

STATE AGENCY ACTION REPORT
ON APPLICATIONS FOR CERTIFICATE OF NEED

A. PROJECT IDENTIFICATION

1. Applicant/CON Action Number

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC/CON #10571

9001 Liberty Parkway
Birmingham, Alabama 35242

Authorized Representative: Walter Smith
Director, State Regulatory Affairs
(205) 970-7926

Florida Health Sciences Center Inc./CON #10572

1 Tampa General Circle
Tampa, Florida 33606

Authorized Representative: Katherine Jones
Project Analyst
(813) 844-4886

Galencare, Inc. d/b/a Brandon Regional Hospital/CON #10573

119 Oakfield Drive
Brandon, Florida 33511

Authorized Representative: Bland Eng
Chief Executive Officer
(813) 681-5551

2. Service District

District 6 (Hardee, Highlands, Hillsborough, Manatee and Polk Counties)

B. PUBLIC HEARING

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

Letters of Support

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) includes eight unduplicated letters of support in Appendix I of the application. The applicant provides excerpts of five of its eight submitted letters of support on pages 50 thru 53 of CON application #10571. The reviewer notes that six of the eight support letters originated from outside District 6. Below are some highlights from these eight letters:

- There are inpatient rehabilitation beds available in Hillsborough County to some degree but not enough to serve the whole of Hillsborough County
- There are no intensive inpatient rehabilitation beds readily available for those who are appropriate for that service
- There is limited choice for acute inpatient rehabilitation in Hillsborough County and the proposed project will improve choice and options for patients
- While there are inpatient rehab beds in the community, patient admissions are often delayed or denied and as a result patients receive care in other settings, such as in skilled nursing facilities (SNFs), which do not provide the same level of intensive rehabilitation with an experienced rehabilitation team
 - Patients who should qualify for inpatient rehab are sometimes denied by other systems due to complexity or payer source
- Hillsborough County residents in need of inpatient rehabilitation services should not have to travel long, challenging distances to Pinellas County facilities to receive the care that they need
- Patients want access to the quality rehabilitation experience that Encompass hospitals are known to provide and the citizens of Hillsborough County deserve that option
- Encompass is the perfect hybrid solution for acute care and rehabilitation

The eight letters of support were from the following individuals:

- Jackie Toledo, State Representative, District 60, Florida House of Representatives
- Fadi E. Saba, MD, Chief Executive Officer/Chief Medical Officer, Professional Health Care of Pinellas, Inc.
- M. Sikandar Hayat, MD, Sun State Hospitalists
- Robert E. Kent, DO, MHA, MPH, FAAPMR, Kadia Medical, LLC
- Elias Kanaan, MD, PA

CON Action Numbers: 10571, 10572 and 10573

- Jennifer Rotunda, Executive Director, Allegro Hyde Park (an Assisted Living Facility)¹
- Djenaba Burns, President and CEO, Brain Injury Association of Florida
- Deann Marasco, Director of Health Systems, Alzheimer’s Association – Florida Gulf Coast Chapter

Florida Health Sciences Center, Inc. (CON application #10572)

includes no letters of support in the application. The Agency independently received one letter of support from Linda Wilder, Regional President, Encompass Health Corporation, regarding the co-batched applicants, which states:

- Without waiving its rights, the Encompass application (**CON application #10571**) identifies an unmet need of 142 beds within the district, far greater than the total number of beds requested by the co-batched applicants

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573)

includes a total of 25 letters of support regarding this project and the Agency independently received one letter of support for this project from Linda Wilder, Regional President, Encompass Health Corporation, regarding the co-batched applicants, which states:

- Without waiving its rights, the Encompass application (**CON application #10571**) identifies an unmet need of 142 beds within the district, far greater than the total number of beds requested by the applicants

CON application #10573 includes in Vol. II a log of the name, position and organization of the letters of support for CON application #10573. The reviewer notes the following staff/affiliate facility characteristics of these letters below (all indicating a March or April 2019 date unless otherwise indicated):

- Eighty percent of the support letters are Brandon Regional Hospital staff
- Twelve percent of the support letters are Hospital Corporation of American (HCA) affiliate-facility South Bay Hospital staff
- One support letter is an HCA affiliate-facility Memorial Hospital of Tampa staff
- One support letter is from a community member (dated March 31, 2017)

¹ Attached to this support letter is a February 22, 2018 article in the Tampa Bay Times, entitled “Tampa Bay area’s population projected to grow to 3.1 million this year”. The reviewer notes that while this article discusses total population growth, it does not address or offer estimates regarding the age 65+ population growth – the population most likely to seek and be recipients of comprehensive medical rehabilitation (CMR) services.

CON Action Numbers: 10571, 10572 and 10573

Many of the letters provided by the applicant are of a form letter variety which read, in part, “the Brandon area needs additional acute rehabilitation beds”. The applicant provides excerpts of nine of its submitted letters of support (pages 56 thru 60 of the application). Below are some of the highlights:

- In the past two years, there have been “numerous” patient cases where the patient required an inpatient rehab program, but because of “different reasons” they were unable to receive that care locally or even at all “in some cases”.
- Some patients were unable to get accepted into a rehab facility due to lack of insurance coverage or the provider’s refusal to accept their insurance payer class—the patient was at the mercy of their insurance determining which rehabilitation services they have access to in the community.
- Brandon Regional is responsible for millions of dollars of charitable care provided to patients every year regardless of a patient’s ability to pay for medical services and the addition of an inpatient rehab unit would be no different.
- “A large portion” of Brandon Regional Hospital’s patients that are eligible to go to acute rehabilitation chose not to because of travel time or distance.²
- It is very difficult to get patients into the existing acute rehabilitation facilities due to the time-consuming screening processes they have in place and the challenges that can arise from admission criteria.
- Both of the local CMR units are associated with a specific hospital so preference is given to those hospitals.
- The proposed project would give some patients (particularly in northern and eastern Hillsborough County) an option of rehabilitation services closer-to-home.
- Admittance of Brandon Regional Hospital patients to the two CMR providers in Hillsborough County does occur, however only with approval of their own privately staffed physiatrist.
 - This allows for hand-picking the patients they choose to accept
- Project approval would close the continuum of care loop and improve options.

The reviewer notes that none of the letters of support offer an estimate of the number of patients adversely impacted or the number of patients that experienced delayed, substandard or poor health care outcomes as a result of the current licensed CMR bed count and occupancy rates among the existing CMR providers in District 6.

² For a review of the estimated driving miles and driving minutes from Brandon Regional Hospital to existing CMR providers in District 6, see item E.1.b of this report.

C. PROJECT SUMMARY

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571), also referenced as EHRHHC or the applicant, a newly formed/developmental stage for-profit corporation, seeks to establish a new 50-bed CMR hospital in District 6, Hillsborough County. The applicant indicates that the proposed project will be located in northwest Hillsborough County, proximate to major roadways running north/south (I-75 and I-275) and east/west (I-4), so that residents and families throughout the district can easily reach the proposed CMR hospital. The proposed project's likely location is west of I-75, north of State Hwy 580 and Tampa International Airport.

Project approval would increase the CMR bed inventory count in District 6 by 50. The for-profit parent company of the applicant, Encompass Health Corporation (EHC), operates 12 inpatient CMR programs in Florida, which include the following facilities (EHRH is Encompass Health Rehabilitation Hospital):

- EHRH of Panama City (75 beds)
- EHRH of Tallahassee (76 beds)
- EHRH of Spring Hill (80 beds)
- EHRH of Ocala (60 beds)
- EHRH of Largo (70 beds)
- Sea Pines Rehabilitation Hospital affiliate of EHRH (90 beds)
- EHRH of Altamonte Springs (60 beds)
- EHRH of Sarasota (96 beds)
- EHRH of Treasure Coast (80 beds)
- EHRH affiliate of Martin Health (54 beds)
- EHRH of Sunrise (126 beds)
- EHRH of Miami (60 beds)

Based on the above list, statewide, EHC is currently operating a total of 927 licensed CMR beds, with an average of 77.25 beds per CMR program/facility.

The project involves 53,275 gross square feet (GSF) of new construction, at a construction cost of \$18,821,926. The total project cost is \$38,950,322. Project costs include land, building, equipment, project development, financing and start-up costs.

According to the applicant's Schedule 10, EHRHHC expects issuance of license in April 2021 and initiation of service in May 2021.

The applicant proposes the following conditions to approval on the applicant's Schedule C:

CON Action Numbers: 10571, 10572 and 10573

1. The applicant will provide a minimum of four percent of total hospital patient days to Medicaid, Medicaid managed care and self-pay (including indigent/charity) patients annually.
 2. The applicant will provide CMR inpatient services under a Medical Director of Rehabilitation who is a board-certified or board-eligible Physiatrist with at least two years of experience in the medical management of rehabilitation inpatients.
 3. The applicant will apply for hospital-wide Joint Commission accreditation within the first year of operation, *i.e.*, by the end of 12 months from the date of acceptance of the first patient.
 4. The applicant will apply for certification in a minimum of one Joint Commission Disease-Specific Care Certification Program within the first 18 months of operation, with the expectation that the DSC Certification will likely be a Stroke-specific Certification.
 5. The following rehabilitative equipment will be purchased and used at the new hospital, as described and illustrated in Appendix C:
 - Bioness Overhead Tracking System/FreeStep SAS
 - Bioness Integrated Therapy System (BITS)
 - Bioness L300
 - Synchrony
 - SaebFlex
 - VitalStim
 - Interactive Metronome
- Please note: if technology improvements occur between approval of this application and opening of the hospital, Encompass Tampa may substitute a newer, enhanced model with the same or improved functionality as those listed items above.
6. Implementation and use of an electronic medical record (EMR) within the facility to document patient care, including pharmacy and functional improvements.
 7. Encompass Tampa will serve as a training site for clinical rotations for nursing and physical therapy students.

Florida Health Sciences Center, Inc. (CON application #10572), also referenced as FHSC or the applicant, the not-for-profit owner/licensee of the existing Class 1 Tampa General Hospital (TGH), a statutory teaching hospital, seeks to develop a 59-bed CMR hospital to be licensed by the applicant as a Class 3 specialty hospital in District 6, Hillsborough County. The proposed project is to be located in space that is currently licensed as a Class 1 hospital (TGH) and that simultaneously with the licensure of the proposed project, the applicant will delicense the 59 CMR beds that are presently on TGH's Class 1 license. FHSC states that the proposed project will be located on the existing TGH campus, with a proposed facility name of TGH Rehabilitation Hospital. Project approval would not change the CMR bed inventory count in District 6.

CON Action Numbers: 10571, 10572 and 10573

Per FloridaHealthFinder³, the total 1,007 licensed bed inventory and the services/features provided at TGH are as follows:

- Licensed beds/bed types:
 - Acute care (866 beds)
 - CMR (59 beds)
 - Neonatal Intensive Care Unit (NICU) Level II (24 beds)
 - NICU Level III (58 beds)
- Emergency department (ED) and emergency services
- Off-site ED
- Organ transplant programs:
 - Adult
 - Pancreas
 - Heart
 - Kidney
 - Liver
 - Lung
 - Pediatric
 - Kidney
- Programs:
 - Burn Unit, Comprehensive Stroke Center, Level 2 Adult Cardiovascular Services
- Statutory teaching hospital
- Adult open heart surgery
- Level 1 trauma center
- Not a Baker Act receiving facility

The applicant leaves blank in the application the following architectural/cost information:

- Total GSF of new construction (Part 1.A.-Schedule 9)
- Total GSF of renovation (Part 1.B.-Schedule 9)
- Total construction cost (Part 1.H.-Schedule 9)

The total project cost is \$162,250 according to Schedule 1. Project costs include project development costs only, with no other project costs shown in Schedule 1 of the application. Notes to Schedule 1 indicate that the proposed project involves only a change in licensure classification to the existing freestanding building and no site, equipment or start-up costs are required or necessary.

According to the applicant's Schedule 10, FHSC expects issuance of license in September 2019 and initiation of service in September 2019.

The applicant proposes the following condition to approval on the applicant's Schedule C:

³ <http://www.floridahealthfinder.gov/facilitylocator/FacilityProfilePage.aspx?id=9932>, as of March 8, 2019

CON Action Numbers: 10571, 10572 and 10573

- Delicense the 59 CMR Class I beds with approval of CON #10572 for 59 Class III beds

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573), also referenced as BRH or the applicant, an existing Class 1 for-profit hospital, seeks to establish a new 24-bed CMR unit at its existing facility in District 6, Hillsborough County. Project approval would increase the CMR bed inventory count in District 6 by 24 beds. The applicant is a wholly owned subsidiary of the for-profit parent company, Hospital Corporation of America (or HCA), which operates 11 inpatient CMR programs in Florida, facilities, with the accompanying number of licensed CMR beds⁴:

- West Florida Hospital (58 beds)
- The Rehabilitation Institute of Northwest Florida (20 beds)
- Orange Park Medical Center (20 beds)
- Largo Medical Center-Indian Rocks (30 beds)
- Palms of Pasadena Hospital (20 beds)
- Blake Medical Center (28 beds)
- Central Florida Regional Hospital (13 beds)
- Osceola Regional Medical Center (28 beds)
- Fawcett Memorial Hospital (20 beds)
- Lawnwood Regional Medical Center and Heart Institute (44 beds)
- Mercy Hospital A Campus of Plantation General Hospital (15 beds)

Based on the above list, statewide, HCA is currently operating a total of 296 licensed CMR beds.

