 to reflect a highest Medicaid occupancy rate of 45.0 percent (FY 2016) and a lowest Medicaid occupancy rate of 35.1 percent (FY 2017). See the table below.

**Westminster Winter Park
FY 2015 – 2017 Community Bed Occupancy
and Medicaid Patient Days**

Patient Days	FY 2015		FY 2016		FY 2017	
	Number	Percent	Number	Percent	Number	Percent
Total	27,170	80.9%	27,133	77.5%	33,653	84.6%
Medicaid	9,949	36.6%	12,200	45.0%	11,794	35.1%

Source: CON application #10515, page 9-1, Table 9-1

The reviewer confirms that the data shown in the applicant’s table above is consistent with the referenced Agency records.

Previously shown in item E.3.a of this report, but replicated below for convenience, is the applicant’s estimated payer mix by patient day, for years one and two, for the 11-bed proposed project. The applicant expects a total of 2,267 patient days in year one and a total of 3,425 patient days in year two. The applicant expects a total of 46 admissions in year one and a total of 69 admission in year two. See the table below.

CON Action Numbers: 10513, 10514 and 10515

**Projected Utilization at Westminster Winter Park
11 Community Bed Forecast –This Project Only
First Two Years of Operation for the Bed Conversion**

Payer	Year One	Year Two	Percent of Total
Medicare	453	685	20.0%
Medicare HMO	84	127	3.7%
Medicaid	179	270	7.9%
Medicaid Man. Care	696	1,052	30.7%
Self-Pay	751	1,135	33.1%
Other	104	156	4.6%
Total	2,267	3,425	100.0%

Payer	Year 1 Admits	Year 2 Admits	
Medicare	23	35	
Medicare HMO	5	8	
Medicaid	1	1	
Medicaid Man. Care	2	3	
Self-Pay	13	19	
Other	2	3	
Total	46	69	

Source: CON application #10515, page 1-16, Table 1-7

The applicant’s Schedule 7 indicates that for the 11-bed conversion, as proposed, Medicaid/Medicaid HMO represents 38.6 percent and self-pay represents 33.1 percent (in year one, ending March 31, 2019 and in year two, ending March 31, 2020), total annual patient days. In the same schedule, the same percentages, for these same payers, for the same time period are indicated for the entire 80-bed SNF.

CON application #10515 does not condition any Medicaid/Medicaid HMO or charity care total annual patient days or percentage, pursuant to this proposal.

F. SUMMARY

Conway Lakes NC, LLC (CON application #10513), a Florida for-profit entity, proposes to establish a new 110-bed community nursing home at any one of six potential sites indicated in the Lake Nona area of Greater Orlando, Florida (in District 7, Subdistrict 7-2, Orange County, Florida). The applicant seeks to accomplish this project by aggregating community nursing home beds from the fixed need pool as follows:

- 35 beds – Subdistrict 7-2/Orange County
- 14 beds – Subdistrict 7-3/Osceola County
- 61 beds – Subdistrict 7-4/Seminole County

CON Action Numbers: 10513, 10514 and 10515

The project involves 85,150 GSF of new construction. The construction cost is \$14,611,740. Total project cost is \$22,500,000. Project cost includes: land, building, equipment, project development, financing and start-up costs.

The applicant names its proposed facility Conway at Lake Nona (CLN) and states that Clear Choice Health Care (Clear Choice or CCHC) will manage the proposed CLN. Clear Choice operates eight SNFs in Florida.

The applicant proposes four conditions in Schedule C of the proposal, found on pages four and five of this report.

The reviewer notes that the applicant does not condition a date or target date for when conditions #2 through #4 will be implemented. Therefore, the Agency cannot determine whether the proposed programs in conditions #2 through #4 will begin immediately upon licensure or at some unknown date after licensure.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514), a Florida non-profit entity, proposes to add 24 community nursing home beds at WT through conversion of 24 sheltered nursing home beds in District 7, Subdistrict 7-2, Orange County, Florida. WT is located at 70 West Lucerne Circle, Orlando, Florida 32801, and is a 120-bed SNF with 91 community beds and 29 sheltered beds. If approved, the proposed project would result in a 120-bed SNF with 115 community beds and five sheltered beds.

The affiliate operates 10 SNFs in Florida.