Per FloridaHealthFinder⁵, the total 422 licensed bed inventory and the services/features provided at BRH are as follows:

- Licensed beds/bed types:
 - Acute care (375)
 - Adult Psychiatric (25 beds)
 - NICU Level II (14 beds)
 - NICU Level III (8 beds)
- ED and emergency services
- Off-site ED
- Programs:
 - Primary Stroke Center, Level 2 Adult Cardiovascular Services
- Adult Open Heart Surgery
- Baker Act receiving facility

⁴ This is per the Agency's Hospital Beds and Services List publication, issued January 18, 2019.

⁵ <http://www.floridahealthfinder.gov/facilitylocator/FacilityProfilePage.aspx?id=9932>, as of March 8, 2019

CON Action Numbers: 10571, 10572 and 10573

The project involves 23,057 GSF of new construction and 633 GSF renovation space, for a total project of 23,690 GSF, at a construction cost of \$14,141,000. The total project cost is \$23,019,000. Project costs include building, equipment, project development, financing and start-up costs.

According to the applicant's Schedule 10, BRH expects issuance of license on December 26, 2021 and initiation of service on January 1, 2022.

The applicant proposes the following conditions to approval on the applicant's Schedule C:

Percent of a particular subgroup to be served:

- BRH will provide a minimum of eight percent of its annual CMR discharges to patients covered by Medicaid/Medicaid managed care or who meet the criteria for charity care, self-pay/no pay, combined.
- BRH will apply for CARF accreditation for its CMR program in the first 12 months of operations.
- CRRN certification will be achieved for a minimum of 20 percent of BRH's rehabilitative nursing staff by year four of operation of the proposed CMR unit.
- The medical director of the CMR program will be a board-certified or board-eligible psychiatrist with at least two years of experience in the medical management of inpatients requiring rehabilitation services.
- BRH's CMR program will provide the following specialized equipment:
 - Unweighting System (Zero G, Vector, LiteGait, etc)
 - Crosstrainer
 - Total Body Exerciser
 - Integrated Therapy system (Bioness BITS or equivalent)
 - Upper Body and Lower Body Functional Electrical Stimulators (Bioness or equivalent)
 - Bariatric capable electric exercise tables and parallel bars
 - Balance Assessment/Training System
 - Interactive Metronome
 - Neuromuscular Electrical Stimulator and Biofeedback system for Dysphagia (Vital Stim, Synchrony or equivalent)
 - Computerized Speech Lab (VisiPitch or equivalent)
 - Wrist and Upper Extremity System (Saebo Flex, Reo Go or equivalent)
- Therapy services will be available seven days a week.

CON Action Numbers: 10571, 10572 and 10573

Total GSF and Project Costs of Co-Batched Applicants

Applicant	CON#	Project	GSF	Costs \$	Cost Per Bed
EHRHHC	10571	New 50-Bed CMR Hospital	53,275	\$38,950,322	\$779,006
FHSC	10572	Delicense a 59-Bed CMR Unit to License a 59-Bed CMR Hospital All on the Same Campus	Not Given	\$162,250	\$2,750
BRH	10573	New 24-Bed CMR Unit	23,690	\$23,019,000	\$959,125

Source: CON applications #10571, #10572 and #10573, Schedules 1 and 9, respectively

Should any of the proposed co-batched projects be approved, a successful applicant's conditions would be reported on the annual condition compliance report, as required by Rule 59C-1.013(3), Florida Administrative Code. An applicant's conditions are as they stated. However, Section 408.043(4), Florida Statutes states that "Accreditation by any private organization may not be a requirement for the issuance or maintenance of a certificate of need under ss.408.031-408.045." Also, conditions that are required CMR services and/or conditions of licensure would not require condition compliance reports. The Agency will not impose conditions on already mandated reporting requirements.

NOTE: Issuance of a CON is required prior to licensure of certain health care facilities and services. The review of a CON application and ultimate approval or denial of a proposed project is based upon the applicable statutory criteria in the Health Facility and Services Development Act (408.031-408.045, Florida Statutes) and applicable rule criteria within Chapters 59C-1 and 59C-2, Florida Administrative Code. An approved CON does not guarantee licensure of the proposed project. Meeting the applicable licensure requirements and licensure of the proposed project is the sole responsibility of the applicant.

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: 10571, 10572 and 10573

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, Eric West of the Bureau of Central Services, who reviewed 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 and 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? ss. 408.035(1) (a), Florida Statutes. Rule 59C-1.008(2), Florida Administrative Code and Rule 59C-1.039(5), Florida Administrative Code.

In Volume 45, Number 13 of the Florida Administrative Register, dated January 18, 2019, a fixed need pool of zero beds was published for CMR beds for District 6 for the July 2024 planning horizon. Therefore, the co-batched **CON applications #10571 and #10573** proposals are both outside the fixed need pool. The co-batched **CON application #10572** proposal would not alter the CMR bed inventory count and therefore has no impact on the fixed need pool in the current batching cycle.

As of January 18, 2019, District 6 had 173 licensed and zero approved CMR beds. During the 12-month period ending June 30, 2018, District 6's 173 licensed CMR beds experienced 55.62 percent utilization.

- b. **According to Rule 59C-1.039 (5)(d) of the Florida Administrative Code, need for new comprehensive medical rehabilitation inpatient services shall not normally be made unless a bed need exists according to the numeric need methodology in paragraph (5)(c) of this rule. Regardless of whether bed need is shown under the need formula in paragraph (5)(c), no additional comprehensive medical rehabilitation inpatient beds shall normally be approved for a district unless the average annual occupancy rate of the licensed comprehensive medical rehabilitation inpatient beds in the district was at least 80 percent for the 12-month period ending six months prior to the beginning date of the quarter of the publication of the fixed bed need pool.**

As shown in the table below, District 6's 173 licensed CMR beds experienced 55.62 percent occupancy during the 12-month period ending June 30, 2018.

**CMR Bed Utilization, District 6
July 1, 2017 to June 30, 2018**

Facility	Beds	Total Occupancy Percent
AdventHealth Tampa	30	79.59%
Tampa General Hospital	59	64.66%
Blake Medical Center	28	28.70%
Winter Haven Hospital	24	0.00%
Lakeland Regional Medical Center	32	81.76%
District 6 Total	173	55.62%

Source: Florida Hospital Bed Need Projections & Service Utilization by District, January 2019 Batching Cycle

The five-year CMR utilization history (ending June 30, 2018) for these same District 6 facilities is illustrated below.

**District 6 CMR Utilization
Five-Years Ending June 30, 2018**

Facility	Beds	JUL 2013 thru JUN 2014	JUL 2014 thru JUN 2015	JUL 2015 thru JUN 2016	JUL 2016 thru JUN 2017	JUL 2017 thru JUN 2018
AdventHealth Tampa	30	77.05%	62.95%	83.29%	79.42%	79.59%
Tampa General Hospital	59	66.28%	69.59%	39.10%	71.11%	64.66%
Blake Medical Center	28	75.02%	57.05%	73.67%	45.36%	28.70%
Winter Haven Hospital	24	67.29%	66.40%	43.32%	21.27%	0.00%
Lakeland Regional Medical Center*	32	--	--	37.18%	69.85%	81.76%
District 6 Total	173	70.48%	65.55%	53.01%	61.24%	55.62%

Source: Florida Hospital Bed Need Projections & Service Utilization by District (2015-2019) Batching Cycles

NOTE: * Lakeland Regional Medical Center received CMR licensure on 08/21/2015

Based on the table shown above, the reviewer notes some statistical characteristics regarding District 6 licensed CMR bed occupancy for the five years ending June 30, 2018:

- The highest district-wide utilization was 70.48 percent (12 months ending June 30, 2014)

CON Action Numbers: 10571, 10572 and 10573

- The lowest district-wide utilization was 53.01 percent (12 months ending June 30, 2016)
- The highest utilization by facility (AdventHealth Tampa at 83.29 percent) occurred during the 12 months ending June 30, 2016
- The lowest utilization by facility (Winter Haven Hospital at 0.00 percent) occurred during the 12 months ending June 30, 2018
- The most recent 12-month period for which data is available (ending June 30, 2018) was the second lowest utilization period (55.62 percent) for the five years ending June 30, 2018

The reviewer notes that statewide, District 6 is the only district in Florida that lacks at least one Class III CMR hospital⁶.

The reviewer confirms that from the July 1, 2013 thru June 30, 2019 record, as of April 10, 2019, there is no record of any District 6 existing inpatient CMR provider submitting a request to add CMR beds, pursuant to Rule 59C-1.005.(6)(c), Florida Administrative Code. The reviewer confirms that from the February 2013 batching cycle thru the August 2018 batching cycle, the Agency received three CON applications to establish new CMR programs in District 6—all three were preliminarily denied⁷.

The reviewer generates the following table illustrating the driving distance (in miles and hours/minutes) from the proposed facilities/units to existing CMR providers, in District 6. The reviewer notes that CON application #10571 does not indicate a precise physical location (street address) for the proposed site. Therefore, CON application #10571 distances and hours/minutes are indicated as “N/A”. The following legend is offered to identify the existing CMR providers:

- AHT – AdventHealth Tampa
- TGH – Tampa General Hospital
- LRMC – Lakeland Regional Medical Center
- WHH – Winter Haven Hospital
- BMC – Blake Medical Center

⁶ This is per the Agency’s Hospital Beds and Services List publication, issued January 18, 2019.

⁷ CON application #10221 from the February 2014 batching cycle, submitted by Manatee Memorial Hospital, was to establish a new 20-bed CMR unit in Manatee County. CON application #10481 from the February 2017 batching cycle, submitted by Brandon Regional, was to establish a 30-bed CMR unit in Hillsborough County. CON application #10482 from the February 2017 batching cycle, submitted by HealthSouth Rehabilitation Hospital of Hillsborough County, was to establish a 60-bed CMR hospital in Hillsborough County.

CON Action Numbers: 10571, 10572 and 10573

**District 6 CMR Provider Driving Distance in Miles and Minutes or Hours/Minutes
Existing Facilities and Proposed Projects**

Facility	ERHHC CON app# 10571	TGH CON app# 10572	BRH CON app# 10573	AHT	TGH	LRMC	WHH	BMC
ERHHC CON app. #10571		N/A	N/A	N/A	N/A	N/A	N/A	N/A
TGH CON app. #10572	N/A		13.9 miles 23 minutes	11.6 miles 20 minutes		34.8 miles 38 minutes	51.2 miles 59 minutes	50.5 miles 58 minutes
BRH CON app. #10573	N/A	14.3 miles 24 minutes		17.4 miles 18 minutes	14.3 miles 24 minutes	30.9 miles 39 minutes	47.2 miles 1 hr 4 minutes	45.3 miles 1 hr 0 minutes
AHT	N/A	11.6 miles 20 minutes	17.4 miles 18 minutes		11.6 miles 20 minutes	33.4 miles 39 minutes	49.7 miles 1 hr 0 minutes	55.1 miles 1 hr 4 minutes
TGH	N/A		14.3 miles 24 minutes	11.6 miles 20 minutes		34.8 miles 38 minutes	51.2 miles 59 minutes	50.5 miles 58 minutes
LRMC	N/A	34.8 miles 38 minutes	30.9 miles 39 minutes	33.4 miles 39 minutes	34.8 miles 38 minutes		16.0 miles 32 minutes	72.0 miles 1 hr 24 minutes
WHH	N/A	51.2 miles 59 minutes	47.2 miles 1 hr 4 minutes	49.7 miles 1 hr 0 minutes	51.2 miles 59 minutes	16.0 miles 32 minutes		87.0 miles 1 hr 41 minutes
BMC	N/A	50.5 miles 58 minutes	45.3 miles 1 hr 0 minutes	55.1 miles 1 hr 4 minutes	50.5 miles 58 minutes	72.0 miles 1 hr 24 minutes	87.0 miles 1 hr 41 minutes	

Source: GoogleMaps website on 3/11/2019 at 11:00 a.m. – 1:30 p.m.

The table below shows the total number of Hillsborough County adult residents (age 18+) discharged from a Florida CMR provider (regardless of whether a CMR freestanding or an in-hospital CMR distinct unit) in the 12-month period ending June 30, 2018.

**Hillsborough County Adult Residents (Age 18+) Discharged
from CMR Providers
12 Months Ending June 30, 2018**

Facility Name	Facility District/County	Total Discharges	Percent Total Discharges
Tampa General Hospital	6/Hillsborough	637	43.60%
AdventHealth Tampa	6/Hillsborough	403	27.58%
Lakeland Regional Medical Center	6/Polk	32	2.19%
Blake Medical Center	6/Manatee	20	1.37%
Winter Haven Hospital	6/Polk	0	0.00%
Total District 6 Facilities		1,092	74.74%
Other Florida Facilities (Non-District 6)		369	25.26%
Total		1,461	100.0%

Source: Florida Center for Health Information and Transparency Database – Type Service 2 Discharges

The reviewer notes that, for the 12 months ending June 30, 2018, according to the data above from the Florida Center for Health Information and Transparency:

CON Action Numbers: 10571, 10572 and 10573

- Of the 1,461 age 18+ Hillsborough County residents discharged from inpatient CMR providers, 1,092 (74.74 percent) were discharged from a District 6 CMR provider and 369 (25.26 percent) were discharged from other Florida facilities/programs (non-District 6)--representing an out-migration rate of 25.26 percent

The table below further identifies where the majority of Hillsborough County age 18+ residents that out-migrated were discharged for the same 12-month period (ending June 30, 2018), again, regardless of whether at a CMR freestanding or an in-hospital CMR distinct unit.

**Hillsborough County Adult Residents (Age 18+) Discharged
from CMR Providers Outside of District 6
12 Months Ending June 30, 2018**

Facility Name	Facility District/County	Total Discharges	Percent Total Discharges
Encompass Rehabilitation Hospital of Sarasota	District 8/ Sarasota	153	41.46%
Encompass Rehabilitation Hospital of Largo	District 5/ Pinellas	70	18.97%
Encompass Rehabilitation Hospital of Spring Hill	District 3/ Hernando	36	9.76%
Bayfront Health – St. Petersburg	District 5/ Pinellas	30	8.13%
Encompass and Bayfront Health Facilities Listed Above		289	78.32%
Remaining Non-District 6 Discharges (from 19 remaining facilities)	Remaining Non-District 6 and Other Counties	80	21.68%
Total Non-District 6 Discharges		369	100.0%

Source: Florida Center for Health Information and Transparency Database – Type Service 2 Discharges

c. Other Special or Not Normal Circumstances

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) maintains that the proposed project is needed for the following reasons:

- The large and fast growing district population
- High and increasing utilization of existing beds
- Significant disparities that exist within the District in terms of CMR utilization
- Significant outmigration for CMR services
- Limited availability of CMR beds for patients in need (illustrated by stroke survivors discharged from acute care hospitals to suboptimal settings)

The applicant offers more in-depth explanations for the five major reasons stated above to warrant project approval. Each is briefly summarized below.

CON Action Numbers: 10571, 10572 and 10573

Declining Number of CMR Beds in a Heavily-Populated and Fast-Growth District

EHRHHC utilizes the 2010 and 2016 occupancy from Agency Bed Need Projections and for 2018 Agency Limited Data Set, inpatient discharges as of March 18, 2019, for the most recent quarter (Q3 2018) to indicate that in 2018 there were 149 total District 6 licensed CMR beds, 5.8 CMR beds per 100,000 population and district aggregate occupancy of 79.0 percent. The reviewer collapses all listed District 6 CMR providers and beds into a single total. See the table below.

**CMR Bed Need has Lagged Far Behind District Population Growth
Population has Dramatically Increased while Beds/Pop have Decreased**

	Licensed CMR Beds		
	2010	2016	2018
Total District 6 Licensed CMR Beds	141	173	149⁸
District Total Population (July estimate)	2,284,658	2,481,231	2,569,515
CMR Beds/100,000 Population	6.2	7.0	5.8
District Aggregate Occupancy	60.4%	51.5%	79.0%⁹

Source: CON application #10571, page 13, Table 2 (partial)

EHRHHC asserts that to put the declining number of an already-limited supply of CMR beds into perspective, consider the following:

- District 6 total population is forecasted to exceed 2.8 million residents in 2024
- Hillsborough County alone is projected to be home to more than 1.5 million residents (a population growth of 8.4 percent) between now and 2024. The county’s projected 8.4 percent growth rate exceeds the statewide total population increase of 6.3 percent for the same period.
- Hillsborough County’s population growth is projected to comprise the majority of growth in the district, with almost 58 percent of new residents (120,357) in the district expected to reside in the county.
- Statewide, Hillsborough County’s total population is 4th highest, with only Miami-Dade, Broward and Palm Beach Counties expected to have more residents than Hillsborough, as of July 1, 2019.

The applicant utilizes the Agency’s Florida Population Estimates and Projections by AHCA District, published February 2015 and projections for July 1 of each year, to indicate that from 2019 to 2024, the Hillsborough County total population is expected to increase by 120,357, accounting for 57.6 percent of the District 6 total population for the 2019-2024 period (CON application #10571, page 14, Table 3). The

⁸ The reviewer notes that there were five licensed CMR providers with a total of 173 licensed CMR beds in District 6 until July 13, 2019.

⁹ Agency records indicated an aggregated District 6 CMR bed occupancy rate of 55.62 percent, for the 12 months ending June 30, 2018 (see item E.1.b of this report).

CON Action Numbers: 10571, 10572 and 10573

applicant indicates the expected growth in District 6 for the age 65+ population, emphasizing that District 6’s large total population is aging and the majority (60 percent or more) of CMR discharges are typically for Medicare patients age 65+. See the table below.

District 6 Elderly (Age 65+) Population
The District Population Ages 65+ will Increase to Nearly 550,000 Residents by 2024

County/Area	Total Population		Pop 65+		65+ Pop % Change	65+ Pop as a % of Total Pop	
	2019	2024	2019	2024		2019	2024
Hillsborough	1,426,311	1,546,668	199,061	233,837	17.5%	14.0%	15.1%
Polk	682,938	736,862	141,410	161,927	14.5%	20.7%	22.0%
Manatee	371,174	401,105	97,052	110,477	13.8%	26.1%	27.5%
Highlands	105,243	109,903	36,331	39,330	8.3%	34.5%	35.8%
Hardee	27,951	28,020	4,062	4,357	7.3%	14.5%	15.5%
Total District	2,613,617	2,822,558	477,916	549,928	15.1%	18.3%	19.5%
<i>Florida</i>	<i>20,942,987</i>	<i>22,257,706</i>	<i>4,212,806</i>	<i>4,819,212</i>	<i>14.4%</i>	<i>20.1%</i>	<i>21.7%</i>

Source: CON application #10571, page 14, Table 4

The Agency notes that district-wide population, not a county’s population, is accounted for in the need formula for CMR bed need, for each applicable planning horizon, pursuant to Rule 59C-1.039(5)(c), Florida Administrative Code.

Current High Utilization of Existing CMR Beds

EHRHHC states the use of Agency Limited Data Set (inpatient discharges) to indicate high and increasing occupancy (on a quarter over quarter basis) since the delicensure of Winter Haven Hospital’s CMR beds. See the table below.

District 6 CMR Occupancy Trend, CY17 and YTD18
Most Recent Data Shows Reduced Availability of Limited Number of CMR Beds District-Wide

Facility	County	Licensed Beds	CY 2017				YTD18		
			Q1	Q2	Q3	Q4	Q1	Q2	Q3
AdventHealth Tampa	Hills.	30	60.4%	66.2%	61.3%	70.8%	79.9%	79.2%	81.3%
Tampa General Hospital	Hills.	59	80.6%	75.0%	72.1%	73.9%	79.4%	73.6%	80.1%
Blake Medical Center	Manatee	28	73.4%	67.5%	58.9%	69.1%	63.8%	72.6%	66.1%
Winter Haven Hospital	Polk	24	47.1%	38.5%	Winter Haven 24 beds delicensed ¹⁰				
Lakeland Reg. Med Cntr	Polk	32	77.2%	64.9%	75.6%	72.2%	82.0%	94.1%	86.2%
District Total Aggregate Occupancy		173/149	70.6%	65.3%	68.2%	72.0%	77.1%	78.9%	79.0%

Source: CON application #10571, page 15, Table 5 and duplicated on page 30, Table 18

The applicant maintains that based on the most recent data available from the Agency:

- Hillsborough County CMR providers are operating at or above 80 percent occupancy due to steadily increasing occupancy rates since Winter Haven closed

¹⁰ Agency records indicate that Winter Have Hospital’s 24-bed CMR unit remained licensed through June 30, 2018 (until February 13, 2019) - see item E.1.a of this report.

CON Action Numbers: 10571, 10572 and 10573

- The sole remaining CMR provider in Polk County (Lakeland Regional Medical Center) is operating at 86 percent occupancy, as its program has reached virtual capacity since Winter Haven closed its unit
- Manatee County’s sole CMR provider (Blake Medical Center) has occupancy rates reaching the mid-70 percent occupancy level, thus has too few beds ‘available’ to meet the district residents’ increasing needs for CMR services

EHRHHC contends that, “The high occupancy of existing providers will only worsen the disparities in CMR utilization that currently exist for residents in District 6, unfairly forcing residents to choose to receive suboptimal levels of care at non-CMR providers, travel to distant CMR providers outside the district, or forego intensive inpatient rehabilitative care altogether”.

Significant Disparities Exist Between District Counties’ CMR Utilization

The applicant utilizes the Centers for Medicare and Medicaid Services (CMS) Geographic Variation Public Use File data of Medicare Fee-for-Service (or Medicare FFS) Enrollees for select PAC services, to indicate in 2017, significant disparities within District 6 in terms of utilization of CMR services, reflecting barriers to CMR care. EHRHHC maintains that the ratio of SNF to CMR is significantly higher in all District 6 counties (except for Manatee County), ranging from a ratio of 12.3 to 24.0, with Manatee County having a ratio of 5.2 and the state average ratio being 5.7. EHRHHC comments that this disparity exists despite the fact that all District 6 counties (except for Manatee County) have significantly higher Medicare general acute care hospital discharges/visits, per 1,000 persons, ranging from 320 to 350 in the District 6 counties other than Manatee, with the Manatee County discharges/visits, per 1,000 persons, being 265 and the state average being 304. See the table below.

**2017 Acute Care and Post-Acute Care Utilization Medicare Beneficiaries (All Ages)
Significant Disparities Exist between District 6 Counties’ Post-Acute Care Utilization**

Health Care Utilization (Discharges/Visits per 1,000 persons)	District 6 Counties					
	Florida Avg.	Manatee	Hillsborough	Polk	Highlands	Hardee
General Acute Care	304	265	339	339	320	350
<i>Post-Acute Care Services</i>						
Long Term Acute Care (LTAC)	3	2	7	2	2	*
Comprehensive Medical Rehabilitation	13	14	7	5	4	4
Skilled Nursing Facility	74	73	86	87	86	96
Ratio: SNF to CMR	5.7	5.2	12.3	17.4	21.5	24.0

Note: *Suppressed in source data file as count of total users less than 11

Source: CON application #10571, page 16, Table 7

EHRHHC states that the Agency should consider:

- “Getting in the door” to a general acute care hospital doesn’t appear to be a problem for District 6 residents in any county.
- Manatee County Medicare residents’ CMR discharge rate of 14 per 1,000 is consistent with the Florida statewide average of 13 discharges per 1,000 persons.

CON Action Numbers: 10571, 10572 and 10573

- Hillsborough County's higher utilization of LTAC is not only higher than other District 6 counties, but Hillsborough County's LTAC discharge rate equals its CMR discharge rate, which is distinctly different than the relationship between LTAC and CMR in all other district counties (including Manatee and the state overall). Two Kindred hospitals offer 175 LTAC beds in Hillsborough County.
- Medicare residents in District 6 in Hillsborough, Polk, Highlands and Hardy Counties are utilizing SNF services in lieu of CMR services.
 - Thus these residents are utilizing less intensive but locally available services such as SNF and home care

The applicant offers a graph (CON application #10571, page 18, Figure 1) to indicate that the discrepancy referenced above (limited availability of CMR beds for residents of Hillsborough, Polk, Highlands and Hardee Counties) has adversely impacted those residents' access to CMR services for years (at least since 2007), when compared to Manatee County and Florida as a whole.

EHRHHC contends that Manatee County residents have greater access to CMR services than residents of the other District 6 counties because of their close proximity to Sarasota County, where two CMR providers are located. The applicant asserts that the majority (59 percent) of Manatee County residents receive CMR inpatient care outside of the district, with the majority of those residents seeking care in Sarasota County. The reviewer notes that the two District 8, Sarasota County CMR providers are:

- Encompass Hospital of Sarasota
- Sarasota Memorial Hospital

The applicant emphasizes that Manatee County residents utilize CMR services at a level consistent with the state reflecting reasonable access and provides an appropriate baseline for the other counties which have significantly lower CMR utilization rates because of the lack of available and accessible CMR beds for their residents.

EHRHHC indicates that it is not surprising that the limited availability, and therefore utilization, of CMR beds in Hillsborough County is pushing the overall District-wide utilization of CMR beds to the lowest rate in the state. The applicant asserts that, "It is this unacceptably low use rate, driven by disparities within the District caused by too few available beds, that when held constant falsely forecasts that there is no need for additional beds in the District".