The proposed project is a conversion of existing licensed beds and will involve no construction or renovation. The applicant states that the total project costs are project development costs associated with the CON process, a total of \$47,675.

The applicant proposes conditions on Schedule C of the proposal, found on page six of this report.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515), a Florida non-profit entity, proposes to add 11 community nursing home beds at WWP through conversion of 11 sheltered nursing home beds in District 7, Subdistrict 7-2, Orange County, Florida. WWP is located at 111 S. Lakemont Ave., Winter Park, Florida 32792, and is an 80-bed SNF with 69 community beds and 11 sheltered beds. If approved, the proposed project would result in an 80-bed SNF with 80 community beds and no sheltered beds.

The affiliate operates 10 SNFs in Florida.

The proposed project is a conversion of existing licensed beds and will involve no construction or renovation. The applicant states that the total project costs are project development costs associated with the CON process, a total of \$47,675.

The applicant proposes conditions on Schedule C of the proposal, found on page seven of this report.

Need:

In Volume 43, Number 189 of the Florida Administrative Register dated September 29, 2017, a fixed need pool notice of 35 beds was published for Subdistrict 7-2 for the July 2020 Planning Horizon. Subdistrict 7-2 is comprised of a single county – Orange County.

After publication of this fixed need pool, zero existing Subdistrict 7-2 facilities filed exemption requests or filed expedited CON reviews to increase or add community nursing home beds.

As of November 15, 2017 Subdistrict 7-2 had 4,130 licensed and 225 approved community nursing home beds. During the 12-month period ending June 30, 2017 Subdistrict 7-2 experienced 89.17 percent total occupancy at 33 existing facilities.

Conway Lakes NC, LLC (CON application #10513) contends that special circumstances exist to support the proposed project. CLNC maintains that the proposed project is best positioned to address the community needs of residents in Orange, Osceola, and Seminole Counties, as demonstrated by the following:

CON Action Numbers: 10513, 10514 and 10515

- 1) An experienced, local community nursing home management team, with headquarters and a training facility in Florida, will establish and operate the proposed project. This management team is innovative and continues to “raise the bar” on SNF services and facilities in Florida.
- 2) Comprehensive continuity of care provided for nursing home residents, including the sub-acute level of high-intensity rehabilitative services, provided by certified clinical staff using advanced equipment and facilities to ensure optimal patient outcomes and recovery.
- 3) Design and management of the facility by a community-focused organization that tailors its facility, programs and services and community give-back programs to the local communities’ needs – all with the goals of ensuring resident choice, independence and dignity.
- 4) The proven programs and services to be provided will ensure that the highest quality nursing home services are available to the residents in Orange County (and contiguous Osceola and Seminole Counties), evidenced by three Governor’s Gold Seal facilities and six facilities with four or five-star rankings based on CMS national standards.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514) maintains that from a health planning perspective, the proposed project makes the best use of limited health care resources and enhances access. WT asserts that the proposal provides the following advantages:

- Increases access by locating the beds centrally within Subdistrict 7-2. This central location is in close proximity to area hospitals with established referral patterns to the facility.
- Improves access for members of the general public to skilled nursing care by utilizing sheltered beds that can be placed into service within the time required to change the licensure status, a ministerial function.
- Provides a financially viable project that can be implemented with minimal costs.

WT anticipates that through the proposed project members of the public residing in Orange County will experience improved access to community nursing home beds with several benefits:

- Elders experience directly the constellation of services and life-style choices available in retirement.
- Receive care that often may transition from the nursing center to home care, experiencing a smooth transition to a less institutional environment.
- Experience and become familiar with options to maintain health and fitness through assisted living, memory care support and onsite activity centers for recreation, learning and fostering friendships.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515) asserts that the proposed project achieves benefits without delay, thus saving time and resources, is implemented quickly and can relieve the area's bed need sooner.