The applicant maintains that disparities exist for all patients, not only Medicare beneficiaries. EHRHHC utilizes the Agency's Limited Data Set (inpatient discharges) and the Agency's Florida Population Estimates and Projections by AHCA District 2010 to 2030 publication, issued February

CON Action Numbers: 10571, 10572 and 10573

2015, to show that for CY 2018 (Q1-Q3), Manatee County had a CMR discharge rate per 1,000 total population of 3.45, while the remaining counties in District 6 had a CMR discharge rate per 1,000 total population ranging from a high of 1.29 (in Polk County) to a low of 0.72 (in Hardee County), with the statewide rate at 1.49. Correspondingly, EHRHHC shows that CMR days per 1,000 total population was 43.97 in Manatee County, while the remaining counties in District 6 had CMR days per 1,000 total population as low as 14.47 (in Hardee County) to as high as 18.67 (in Polk County), with the statewide rate at 21.06. See the table below.

**2018 Q1-Q3 CMR Discharge Rates by County, All Ages
Ranked Highest to Lowest Statewide CMR Discharge Rates**

Statewide Ranking (out of 67 counties)	County	7/1/2018 Total Population	CY18 Ann. CMR Discharges	CMR D/C Per 1,000 Total Pop	CMR Days	CY18 Ann. CMR Days	CMR Days/1,000 Total Pop
10	Manatee	364,959	1,259	3.45	12,036	16,048	43.97
53	Polk	671,598	867	1.29	9,404	12,539	18.67
58	Hillsborough	1,400,736	1,581	1.13	17,532	23,376	16.69
60	Highlands	104,295	115	1.10	1,311	1,748	16.76
66	Hardee	27,927	20	0.72	303	404	14.47
State of Florida		2,569,515	3,841	1.49	40,586	54,115	21.06

Source: CON application #10571, page 21, Table 10

Significant Outmigration to CMR Providers Outside District for Care
EHRHHC utilizes the Agency Limited Data Set (inpatient discharges) in CY 2018 Q1-Q3, to indicate that District 6 residents out-migrated for CMR inpatient care at a rate of 36.0 percent (District 6 overall) and at a rate of 23.7 percent specific to Hillsborough County. See the table below.

**District 6 Outmigration for CMR Inpatient Care
2018Q1-Q3**

District 6 Hospital	Hospital County	Districtwide Total	Hillsborough County
Advent Health Tampa	Hillsborough	352	331
Blake Medical Center	Manatee	392	16
Lakeland Reg. Med Center	Polk	517	35
Tampa General Hospital	Hillsborough	584	523
Total, D6 Residents to D6 CMR Providers		1,845	905
Resident Outmigration to Other Providers		1,036	281
Total CMR Discharges, All Hospitals		2,881	1,186
D6 CMR Residents Remaining in-District		64.0%	76.3%
D6 CMR Residents' Outmigration		36.0%	23.7%

Source: CON application #10571, page 22, Table 11

The Agency notes that the applicant does not define how the limited data set below was queried—whether by MS-DRG or type of service. The Agency has previously indicated that since the conversion from ICD-9 to ICD-10, the data queried for CMR inpatient care by MS-DRG contains significant anomalies is questionable in its veracity. The querying of this data by type of service—produces much more limited data, but is much more accurate when observing outmigration trends.

CON Action Numbers: 10571, 10572 and 10573

The applicant notes that in order to put the significant percentages of CMR patients traveling outside their District (and oftentimes home county) for care into perspective, it identified the percentage of District 6 residents traveling outside the District for general acute care hospital services (newborns excluded). According to EHRHHC, the outmigration to hospitals outside District 6 was 12.7 percent districtwide and 7.7 percent specific to Hillsborough County. The reviewer notes that the applicant does not list the hospitals and does not list the MS-DRGs used in reaching the discharge totals and percentages in the table below.

**District 6 Outmigration for General Acute Care Services
2018Q1-Q3**

District 6 Residents' General Acute Care Discharges to:	Districtwide Total	Hillsborough County
Hospitals in District 6	205,615	109,420
Hospitals outside District 6	29,665	9,150
Total Resident Discharges	234,280	118,570
% to Hospitals in District 6	87.3%	92.3%
% Outmigration to Hospitals Outside District 6	12.7%	7.7%

Source: CON application #10571, page 22, Table 12

EHRHHC provides a side-by-side comparison of major conclusions of the two tables above, stated for ease of reference. See the table below.

District 6 Residents' CMR Outmigration to General Acute Care Outmigration Supports the Need for Additional CMR Beds in District 6, 2018 Q1-Q3

Outmigration Percentages	Districtwide Total	Hillsborough County
CMR Inpatient Care	36.0%	23.7
General Acute Care Hospitals	12.7%	7.7%

Source: CON application #10571, page 22, Table 13

The applicant asserts that the significant differences in Hillsborough County residents who are able to remain in District 6 for general acute care services compared to CMR services are especially noteworthy given the volume of residents and the fact that Hillsborough County is the tertiary medical hub for the district that lacks sufficient CMR beds to care for district residents' needs.

Limited Availability of CMR Beds Results in Suboptimal Care for Patients, Including Stroke

EHRHHC points out that a stroke is one of the leading conditions treated at inpatient CMR programs, representing approximately 20 percent of cases nationally and 18 percent of all Encompass hospitals. The applicant maintains that the benefits of CMR services over other post-acute care services for stroke survivors is well documented. The applicant provides a copy of a July 10, 2014 report by Dobson DaVanzo and Associates, LLC, to the ARA Research Institute, entitled "Assessment

CON Action Numbers: 10571, 10572 and 10573

of Patient Outcomes of Rehabilitative Care Provided in Inpatient Rehabilitation Facilities (IRFs) and After Discharge”, (CON application #10571, Appendix D). EHRHHC also references a 2016 American Heart Association/American Stroke Association (AHA/ASA) guidelines on adult stroke rehabilitation, pointing out that the AHA/ASA guidelines strongly recommend stroke survivors should preferentially receive care in the inpatient rehabilitation setting immediately following their acute care stay rather than a nursing home (CON application #10571, page 23).

The applicant contends that the ability to discharge District 6 patients from the general acute care hospital directly to CMR for intensive stroke-specific care is limited because of the high occupancy and/or inability of existing CMR providers in the district to care for these patients. EHRHHC utilizes the Agency’s Limited Data Set (CY 2017 inpatient discharges) data, capturing stroke discharges (stated as MS-DRGs 61-66¹¹), indicating that stroke patients districtwide, as well as specific to Hillsborough County, are discharged to SNFs and home health care at higher rates than the state overall and are discharged to CMR at lower rates than the state overall. See the table below.

**Discharge Location of Stroke Inpatients from General Acute Care Hospitals CY17
District 6 Residents Are Disproportionately Discharged to Suboptimal Settings**

Discharge Status	Percent of Total Stroke Discharges by Discharge Status (Care Setting)		
	Florida	District 6	Hillsborough County
Home or Self-Care	34.5%	32.5%	35.4%
Skilled Nursing Facility	19.8%	23.8%	23.0%
Home Health Care	14.5%	15.9%	16.3%
Comprehensive Medical Rehabilitation	13.6%	11.5%	8.9%
Hospice Medical Facility	5.3%	4.2%	3.3%
Expired	5.1%	5.5%	5.6%
Short-Term General Hospital for IP Care	2.6%	1.9%	1.6%
Hospice Home	1.6%	1.8%	2.1%
Against Medical Advice	1.4%	1.4%	1.7%
Intermediate Care Facility	0.5%	0.6%	1.2%
Designated Cancer Ctr or Children’s Hospital	0.3%	0.0%	0.0%
Long Term Care Hospital	0.3%	0.5%	0.6%
Another Type of Health Care Institution	0.3%	0.1%	0.0%
Court/Law Enforcement	0.1%	0.0%	0.0%
Psychiatric Hospital	0.1%	0.3%	0.3%
Nursing Facility-Medicaid	0.1%	0.0%	0.0%
Critical Access Hospital	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%

Source: CON application #10571, page 24, Table 14

EHRHHC comments that a relatively small percentage of District 6 stroke survivors fortunate enough to be discharged from an acute care general hospital to the recommended CMR level of care rather than SNF (or presumably home health), will experience the following better outcomes.

¹¹ Please see the Agency’s note regarding this data set and the use of MD-DRGs versus type of service on page 22 of this report.

CON Action Numbers: 10571, 10572 and 10573

According to the 2014 Dobson DaVanzo and Associates, LLC, Report referenced earlier, these patients:

- Return home from their initial rehab inpatient hospital stay 17 days earlier
- Remain at home more than three months longer
- Stay alive more than three months longer
- Have a 14 percent lower mortality rate
- Have four percent fewer ED visits per year
- Have 10 percent fewer hospital readmissions per year

The applicant provides another graph (CON application #10571, page 25, Figure 3) to indicate that not only patients surviving stroke, but also those with a wide array of other diagnoses, will benefit from inpatient CMR care, manifesting in more days of life.

EHRHHC utilizes the Agency’s Limited Data Set (inpatient discharges) data (CY 2017), capturing stroke discharges (stated as MS-DRGs 61-66), indicating that Manatee County stroke inpatients have the highest percentage of discharge to an inpatient CMR facility (20.2 percent) and a corresponding lower percentage of discharge to SNF (19.0 percent) and lower percentage of discharge to home health (10.7 percent), than any other county in District 6. The applicant contends that the lack of available and accessible beds in District 6 is negatively impacting residents’ quality of care, including those patients who survive a stroke. See the table below.

**District 6 Statewide Ranking Percent of Stroke Inpatients Discharged to CMR Upon Discharge, CY17
Ranked in Descending Order by Percent Discharged to CMR**

Statewide Ranking Percent to CMR	County	Percent Discharged to:		
		CMR	SNF	Home Health
7	Manatee	20.2%	19.0%	10.7%
40	Polk	12.0%	26.0%	17.7%
58	Hillsborough	8.9%	23.0%	16.3%
62	Hardee	7.7%	26.9%	17.3%
64	Highlands	5.4%	30.5%	16.1%

Source: CON application #10571, page 26, Table 15

In estimating the projected additional CMR beds needed in District 6 pursuant to this proposal, EHRHHC states that the following methodology and assumptions were used:

CON Action Numbers: 10571, 10572 and 10573

- Florida statewide actual CMR Medicare utilization (13 discharges per 1,000 Medicare beneficiaries) was the baseline or target discharge rate used to project District 6 Medicare FFS CMR admissions
 - Notably, the use of this statewide rate is conservative because the statewide rate is lower than the District-specific Manatee County actual 2017 Medicare CMR discharge rate of 14 per 1,000 beneficiaries
- Total admissions (all payers) were projected by applying the statewide distribution of patients (*i.e.*, Medicare FFS as a percent of total admissions) to District 6 Medicare FFS CMR admissions
- Actual statewide ALOS for CMR patients (all payers) was used to project District 6 CMR days
- Inventory of existing CMR beds based on the Agency's reported 149 beds, which includes the recent delicensure of Winter Haven's 24-bed unit

The Agency notes that for purposes of this batching cycle and the published fixed need pool of zero additional CMR beds needed in District 6 for the July 2024 planning horizon (which was not challenged when published in the Florida Administrative Register -see item E.1.a of this report), the Agency counted 149 licensed/approved CMR beds in determining bed need.

Utilizing the CMS Geographic Variation Public Use Files, Agency Limited Data Set-Inpatient Discharges and the Agency's Florida Population Estimates and Projections by AHCA District 2010-2030 publication, issued February 2015, EHRHHC projects a net need for an additional 142 CMR beds (by 2024) for District 6 overall with a net need for an additional 80 CMR beds (by 2024) for Hillsborough County alone. See the two tables below.

CON Action Numbers: 10571, 10572 and 10573

District 6 Projected CMR Bed Need in Planning Year Horizon 2024

Projected Bed Need Utilizing 2017 Actual Florida Statewide CMR Admissions, 1,000 Medicare FFS Beneficiaries & ALOS	2024 Projections
Projected District 6 Medicare Beneficiaries, 2024	613,162
<i>Multiplied by</i> District 6 CY17 Percent of Medicare FFS Beneficiaries	50.9%
<i>Equals</i> Total Projected Medicare FFS Beneficiaries, District 6	312,100
<i>Multiplied by</i> Statewide CY17 CMR Admit Rate per FFS Beneficiaries	13
<i>Equals</i> Projected District 6 CMR Admits – Medicare FFS	4,057
<i>Divided by</i> Statewide % CMR YTD18 Admits that are Medicare FFS	63.2%
<i>Equals</i> Projected District 6 CMR Admits – All Payers, 2024	6,420
<i>Multiplied by</i> Current (YTD18) Florida CMR Patient Length of Stay	13.2
<i>Equals</i> Projected 2024 CMR Days	84,744
Total District 6 CMR Beds Needed at 100% Occupancy	232
Optimal CMR <i>Occupancy Rate</i>	80.0% ¹²
Projected Gross Need for District 6 CMR Beds	291
<i>Minus</i> Existing CMR Beds in District 6	149
<i>Equals</i> Projected Net CMR Bed Need, District 6	142

Source: CON application #10571, page 27, Table 16

Hillsborough County Projected CMR Bed Need in Planning Year Horizon 2024

Projected Bed Need Utilizing 2017 Actual Manatee County Statewide CMR Admissions 1,000 Medicare FFS Beneficiaries & ALOS	2024 Projections
Projected Hillsborough County Medicare Beneficiaries, 2024	271,864
<i>Multiplied by</i> Hillsborough Co. CY17 Percent of Medicare FFS Beneficiaries	47.0%
<i>Equals</i> Total Projected Medicare FFS Beneficiaries, Hillsborough Co.	127,908
<i>Multiplied by</i> Manatee County CY17 CMR Admit Rate per FFS Beneficiaries	14
<i>Equals</i> Projected Hillsborough CMR Admits – Medicare FFS	1,791
<i>Divided by</i> District 6 % CMR YTD18 Admits that are Medicare FFS	51.4%
<i>Equals</i> Projected Hillsborough Co. CMR Admits – All Payers, 2024	3,484
<i>Multiplied by</i> Current (YTD18) District 6 CMR Patient Length of Stay	14.1
<i>Equals</i> Projected 2024 CMR Days	49,124
Total Hillsborough County CMR Beds Needed at 100% Occupancy	135
Optimal CMR <i>Occupancy Rate</i>	80.0% ¹³
Projected Gross Need for Hillsborough CMR Beds	169
<i>Minus</i> Existing CMR Beds in Hillsborough County	89
<i>Equals</i> Projected Net CMR Bed Need, Hillsborough County	80

Source: CON application #10571, page 29, Table 17

The applicant maintains that the same methodology was used for the Hillsborough County estimate as was used for the entire district, with the following exceptions:

- Manatee County discharge rates were used as the baseline or target for the goal of eliminating the significant disparities that exist between counties in District 6
- Hillsborough County population and distribution of Medicare FFS in the county were used
- Districtwide ALOS was used to project patient days

¹² The reviewer notes that pursuant to Rule 59C-1.039(5)(c)5, Florida Administrative Code, .85 equals the district’s desired average annual occupancy rate for Comprehensive Medical Rehabilitation Inpatient Beds in the district. This same desired annual occupancy rate (.85) is also indicated as part of the Agency’s CMR fixed need pool methodology formula to calculate CMR bed need, shown on page 13 of the Agency’s Florida Hospital Bed Need Projections and Service Utilization by District, issued January 18, 2019, in determining CMR bed need for the July 2024 Planning Horizon.

¹³ Ibid.

CON Action Numbers: 10571, 10572 and 10573

- Licensed CMR beds include only those beds located in Hillsborough County (59 at Tampa General Hospital and 30 at AdventHealth Tampa)

EHRHHC points out that the estimated 80-bed need in Hillsborough County does not include any in-migration of patients from outside District 6 which the applicant states would likely occur, as the Tampa area is a tertiary-level medical market that serves patients from outside District 6. The applicant asserts that the 80-bed need estimate for Hillsborough County is conservative.

The applicant expects no adverse impact on any existing District 6 CMR provider or residents in Hillsborough County. EHRHHC contends that all three co-batched District 6 applications can be approved with no adverse impact on each other.

The reviewer notes that from CON application #10571, page 53, Table 20 and from the applicant's Schedule 7B, the applicant expects:

- A total of 10,044 patient days in year one (ending April 30, 2022)
- A total of 12,768 patient days in year two (ending April 30, 2023)

Florida Health Sciences Center, Inc. (CON application #10572)

indicates that the proposed project involves only a change in licensure classification to the FHSC's existing 59-bed CMR unit at TGH. The reviewer notes that there is no change in the total CMR bed count and no change in physical location of the existing CMR beds from the existing Class 1 TGH to the proposed Class 3 TGH Rehabilitation Hospital.

FHSC points out that TGH's existing 59-bed CMR unit is attached to the main TGH campus by a covered walkway. The applicant indicates that the proposed project, if approved, will continue to be reflected on FHSC's license but identified as a separate Class 3 hospital premise. The applicant emphasizes that pursuant to the proposal, FHSC will continue to operate the same 59 CMR beds in the same four-story facility, using the same equipment and staff, except that this same 59-bed CMR unit will be separately designated as a Class 3 specialty hospital. FHSC emphasizes that from a patient care and operations perspective, the proposed project will be seamless.

Regarding the service area, the applicant states that its own internal data indicates that for the three-year period 2016-2018, FHSC's CMR program realized a total of 3,053 discharges, a combination of a primary service area (PSA) of Hillsborough County (2,119 discharges), a secondary service area (SSA) of Pinellas, Pasco, Polk, Highlands, Manatee and Hardee Counties (594 discharges), with a total service area of 2,713 discharges and then an "Other" category (340 discharges). Per this same internal data, FHSC indicates that for this same three-year period, 69.4

CON Action Numbers: 10571, 10572 and 10573

percent of its patient origin was from Hillsborough County (its PSA), 19.5 percent of its patient origin was from its six-county SSA, with 11.1 percent immigration from outside its independently designated “service area”. See the figure below.

**FHSC Rehabilitation Program
Historical Patient Origin 2016-2018**

County	Discharges	Percent
PSA		
Hillsborough	2,119	69.4
SSA		
Pinellas	194	6.4
Pasco	175	5.7
Polk	134	4.4
Highlands	47	1.5
Manatee	34	1.1
Hardee	10	0.3
<i>Subtotal SSA</i>	<i>594</i>	<i>19.5</i>
Total Service Area	2,713	88.9
Other	340	11.1
Total	3,053	

Source: CON application #10572, page 25, Figure 2

FHSC emphasizes that the proposed project will have the same patient origin and service area as its existing CMR program since the proposed hospital will be providing the identical services utilizing the same facilities, beds, staff and equipment.

The applicant utilizes the Agency’s Florida Population Estimates and Projections by AHCA District 2010 to 2030 publication, issued February 2015, to indicate that between 2018 and 2023, the applicant’s total self-identified service area population is expected to increase by approximately 271,000 residents for all ages (7.0 percent) and that the total service area’s age 65+ population is expected to increase by approximately 116,000 residents (15 percent). FHSC states that its total self-identified service area total population growth and its age 65+ population growth, for this same five-year period, are both in-line with the corresponding statewide averages. The reviewer collapses the applicant’s six-county secondary service area (SSA) population estimates into single subtotals. See the figure below.

CON Action Numbers: 10571, 10572 and 10573

**FHSC Rehabilitation Program
Service Area Population
Age 65+ and All Ages, 2018 and 2023**

County	January 2018 Population		January 2023 Population		Change		Percent	
	Age 65+	All Ages	Age 65+	All Ages	Age 65+	All Ages	Age 65+	All Ages
PSA								
Hillsborough	188,893	1,387,993	222,941	1,512,240	34,048	124,247	18.0%	9.0%
SSA								
All Six Counties	606,419	2,610,975	688,245	2,757,758	81,826	146,783	13.5%	5.6%
Subtotal SSA	606,419	2,610,975	688,245	2,757,758	81,826	146,783	13.5%	5.6%
Total Service Area	795,312	3,998,968	911,186	4,269,998	115,874	271,030	14.6%	6.8%
Florida	4,013,237	20,523,262	4,632,095	21,878,409	618,858	1,355,147	15.4%	6.6%

Source: CON application #10572, page 27, Figure 4

Regarding existing providers, FHSC comments that there are four existing CMR providers with a total of 149 licensed CMR beds in District 6. FHSC maintains that for the 12 months ending June 2018, District 6's 149 licensed CMR beds had a 64.58 percent occupancy rate, with an average daily census (ADC) of 96, with 53 CMR beds available for additional patients, on any given day. The applicant provides a table to demonstrate their data, see the table below.

**District 6
CMR Providers
12 Months Ending June 2018**

Facility	County	Licensed Beds	Patient Days			
			Available	Reported	Occupancy	ADC
AdventHealth Tampa	Hills.	30	10,950	8,715	79.59%	24
Tampa General Hospital	Hills.	59	21,535	13,925	64.66%	38
Blake Medical Center	Manatee	28	10,220	2,933	28.70%	8
Lakeland Reg. Med. Cntr.	Polk	32	11,680	9,549	81.76%	26
Total District 6		149	54,385	35,122	64.58%	96

Source: CON application #10572, page 28, Figure 5 and page 32, Figure 7 (duplicated)

FHSC notes that no additional CMR beds are needed in District 6 pursuant to the Agency's fixed need pool for the current batch.

The applicant maintains that based on prior applications submitted by both co-batched applicants (**CON applications #10571 and #10573**), any of the following assertions should not be considered when reviewing the applications:

- Assertion that CMR need should be evaluated on a subdistrict or county basis rather than on the district level
- Assertion that District 6 and Hillsborough County have comparatively low use and occupancy rates that are indicative of a "not normal" circumstance
- Assertion that approval of the proposed Encompass rehab facility would stimulate demand for CMR services, thereby avoiding any adverse impact on existing CMR providers
- Assertion that existing rehab providers lack capacity to serve projected CMR demand

CON Action Numbers: 10571, 10572 and 10573

The reviewer notes that, for the 12 months ending June 30, 2018, the applicant isolates only licensed CMR beds in Hillsborough County, their corresponding available and reported patient days, corresponding occupancy percentages and the ADC to indicate a total occupancy rate of 69.69 percent, an ADC of 62 and therefore, on any given day, within Hillsborough County, an average of 27 unoccupied CMR beds available for additional patients (62 ADC + 27 unoccupied beds = 89 licensed beds). See the figure below.

**CMR Utilization by Facility
Hillsborough County
12 Months Ending June 2018**

Facility	Licensed Beds		Patient Days		ADC
	Licensed Beds	Available	Reported	Occupancy	
AdventHealth Tampa	30	10,950	8,715	79.59%	24
Tampa General Hospital	59	21,535	13,925	64.66%	38

Source: CON application #10572, page 32, Figure 8

The applicant contends that in the unlikely event that an unoccupied bed could not be found in Hillsborough County on a particular day, the other CMR providers in District 6 also have excess capacity and other District 6 CMR providers are within the two-hour access standard specified in Rule 59C-1.039(6), Florida Administrative Code.

FHSC states that in short, there is no credible evidence that District 6 residents have been unable to access an appropriate level of rehabilitation care at an existing CMR provider in the district, or in another appropriate post-acute care setting, such that the quality of patient care has been compromised. FHSC asserts that absent such evidence of an atypical or “not normal” circumstance in District 6, the co-batched applicants have failed to overcome the presumption of no need established by the zero fixed need pool. FHSC contends that as a result, approval of either or both CON applications #10571 and #10573 would result in an unnecessary and costly duplication of CMR services.

Regarding FHSC’s projected utilization, CON application #10572 summarizes its methodology in calculating projected utilization for the proposed project:

1. Assess projected population for January 2018 and January 2023 for all ages and the 65+ age cohort
2. Calculate the average annual population growth for the PSA and SSA for all ages and the 65+ age cohort
3. Weight the average annual growth for the PSA and SSA for all ages and the 65+ age cohort by accounting for the 60 percent Medicare dependency

CON Action Numbers: 10571, 10572 and 10573

4. Weight the average annual growth for the PSA and SSA for all ages and the 65+ age cohort by accounting for the 70 percent dependency on Hillsborough County
5. Apply the weighted average to the historical 2018 discharges of 982 to calculate expected utilization
6. Apply the applicant’s rehabilitation program’s historical 2018 ALOS of 14.4 to discharges to calculate patient days

Below is the proposed project’s year one through year three estimates regarding increasing discharges, a constant ALOS of 14.4, increasing patient days and ADC, a constant licensed bed count of 59 and occupancy estimates ranging from 69.2 percent (year one) to 72.9 percent (year two). See the figure below.

**TGH Rehabilitation Hospital
Projected Utilization**

	Historical		Projected		
	2018	2019	CON Year One	CON Year Two	CON Year Three
Discharges	982	1,008	1,034	1,062	1,090
ALOS	14.4	14.4	14.4	14.4	14.4
Patient Days	14,119	14,514	14,896	15,289	15,692
ADC	38.7	39.8	40.8	41.9	43.0
Beds	59	59	59	59	59
Occupancy	65.6%	67.4%	69.2%	71.0%	72.9%

Source: CON application #10572, page 34, Figure 9

FHSC points out that a benefit of the proposed project is that the TGH Rehabilitation Hospital will continue to have access to the applicant’s expertise and resources which include:

- Administrative support services
- Financial and third party contracting
- Contracted support services for dietary and laundry
- Personnel and human resources
- Marketing and communications
- Information technology
- Legal services
- Risk management

According to FHSC, access to these resources optimizes operational efficiencies and economies of scale, resulting in cost-effectiveness. FHSC also points out that the proposed Class 3 TGH Rehabilitation Hospital will have a singular focus yet will be fully integrated with TGH’s large array of immediately accessible medical staff and services to promote continuity of care (to address co-morbidities and notably high acuity) essential to the best possible medical and functional outcomes.