WWP maintains that from a health planning perspective, the proposed project makes the best use of limited health care resources and directly addresses improvements in access and additionally offers a financially viable project that implements with minimal costs. The applicant asserts that the objectives of the proposal are these:

- Continue to assure that both members of the public and continuing care contract holders have access to high quality skilled nursing care
- Better align the facility within the community to accommodate demand while maintaining maximum flexibility
- Maintain continuous operations. Members of the public and contract holders are not segmented within the facility – available beds are used for either type of resident

WWP states that the impetus for the proposed project is as following:

- To provide flexibility for admission to skilled nursing care at WWP
- The project is situated within a five-mile radius of four acute care hospitals representing over 5,700 hospital discharges of elderly Orange County residents to nursing homes
 - This proximity may influence hospital discharges to nursing homes
- The presence of assisted living units within the facility may be a draw for families who are not sure if their loved one will be able to return home

The Agency has determined that within the context of the criteria specified Section 408.035 (1), F.S., and Rule 59C-1.036, F.A.C., that the proposed request by CON application #10514 and the proposed request by CON application #10515 best satisfy the criteria.

Quality of Care:

Each co-batched applicant described their ability to provide quality care.

Conway Lakes NC, LLC/CON application #10513: The applicant's controlling interest had 20 substantiated complaints, spread among seven of its eight Florida SNFs during the three-year period ending December 27, 2017. The applicant had no substantiated complaints for the same three-year period.

CON Action Numbers: 10513, 10514 and 10515

**Florida Nursing Home Facilities
Managed by Clear Choice Health Care**

Facility Name	Quality Ratings	
	Governor's Gold Seal	CMR Star Rating
Belleair Health Care Center		5-star
Centre Pointe Health & Rehab Center		5-star
Conway Lakes Health & Rehab Center	✓	5-star
East Bay Rehabilitation Center		2-Star
Melbourne Terrace Rehabilitation Center	✓	2-star
Port Charlotte Rehabilitation Center		5-star
Spring Lake Rehabilitation Center		4-star
Sun Terrace Health Care Center		5-star

The most recent Agency inspection, for the rating time period April 2015 to September 2017, was last updated November 2017 and indicates the following Agency inspection ratings for SNFs managed by Clear Choice.

Agency Inspection Ratings for SNFs Managed by Clear Choice Health Care

Facility Name	Agency Inspection Star Rating (Overall)	On Watch List?
Belleair Health Care Center	***** (5-star)	No
Centre Pointe Health & Rehab Center	***** (5-star)	No
Conway Lakes Health & Rehab Center	***** (5-star)	No
East Bay Rehabilitation Center	** (2-star)	Yes
Melbourne Terrace Rehabilitation Center	* (1-star)	No
Port Charlotte Rehabilitation Center	*** (3-star)	No
Spring Lake Rehabilitation Center	**** (4-star)	No
Sun Terrace Health Care Center	***** (5-star)	No

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514): According to Agency records, Westminster Towers had four substantiated complaints during the three-year period ending December 27, 2017.—Agency complaint records indicate that the affiliated nursing homes associated with the parent company, for the three-year period ending December 27, 2017 had six substantiated complaints.

The most recent Agency inspection, for the rating time period April 2015 to September 2017, last updated November 2017, indicates that Westminster Towers received an overall two-star rating out of a possible five stars.

CON Action Numbers: 10513, 10514 and 10515

Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515): Westminster Winter Park had no substantiated complaints during the three-year period ending December 27, 2017.

Agency complaint records indicate that the affiliated nursing homes associated with the parent company, for the three-year period ending December 27, 2017 had six substantiated complaints at its facilities in the complaint categories of quality of care/treatment (four), infection control and unqualified personnel.

The most recent Agency inspection, for the rating time period April 2015 to September 2017, last updated November 2017, indicates that Westminster Winter Park received an overall three-star rating out of a possible five stars.

Financial Feasibility/Availability of Funds:

Conway Lakes NC, LLC (CON application #10513):

- Funding for this project is likely but not guaranteed
- Based on the applicant's Schedule 6, the minimum staffing requirements are met, pursuant to Section 400.23(3)(a)(1), Florida Statutes
- This project appears to be financially feasible based on the projections provided by the applicant
- Each co-batched project, including this project, is not likely to have a material impact on competition to promote quality and cost-effectiveness

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514):

- Funding for this project (\$47,675) is likely
- Based on the applicant's Schedule 6, the minimum staffing requirements are met, pursuant to Section 400.23(3)(a)(1), Florida Statutes
- This project appears to be financially feasible based on the projections provided by the applicant
- Each co-batched project, including this project, is not likely to have a material impact on competition to promote quality and cost-effectiveness

Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515):