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) offers the following executive summary to indicate the basis for approval of the proposed project:

CON Action Numbers: 10571, 10572 and 10573

- There are “not normal” circumstances that warrant approval of additional CMR beds in eastern Hillsborough County beyond the fixed need pool. These circumstances include:
 - District 6 has the lowest CMR bed to population ratio of any district in the state.
 - Hillsborough County has a comparatively low CMR use rate compared to the statewide average.
 - Eastern and southern Hillsborough County have very low CMR use rates. This area is older than western Hillsborough and similar to the statewide population age distribution. The senior population of the service area is growing rapidly.
 - There are two existing CMR providers in Hillsborough County, both of which are located in Tampa. These providers are not geographically accessible to residents of eastern and southern Hillsborough County.
 - BRH’s patients have access barriers to CMR services based on the congested traffic and travel times to existing providers. These circumstances hold true for patients of BRH’s affiliate South Bay Hospital (SBH) located in southern Hillsborough County.
 - BRH and SBH patients face a “gate-keeper” barrier when seeking admission to existing providers. Both existing CMR providers rely on the same psychiatrist to evaluate patients’ appropriateness for CMR care, and these reviews often delay or inappropriately limit admission to CMR care.
 - Limitations on BRH and SBH’s ability to discharge patients to CMR are evidenced by the low CMR use rates in the area, the low percentage of discharges to CMR generally and the low percentage of discharges to CMR for specific diagnostic categories that most often benefit from CMR care.
 - Both quantitative analysis and letters of support document the difficulty in discharging BRH and SBH patients to CMR that document a “not normal” circumstance.
- BRH asserts that CON application #10573 documents the bed need for its proposed project using several approaches based on reasonable and conservative assumptions.
- BRH’s proposal is by far superior to other co-batched applicants and is the only application that should be approved
 - BRH documents that there is sufficient need and demand for its 24-bed project but not for a larger freestanding project.
 - BRH’s project will be far more financially accessible than the Encompass project. BRH conditions this application on providing eight percent of CMR discharges to Medicaid/Medicaid managed care and self-pay/no pay patients including charity care. Encompass’ track record across the state clearly shows that its facilities are far less financially accessible than other CMR

CON Action Numbers: 10571, 10572 and 10573

providers, with Encompass facilities serving just a small fraction of Medicaid and self-pay/no pay patients.¹⁴

- BRH offers some distinct advantages as a unit within an acute care hospital providing continuity of care and a full range of acute care support services. Freestanding facilities must transport patients to acute care hospitals for a variety of diagnostic and therapeutic procedures, which is disruptive to continuity of care and costly. BRH will be able to serve many patients with medical co-morbidities more effectively and at lower cost.
- As an affiliate of HCA, BRH has the resources, leadership, clinical expertise and quality of care systems in place to develop the proposed project. This is documented within CON application #10573.
- The proposed project is financially feasible in both the short and the long-term, as documented in Schedules 1 through 8 and the plan for implementing the beds is both cost-effective and consistent with all licensure and construction/design requirements as shown in Schedules 9 and 10.
- BRH documents consistency with all project review criteria, agency rule preferences and statutory review criteria.

BRH notes that it is located in the middle of Hillsborough County, immediately south from “FL-60” which runs west/east into Polk County, and immediately east of the heavily-traveled “Highway-75” (a major highway which runs north-south into Pasco County to the north and Manatee County to the south). The applicant maintains that this location provides convenient access to residents across Hillsborough County and anticipates that the proposed project will receive CMR referrals from affiliate SBH. BRH indicates that SBH (a 138-bed general hospital) is located approximately 20 miles southwest of BRH, immediately to the east of the heavily-trafficked “Highway-75”. According to BRH, both facilities proximity to I-75 make the proposed CMR unit easily accessible for patients.

The applicant asserts that factors constituting a “not normal circumstances” that warrant project approval, including:

- Consistent high utilization of some existing District 6 CMR providers
- The unwillingness or inability of CMR programs in closest proximity to Brandon to admit all eligible patients
- The distance to area CMR providers from BRH and SBH
- BRH’s inability to discharge its patients to CMR

¹⁴ For a review of the most recently available (FY 2017) Medicaid/Medicaid managed care patient days, Medicaid/Medicaid managed care patient day percentage and percent of charity care provided by Encompass Health, statewide, see item E.3.g. of this report.

CON Action Numbers: 10571, 10572 and 10573

BRH notes “It is not possible to quantify the number of patients who need CMR care but do not receive it” but that BRH case managers have identified a number of common reasons why patients in need of CMR are not able to access it from any of the existing providers in District 6, these include:

- Patients who lack health insurance or are covered by Medicaid are often not accepted.
- The CMR patient assessment process employed by AdventHealth Tampa and Tampa General limits CMR referrals based on payor mix and other subjective factors resulting in limited access to CMR services.
- Patients and their families cannot or will not make the drive to CMR programs located further north in Hillsborough County due to congested traffic conditions and longer commute times. This is especially true for older adults who are the largest population base for CMR services.

BRH contends that an additional “not normal” circumstance arises because CMR CON Rule 59C-1.039, Florida Administrative Code, has not been amended since 1995 (page 26 of the application). The reviewer notes that rule 59C-1.039, Florida Administrative Code, was amended after 1995, the amendment’s effective date was July 2, 2017. BRH discusses prior CON applications for new CMR hospitals and hospital-based units, despite publication of no need at a regional or “tertiary” level on page 27 of CON application #10573.

Service Area Characteristics

The applicant utilizes the Agency’s Florida Population Estimates and Projections by AHCA District, published February 2015, for January 2019 and 2024, to indicate that the Hillsborough County age 65+ population is expected to increase from 13.8 percent to 15.0 percent, with an age 65+ 2019-2024 compound annual growth rate (CAGR) of 1.6 percent. See the exhibit below.

Hillsborough County Population Projections by Age

Age Group	2019	2024	CAGR 2019-2024
0-17	332,587	362,398	1.7%
18-64	885,252	942,910	1.3%
65-74	116,826	133,856	2.8%
75+	78,898	96,200	4.0%
Total Population	1,413,562	1,535,364	1.7%
Percent 65+	13.8%	15.0%	1.6%

Source: CON application #10573, page 29, Exhibit 3

BRH notes that BRH’s and SBH’s acute care service areas (by ZIP Code) were used as a basis for the CMR service area (of the proposed project). The applicant provides a map of the CMR service area (CON application #10573, page 30, Exhibit 4). BRH states the use of Spotlight 2018 to

CON Action Numbers: 10571, 10572 and 10573

estimate the population (by age cohort) for the BRH PSA, the SBH PSA and the total BRH/SBH SSA from 2018 to 2023 and then the corresponding CAGR 2018-2023 for this same population (all by discreet ZIP Codes). The reviewer includes all ZIP Codes identified by the applicant in the 2018 population estimates but collapses the discreet PSA/SSA ZIP Codes into totals for the 2023 population estimates and the CAGR 2018-2023 population estimates.

Service Area Population 2018

Service Area	ZIP Code	ZIP Code FL City Assignment	Brandon			
			Age 0-17	18-24	65+	Total
PSA	33510	Brandon	7,271	19,585	4,230	31,086
PSA	33511	Brandon	13,145	38,481	7,420	59,046
PSA	33569	Riverview	6,563	17,421	3,502	27,486
PSA	33578	Riverview	12,600	30,910	4,351	47,861
PSA	33584	Seffner	6,840	17,790	3,799	28,429
PSA	33594	Valrico	8,063	22,263	6,011	36,337
PSA	33596	Valrico	6,517	20,814	4,800	32,131
PSA	33610	Tampa	12,490	27,307	5,493	45,290
PSA	33619	Tampa	9,490	25,959	4,052	39,501
Total Brandon PSA			82,979	220,530	43,658	347,167
Service Area	ZIP Code	ZIP Code FL City Assignment	South Bay			
			Age 0-17	18-24	65+	Total
PSA	33570	Ruskin	7,941	16,050	4,491	28,482
PSA	33573	Sun City Center	1,009	3,723	19,007	23,739
PSA	33598	Wimauma	5,618	11,071	2,446	19,135
Total Brandon/South Bay PSA			14,568	30,844	25,944	71,356
SSA	33527	Dover	4,957	10,947	2,131	18,035
SSA	33534	Gibsonton	5,026	9,858	1,304	16,188
SSA	33547	Lithia	8,171	16,416	2,531	27,118
SSA	33563	Plant City	7,894	16,515	3,675	28,084
SSA	33565	Plant City	4,021	10,832	4,337	19,190
SSA	33566	Plant City	5,784	13,855	3,147	22,786
SSA	33567	Plant City	3,518	8,055	1,622	13,195
SSA	33572	Apollo Beach	4,043	11,205	3,618	18,866
SSA	33579	Riverview	10,243	21,318	2,686	34,247
SSA	33592	Thonotosassa	2,493	6,907	2,014	11,414
Total SSA			56,150	125,908	27,065	209,123
Total PSA/SSA			153,697	377,282	96,667	627,646

CON Action Numbers: 10571, 10572 and 10573

Service Area Population 2023

Service Area	ZIP Code		Brandon			
	FL City	Assignment	Age 0-17	18-24	65+	Total
Same	Same					
Total Brandon PSA			87,593	233,671	54,600	375,864
Service Area	ZIP Code		South Bay			
	FL City	Assignment	Age 0-17	18-24	65+	Total
Same	Same					
Total Brandon/South Bay PSA			16,049	32,720	29,927	78,696
Total SSA			60,109	134,357	32,906	227,372
Total PSA/SSA			163,751	400,748	117,433	681,932

Service Area Population CAGR 2018-2023

Service Area	ZIP Code		Brandon			
	FL City	Assignment	Age 0-17	18-24	65+	Total
Same	Same					
Total Brandon PSA			1.1%	1.2%	4.6%	1.6%
Service Area	ZIP Code		South Bay			
	FL City	Assignment	Age 0-17	18-24	65+	Total
Same	Same					
Total Brandon/South Bay PSA			2.0%	1.2%	2.9%	2.0%
Total SSA			1.4%	1.3%	4.0%	1.7%
Total PSA/SSA			1.3%	1.2%	4.0%	1.7%

Source: CON application #10573, pages 31 thru 33, Exhibit 5

BRH points out that from 2018 to 2023, the total acute care service area is projected to grow by 1.7 percent annually and the age 65+ population in the acute care service area is projected to grow by four percent annually, significantly faster than the acute care service area as a whole. The applicant indicates that the senior population frequently uses inpatient rehabilitation services to facilitate returning back into the community and avoiding long-term stays in a nursing home setting.

The reviewer notes that pursuant to 59C-1.039, Florida Administrative Code, last amended July 2, 2017, an acute care subdistrict is not the regulatory service area for the tertiary service of CMR, health care planning for CMR is done on a larger tertiary service area—not by county nor, as in this case, by some smaller delineation.

District 6 Utilization Patterns and Trends

The applicant indicates that for the 12 months ending June 30, 2018, District 6 CMR providers had an average total occupancy of 71.7 percent, with the highest single occupancy rate (81.8 percent) at Lakeland

CON Action Numbers: 10571, 10572 and 10573

Regional Medical Center and the lowest single occupancy rate (0.0 percent) at Winter Haven Hospital. The Agency’s records for the same time frame indicate an average total occupancy of 55.62 percent, with Blake Medical Center realizing a total occupancy rate of 28.70 percent. See the exhibit below.

**Utilization for District 6 CMR Providers
July 1, 2017 – June 30, 2018**

Facility	Licensed Beds	Patient Days	Bed Days	Total Occupancy Percent
AdventHealth Tampa	30	8,715	10,950	79.6%
Tampa General Hospital	59	13,925	21,535	64.7%
Blake Medical Center	28	6,804	10,220	66.6%
Winter Haven Hospital	-	-	-	0.00%
Lakeland Regional Medical Center	32	9,549	11,680	81.8%
District 6 Total	149	38,993	54,385	71.7%%

Source: CON application #10573, page 36, Exhibit 7

According to BRH, there was a reporting error in the Agency data for Black Medical Center’s CMR patient days data for the fiscal year ending June 30, 2018 time period and that the error-riddled data has been substituted with the corrected data based on Blake Medical Center’s internal records. The Agency notes that Blake Medical Center, an HCA affiliate, has not corrected the data with the Agency or the local health council. The reviewer notes that regardless of the stated error in Blake Medical Center’s reported patient days and total occupancy percentage for the period, as shown in the above table, a total occupancy rate of 71.7 percent would still have indicated a fixed need pool of zero CMR beds in District 6 for the July 2024 planning or horizon.

The applicant utilizes the Agency’s January 2015-January 2019 Hospital Bed Need Projections publications to indicate that from the 12 months ending June 30, 2014 to the 12 months ending June 30, 2018 District 6 CMR total occupancy rates declined overall by 8.7 percent and District 6 CMR total patient days rose overall by 7.5 percent (CON application #10573, page 37, Exhibit 9). BRH utilizes the Agency database for July 1, 2015-June 30, 2018, to indicate a District 6 increase of CMR patients, from 2,685 (12 months ending June 2016) to 2,830 (12 months ending June 2018), an increase of 5.4 percent. The reviewer notes that according to the applicant’s exhibit, the total District 6 CMR patient count from June 2017 to June 2018 declined by 117 patients (2,947 – 117 = 2,830). See the exhibit below.

CON Action Numbers: 10571, 10572 and 10573

**District 6 Facilities
FY 2015-2018 Number of CMR Patients**

Facilities	July 2015 - June 2016	July 2016 - June 2017	July 2017 - June 2018	Percent Change 2016-2018
AdventHealth Tampa	418	557	569	36.1%
Tampa General Hospital	1,081	1,007	992	-8.2%
Blake Medical Center	605	527	562	-7.1%
Winter Haven Hospital	295	293	-	N/A%
Lakeland Regional Med Center	286	563	707	147.2%
Total	2,685	2,947	2,830	5.4%

Source: CON application #10573, page 37, Exhibit 10

The applicant points out that TGH is the closest District 6 CMR provider to BRH but that the travel from its acute care service area to TGH is a barrier due to congested traffic conditions. BRH also contends that it often has trouble placing patients at TGH.

In the next three exhibits (Exhibit #s 11, 12 and 13), the applicant discusses increases in CMR patient discharges by county and age group for District 6 overall and for Hillsborough County specifically. BRH utilizes the Agency Database by type of service for the three-year period ending June 2018 to indicate that:

- Total District 6 CMR patient discharges (all ages) rose from 3,295 to 3,688 (11.9 percent increase)
- District 6 CMR patient discharges (age 65+) rose from 2,108 to 2,272 (7.8 percent increase)
- Hillsborough County resident CMR patient discharges (all ages) rose from 1,237 to 1,461 (18.1 percent increase) and Hillsborough County resident CMR patient discharges (age 65+) rose from 677 to 825 (21.9 percent increase)

BRH emphasizes that Hillsborough County has seen more growth in CMR patient discharges than the remainder of District 6 and that this is particularly true of the age 65+ population which has grown by 21.9 percent. The reviewer notes that the applicant’s contention in the three exhibits referenced above do not support that District 6 residents, overall, or Hillsborough County residents are experiencing a lack of access to inpatient CMR services.

The applicant stresses that the CMR beds per population in District 6 is lower than any other district in the state. BRH notes that the beds per 1,000 population (age 18+) in District 6, of 0.076, is less than half the statewide rate of 0.163. See the exhibit below.

CON Action Numbers: 10571, 10572 and 10573

Florida CMR Beds by District per 1,000 Population

District	CMR Beds as of 1/1/2019	Beds 1,000 Population Age 18+
1	78	0.135
2	151	0.272
3	226	0.156
4	260	0.157
5	210	0.177
6	149	0.076
7	273	0.130
8	274	0.190
9	354	0.211
10	325	0.226
11	358	0.162
State Total	2,658	0.163

Note: District 6 – 24 beds at Winter Haven Hospital closed Q3 2017. District 3 includes 12 beds preliminarily approved at West Marion Hospital and 12 beds preliminarily approved at Florida Hospital Waterman.

Source: CON application #10573, page 40, Exhibit 14

BRH utilizes the Agency Database by type of service for the 12 months ending June 2018 along with the Agency’s Florida Population Estimates and Projections by AHCA District 2010 to 2030 publication, issued February 2015, to show that District 6 has the second lowest use rate in the state at 14.48 per 10,000 population, with the state average being at 24.14. Using the same source, the applicant also shows that the District 6 age 65+ population has a use rate of 50.04 per 10,000 population, with the state average at 85.65. See the exhibit below.

**District by Age
2018 CMR Patient Use Rates by 10,000 Population**

District	Age Group			Total	Total Adult
	0-17	18-64	65+		
1	0.25	9.33	51.68	14.36	18.30
2	0.92	15.70	166.75	36.35	45.20
3	1.55	10.61	77.47	26.40	31.82
4	1.26	10.59	63.36	18.07	22.66
5	8.77	22.00	90.65	35.72	41.76
6	0.96	8.96	50.04	14.48	18.42
7	1.02	8.05	73.28	15.94	20.21
8	0.58	11.45	80.19	29.21	35.32
9	1.10	12.58	101.01	31.32	38.70
10	0.77	15.32	122.04	30.30	38.32
11	0.59	11.76	108.04	24.65	30.97
Total	1.43	11.84	85.65	24.14	30.00

Source: CON application #10573, page 40, Exhibit 15

BRH contends that a closer look at District 6 counties’ use rates by 10,000 population, as well as the District 6 overall patient use rates and the Hillsborough County patient use rates, further emphasizes access issues. The applicant utilizes the Agency Database by type of service for

CON Action Numbers: 10571, 10572 and 10573

the 36 months ending June 2018 and the Agency’s Florida Population Estimates and Projections by AHCA District 2010 to 2030 publication, issued February 2015, to create the exhibits below.

District 6 Adult CMR Use Rate by County by 10,000 Population

County	YE 6/30/2016	YE 6/30/2017	YE 6/30/2018	Percent Change 2016-2018
Hardee	8.4	8.3	9.3	10.9%
Highlands	11.0	12.8	14.6	32.8%
Hillsborough	12.1	12.9	13.8	13.7%
Manatee	44.3	40.4	41.7	-5.9%
Polk	13.6	17.4	15.9	17.1%
Total	17.1	18.1	18.4	7.5%

Source: CON application #10573, page 41, Exhibit 16

**District 6 CMR Patient Use Rate by Age
2016-2018 CMR Patient Use Rats by 10,000 Population**

Year	Age Group			Total	Total Adult
	0-17	18-64	65+		
YE 6/30/2016	0.70	7.80	49.90	13.40	17.10
YE 6/30/2017	0.78	8.10	52.14	14.15	18.06
YE 6/30/2018	1.00	9.00	50.00	14.50	18.40
Percent Change 2016-2018	37.1%	15.4%	0.4%	8.1%	7.5%

Source: CON application #10573, page 41, Exhibit 17

**Hillsborough CMR Patient Use Rate by Age
2016-2018 CMR Patient Use Rats by 10,000 Population**

Year	Age Group			Total	Total Adult
	0-17	18-64	65+		
YE 6/30/2016	0.60	6.60	38.50	9.40	12.10
YE 6/30/2017	0.75	6.31	43.98	10.03	12.90
YE 6/30/2018	1.00	7.30	43.7	10.80	13.80
Percent Change 2016-2018	63.0%	10.1%	13.3%	14.6%	13.7%

Source: CON application #10573, page 41, Exhibit 18

The applicant notes that the age 65+ use rates in District 6 are stagnant despite growing patient discharges and that this indicates that the age 65+ population is growing faster than the patient discharges. BRH asserts that the low use rates in District 6 in comparison to other districts coupled with the comparatively low number of beds per population indicates that patients have access issues despite available capacity at existing CMR providers.

BRH utilizes the Agency Database by type of service for the 12-month period ending June 2018 to indicate that approximately one quarter of Hillsborough County residents are leaving the district for CMR services.

CON Action Numbers: 10571, 10572 and 10573

The applicant maintains that despite increased demand for CMR services the number of existing CMR beds are insufficient, perpetuating the extremely low use rates in District 6. BRH asserts that Hillsborough County residents are traveling as far as 50 miles south to Sarasota and as far as 100 miles north to Ocala to access CMR services. See the exhibit below.

Outmigration of Hillsborough County CMR Patients

	Percent Hillsborough Patients
Hillsborough County Providers	
Tampa General Hospital	43.6%
Florida Hospital Tampa	27.6%
Total within Hillsborough County	71.2%
Other District 6 Providers	
Lakeland Regional Medical Center	2.2%
Blake Medical Center	1.4%
Total Other District 6 Providers	3.6%
Outmigration to Other Counties and Districts	25.3%
Total	100.0%

Source: CON application #10573, page 42, Exhibit 19

BRH presents a travel analysis (through Maptitude Mapping Software 2018) to show 15- and 30-minute travel times, indicating the areas of District 6 that are more than 30 minutes away from a CMR provider with no traffic. The applicant notes that inpatient CMR-eligible patients in its self-identified acute care service area are unable or unwilling to travel to the nearest inpatient CMR providers. The reviewer notes that the two-hour access standard is currently met for CMR services in District 6. *Existing District 6 Providers Do Not Accept All Patients Needing CMR Services*

BRH contends that not only does the process employed by TGH and AdventHealth Tampa to access patients' eligibility for CMR services cause unnecessary delay in access to CMR services, but the process is arbitrary, subjective, final and causes many CMR-appropriate patients to be denied access to care. BRH states its own internal data indicates that from February 1, 2018 to March 19, 2019, it referred 263 patients to CMR but only 50 (19.0 percent) were "booked". The reviewer abbreviates Encompass Health Rehabilitation Hospital of Sarasota to EHRHS. The reviewer notes that of all providers, Encompass "booked" the largest percentage of referred patients even though it is the furthest geographically. See the exhibit below.

CON Action Numbers: 10571, 10572 and 10573

**BRH CMR Patients Referred vs. Booked
2/1/2018 – 3/19/2019**

Facility Referred to:	# of Referred Patients	# of Booked CMR Patients	Percent of Referred Patients Booked
AdventHealth Tampa	75	18	24.0%
TGH	72	13	18.1%
EHRHS	22	10	45.5%
All Other	94	9	9.6%
Total	263	50	19.0%

Source: CON application #10573, page 46, Exhibit 22

The applicant maintains that the proposed project will allow it to provide CMR services to patients historically denied by existing providers— increasing continuity of care and accessibility to its self-identified service area. The reviewer notes that BRH previously stated, “It is not possible to quantify the number of patients who need CMR care but do not receive it”.

BRH states that a patient’s acceptance into CMR services is often based on the patient’s payor class and that in particular, patients that are self-pay or charity care are admitted much less frequently. In the two exhibits below, the applicant utilizes the Agency Database for the 12-month period ending June 2018 to demonstrate that CMR patients in District 6 served by CMR providers had 3.7 percent self-pay/no pay and for the same time frame CMR patients discharged from their own CMR facility (patients from the hospital’s own facility/program) were 8.6 percent self-pay/no pay. The reviewer collapses each of the listed District 6 CMR providers into a single total column for each payor class. See table below.

District 6 - FY 2018 Payor Mix for CMR Patients						
All CMR Facilities	Comm. Insurance	Medicaid*	Medicare	Self-Pay/ No Pay	Other**	Total
Total	20.3%	10.4%	62.1%	3.7%	3.4%	100.0%
District 6 - FY 2018 Payor Mix for CMR Patients Discharged from Own Facility						
All CMR Facilities	Comm. Insurance	Medicaid*	Medicare	Self-Pay/ No Pay	Other**	Total
Total	20.7%	10.3%	55.2%	8.6%	5.2%	100.0%

*Includes Kidcare

**Includes Other, Other State/ Local, TriCare or Other, VA and Worker’s Comp

Source: CON application #10573, page 47, Exhibits 23 and 24 (partial and combined)

The applicant maintains that due to financial barriers, it has experienced difficulty discharging self-pay/charity patients as well as Medicaid patients to CMR. BRH states that in the 12 months ending June 2018, BRH and SBH were only able to discharge five traditional Medicaid patients and two Medicaid managed care patients to existing CMR providers. The applicant indicates that in the same time frame, BRH and

CON Action Numbers: 10571, 10572 and 10573

SBH discharged only one self-pay/charity care patient to an existing provider. BRH points out that these figures do not account for the “unquantifiable”, yet a significant number of patients considered to be appropriate for CMR but were discharged to a SNF or home health. The applicant reiterates its Medicaid/Medicaid managed care, charity care, self-pay/no pay condition of eight percent of total discharges.

BRH utilizes the Agency Database for the three years ending June 2018 to indicate CMR, home health and SNF discharges, by BRH and by SBH, the patient change and the percent change. See the exhibit below.