- Funding for this project (\$47,675) is likely
- Based on the applicant's Schedule 6, the minimum staffing requirements are met, pursuant to Section 400.23(3)(a)(1), Florida Statutes
- This project appears to be financially feasible based on the projections provided by the applicant
- Each co-batched project, including this project, is not likely to have a material impact on competition to promote quality and cost-effectiveness

Medicaid/Charity Care:

Conway Lakes NC, LLC (CON application #10513) does not condition any Medicaid/Medicaid HMO total annual patient days or percentage, pursuant to this proposal. However, the applicant's condition #4 indicates:

Community Give-Back Programs: Annual Funding of at least \$150,000.

The applicant commits to a total annual Community Give-Back Programs amount of at least \$150,000 comprised of the following components:

- Unreimbursed indigent/charity care provided to patients requiring services at its facility
- Donations of goods, services and/or direct funding to local charities selected by residents
- Scholarship programs, which pay the costs of staff members to enroll in academic programs to further their formal education

The applicant's Schedule 7 indicates that for the new 110-bed facility, as proposed, Medicaid/Medicaid HMO represents 25.4 percent and self-pay represents 14.2 percent, total annual patient days (in year one, ending December 31, 2020). According to the same schedule, Medicaid/Medicaid HMO represents 31.3 percent and self-pay represents 9.3 percent, total annual patient days (in year two, ending December 31, 2021).

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514):

- The applicant is willing to condition the award of its application on its proposed Medicaid days, with 53 percent of resident days attributed to Medicaid as a payer
- The applicant's Schedule 7 indicates that for the 24-bed conversion, as proposed, Medicaid/Medicaid HMO represents 53.0 percent and self-pay represents 21.7 percent (in year one, ending March 31, 2019 and in year two, ending March 31, 2020), total annual patient days
- In the same schedule, the same percentages, for these same payers, for the same time period are indicated for the entire 120-bed SNF

Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515):

- The applicant does not condition any Medicaid/Medicaid HMO or charity care total annual patient days, pursuant to this proposal
- The applicant's Schedule 7 indicates that for the 11-bed conversion, as proposed, Medicaid/Medicaid HMO represents 38.6 percent and self-pay represents 33.1 percent (in year one, ending March 31, 2019 and in year two, ending March 31, 2020), total annual patient days
- In the same schedule, the same percentages, for these same payers, for the same time period are indicated for the entire 80-bed SNF

Architectural:

Conway Lakes NC, LLC/CON application #10513: 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.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers (CON application #10514): The Office of Plans and Construction notes that the codes and standards regulating the design and construction of SNFs are the same for beds licensed as sheltered beds and community beds.

CON Action Numbers: 10513, 10514 and 10515

Therefore, a review of the architectural submissions for this project is unnecessary since the existing nursing beds have already been reviewed and approved by the Agency for use as skilled nursing beds in accordance with Florida Statutes 400.232 and Florida Administrative Code 59A-4.133.

Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park (CON application #10515): The Office of Plans and Construction notes that the codes and standards regulating the design and construction of SNFs are the same for beds licensed as sheltered beds and community beds.

Therefore, a review of the architectural submissions for this project is unnecessary since the existing nursing beds have already been reviewed and approved by the Agency for use as skilled nursing beds in accordance with Florida Statutes 400.232 and Florida Administrative Code 59A-4.133.

G. RECOMMENDATION

Approve CON #10514 to add 24 community nursing home beds through the conversion of 24 sheltered nursing home beds. The total project cost is \$47,675. The project does not involve any construction or renovation.

CONDITION: Presbyterian Retirement Communities, Inc. d/b/a Westminster Towers is willing to condition the award of CON application #10514 on its proposed Medicaid days, with 53 percent of resident days attributed to Medicaid as a payer. This condition is consistent with the facility's historical Medicaid utilization.

Approve CON #10515 to add 11 community nursing home beds through the conversion of 11 sheltered nursing home beds. The total project cost is \$47,675. The project does not involve any construction or renovation.

CONDITION: Presbyterian Retirement Communities, Inc. d/b/a Westminster Winter Park conditions the award of CON application #10515 on making a nursing home bed available at its nursing home facility to any Lifecare contract holder residing on the Westminster Winter Park campus who requires nursing home care.

Deny CON #10513.

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