**BRH FY 2016-2018
Patient Discharges**

Discharged to:	FY 2016	FY 2017	FY 2018	Patient Change	Percent Change 2016-2018
CMR	126	104	76	(50)	-39.7%
Home Health	2,207	2,220	2,440	233	10.6%
SNF	1,960	1,974	1,988	28	1.4%
Total	4,293	4,298	4,504	211	4.9%

**SBH FY 2016-2018
Patient Discharges**

Discharged to:	FY 2016	FY 2017	FY 2018	Patient Change	Percent Change 2016-2018
CMR	60	45	38	(22)	-36.7%
Home Health	935	1,143	1,183	248	26.5%
SNF	1,431	1,443	1,327	(104)	-7.3%
Total	2,426	2,631	2,548	122	5.0%

Discharge Status: Discharged to IRF (62), Discharged to Home Health; Discharge to skilled nursing facility with Medicare Certified & Nursing Facility certified under Medicaid

**Adult, Non-OB, Non-psych/SA*

Source: CON application #10573, page 49, Exhibit 26

The applicant uses the same source and timeframe to indicate the same CMR discharges from the same hospitals (BRH and SBH) by age cohort. The applicant points out that BRH and SBH discharges to CMR have decreased over the past few years and that this is particularly true for the 65+ population. See the exhibit below.

CON Action Numbers: 10571, 10572 and 10573

**BRH FY 2016-2018
Patient Discharges to CMR by Age**

	0-17	18-44	45-64	65+	Total	Total Adult
July 2015-June 2016	0	8	33	85	126	126
July 2016-June 2017	1	10	21	73	105	104
July 2017-June 2018	0	6	23	47	76	76
Change in Discharges	0	-2	-10	-38	-50	-50
Percent Change	0	-25.0%	-30.3%	-44.7%	-39.7%	-39.7%

**SBH FY 2016-2018
Patient Discharges to CMR by Age**

	0-17	18-44	45-64	65+	Total	Total Adult
July 2015-June 2016	0	1	9	50	60	60
July 2016-June 2017	0	1	4	40	45	45
July 2017-June 2018	0	1	5	32	38	38
Change in Discharges	0	0	-4	-18	-22	-22
Percent Change	0	0.0%	-44.4%	-36.0%	-36.7%	-36.7%

Discharge Status: Discharged to IRF (62

**Adult, Non-OB, Non-psych/SA*

Source: CON application #10573, page 50, Exhibit 27

BRH asserts that the reduction in discharges to CMR across all age groups for two HCA facilities while CMR demand in Hillsborough County is increasing indicates the “not normal circumstances” when HCA-affiliates try to place patients at existing CMR providers.

Inpatient Alternatives to CMR Services

The applicant provides a narrative description of alternatives to CMR (pages 51 thru 53 of the application). BRH discusses and references two 2008 studies, one 2014 study and a 2016 study that point to advantages/appropriateness/improved mortality rates and better clinical outcomes of higher intensity CMR services compared to less intense care at SNFs. The applicant provides copies of rehabilitation studies in Attachment H of CON application #10573.

Brandon and South Bay are Unable to Discharge Sufficient Levels of CMR-Appropriate Patients to CMR

The applicant states the use of the Agency Database for the 12 months ending June 2018 to indicate that both BRH and SBH cardiac, orthopedic and stroke patients were discharged to CMR at lower rates than other HCA hospitals. See the exhibit below.

CON Action Numbers: 10571, 10572 and 10573

BRH and SBH Discharges to CMR by Selected DRG RIC Categories Compared to HCA CMR Providers

RIC Category	BRH Discharges to CMR	BRH Total Discharges	Percent Discharged to CMR	SBH Discharge to CMR	SBH Total Discharges	Percent Discharged to CMR	HCA Percent Discharged to CMR
Cardiac	7	3,724	0.2%	2	1,108	0.2%	2.2%
Orthopedic	9	1,460	0.6%	2	632	0.3%	8.2%
Stroke	13	299	4.3%	13	144	9.0%	17.1%
Total	29	5,483	0.5%	170.2	1,884	0.9%	5.0%

Discharge Status: Discharged to IRF (62, Adult, does not include 0.3 psych, substance abuse, OB, NICU, Includes: Blake, Central Florida, Fawcett, Lawnwood, Mercy, Orange Park, Palms of Pasadena, West Florida and Rehab Institute of Northwest Florida

Source: CON application #10573, page 54, Exhibit 28

Continuing on the contention that other HCA hospitals are better able to discharge more patients to CMR, BRH utilizes the Agency's database for the 12 months ending June 2018 to indicate that BRH discharged 76 of 18,806 patients to CMR while all other referenced¹⁵ HCA hospitals in Florida had a 2.0 percent (or better) discharge percentage for the same time frame. See the exhibit below.

HCA Hospitals with CMR Units – Percent of Patients (Non-Tertiary) Discharged to CMR

HCA Hospital	Patients Discharged to CMR	Adult, Non-OB, Non-Psych/ SA	Percent Patients Discharged to CMR
Brandon Regional Hospital (proposed CMR)	76	18,806	0.4%
Blake Medical Center	384	13,446	2.9%
Central Florida Regional Hospital	253	10,018	2.5%
Fawcett Memorial Hospital	304	10,809	2.8%
Lawnwood Regional Medical Center & Heart Institute	761	12,478	6.1%
Mercy Hospital a Campus of Plantation General Hospital	275	10,586	2.6%
Orange Park Medical Center	299	13,951	2.1%
Palms of Pasadena Hospital	165	4,837	3.4%
West Florida Hospital	279	14,034	2.0%
Total HCA Hospital with CMR	2,336	76,713	3.0%

Source: CON application #10573, page 55, Exhibit 29

BRH maintains that it is reasonable to assume that the trend in utilization during the start-up of a CMR unit would be similar amongst similarly sized HCA-affiliated units. In this regard, BRH highlights its HCA-affiliate Osceola Regional Medical Center's recent CMR unit initial start-up. The reviewer notes that Osceola Regional Medical Center has a 28-bed unit, a statutory teaching hospital designation and a Level 2 Trauma Center while BRH is proposing a 24-bed unit and does not have a Level 2 Trauma Center nor is it designated as a statutory teaching hospital.

¹⁵ The reviewer notes that all of the referenced affiliated hospitals have a CMR unit and the applicant did not supply for the other 25+ HCA hospitals in the state without CMR units for a full comparison of data.

CMR Bed Need in Hillsborough County

The applicant indicates that while regional provision of CMR services is sometimes necessary for less populated areas or facilities that cannot support a CMR unit based on the volume of CMR-appropriate patients, in urban, densely populated areas, it is appropriate to assess need on a sub-regional basis that seeks to maximize geographic access to CMR patients. According to the applicant, the proposed project will offer enhanced geographic access as well as address the difficulties faced with placing medically complex patients and those covered by Medicaid or without insurance. The applicant states that BRH, as a trauma center with a current large base of CMR discharges, is the appropriate provider to address these needs within the growing service area population. The reviewer notes that BRH is not identified by the Agency's FloridaHealthFinder.gov as a trauma center. Further, the Florida Department of Health website at http://www.floridahealth.gov/%5C/licensing-and-regulation/trauma-system/_documents/traumacenterlisting2018.pdf, last updated August 8, 2018, does not identify BRH as a trauma center, neither as a Level I nor as a Level II.

BRH summarizes need for the proposed CMR beds predicated on a number of factors, including, but not limited to:

- The large population residing in Hillsborough County
- The projected growth within the population, especially the 65+ population
- The special need that BRH has for its own CMR beds by virtue of its status as a primary stroke center
- Documented difficulties encountered in placing CMR-appropriate patients at existing providers due to unwillingness or inability of those providers to accept all patients, the arduous and subjective assessment process employed by TGH/AdventHealth Tampa and travel times
- Access issues for the residents of Hillsborough County

BRH projects a Hillsborough County CMR bed need at 75 percent occupancy of 126 beds and when accounting for the existing 89 CMR beds in the county, there is still a need for 37 CMR beds in Hillsborough County. See the exhibit below.

CON Action Numbers: 10571, 10572 and 10573

Hillsborough County Bed Need

Year	Total CMR Utilization		
	18-64	65+	Total Adult
YE 6/30/2018 CMR Patients	636	825	1,461
2018 Population	871,969	188,893	1,060,862
YE 6/30/2018 Use Rate	7.3	43.7	13.77
Statewide Use Rate	11.84	85.65	30.00
Projected Hillsborough Use Rate	10.0	65.0	20.8
2024 Population	942,910	230,056	1,172,966
Projected 2024	943	1,495	2,438
District 6 Provider ALOS	14.2	14.2	14.2
Projected 2024 Patient Days			34,623
Projected CMR ADC			94.86
Projected Bed Need at 75% Occupancy			126
Existing Hillsborough County Beds			89
Net Bed Need in Hillsborough County			37

Source: CON application #10573, page 62, Exhibit 31

The applicant analyzes bed need based on BRH’s and SBH’s acute care patients and patients historically discharged to CMR. BRH then utilizes the percent of patients discharged to CMR for HCA Florida hospitals with CMR units and the number of patients that would be discharged to CMR if BRH had its’ own CMR unit, as an estimate. The applicant states using the ALOS for HCA Florida hospitals with CMR and the projected days and ADC to project a bed need at 75 percent occupancy of 38.2 beds. See the exhibit below.

Projected Bed Need Based on Brandon/South Bay Patients

	Brandon	South Bay	Total
Number of Adult Acute Care Patients	18,806	6,443	25,249
Patients Discharged to CMR	84	39	123
Actual Percent of Patients Discharged to CMR	0.4%	0.6%	0.5%
HCA Florida Hospitals with CMR % Patients Discharged to CMR*	3.0%	3.0%	3.0%
Estimated Number of Patients Discharged to CMR	564	193	757
HCA Florida Hospitals with CMR ALOS	13.8	13.8	13.8
Projected Days	7,786	2,667	10,453
Projected ADC	21.3	7.3	28.6
Bed Need at 75% Occupancy	28.4	9.7	38.2

Discharge Status: Discharged to IRF (62)

*Adult, Non-OB, Non-psych/SA

Source: CON application #10573, page 63, Exhibit 32

BRH indicates that even if the above projections were modified to assume that only 1.5 percent of SBH’s patients were discharged to CMR, there would remain a need for 33.3 CMR beds in the proposed service area.

The applicant next examines Claritas Spotlight population data and the Agency Database for the three-year period ending June 2018 self-identified acute care BRH and SBH service areas compared to Hillsborough County, District 6 and the State of Florida. BRH stresses that its self-identified acute care total service area use rate (10.95) is significantly lower than the county (13.77), district (18.42) and the state overall (24.14). See the exhibit below.

CON Action Numbers: 10571, 10572 and 10573

Comparison of Service Area CMR Use Rates

Area	18-64	65+	Total Adult
Brandon PSA	7.94	33.44	10.18
South Bay PSA	11.02	36.23	20.07
SSA	7.39	31.78	8.89
Total Service Area	8.00	33.72	10.95
Hillsborough County	7.29	43.68	13.77
District 6	8.96	50.04	18.42
State of Florida	11.84	85.65	24.14

Source: CON application #10573, page 63, Exhibit 33

BRH projects demand in the service area by the third year of operation. By year three the incremental bed need at 75 percent occupancy is 47.1 beds, per the applicant's estimates. The reviewer collapses the Brandon PSA, South Bay PSA and the SSA into the six separate totals shown in the exhibit below.

Brandon CMR Service Area Projected Demand (2023)

	18-64	65+	Total Adult
<i>CMR Use Rate (FYE: 6/2018)</i>			
Total	8.13	53.15	13.32
<i>Projected CMR Use Rate (2022) *</i>			
Total	13.9	94.2	20.96
<i>Projected CMR Use Rate (2023-2024) **</i>			
Total	11.84	85.65	28.57
<i>Projected CMR Discharges 2022</i>			
Total	393	674	1,067
<i>Projected CMR Discharges 2023</i>			
Total	474	1,006	1,480
<i>Projected CMR Discharges 2024</i>			
Total	480	1,046	1,526
<i>Incremental Growth in CMR Patients</i>	287	720	1,007
<i>Incremental Patient Days (12.8 ALOS)</i>			12,891
<i>Incremental ADC</i>			35.3
<i>Incremental Bed Need at 75% Occupancy</i>			47.1

* Use rate increases halfway towards the statewide average

** Use rate increases to statewide rate

Source: CON application #10573, page 64, Exhibit 34 (partial)

The reviewer notes that per the applicant's Schedule 10, the proposed project will initiate service on January 1, 2022. Therefore, 2023 would be the second year of operation, not year three, as indicated in the above table.

The applicant contends that its estimates are reasonable, considering the growth in population, growth in demand and the increased access that the proposed project will bring to its self-identified acute care service area. BRH maintains that incremental bed need at 75 percent occupancy is 47.1 beds which more than justifies the proposed 24-bed CMR unit.

CON Action Numbers: 10571, 10572 and 10573

BRH asserts that there is insufficient need for CON application #10571. The applicant maintains that Encompass can only support the need for its proposed 50 beds based on the assumption that the CMR use rate for all of Hillsborough County will be in line with statewide levels. BRH indicates that:

- Hillsborough County is comparatively younger than the rest of the state
- Only 13.6 percent of Hillsborough County residents are age 65+
- Twenty percent of Florida residents are age 65+

The applicant indicates that by contrast:

- BRH’s self-identified acute care service area align almost exactly with the statewide age distribution
- SBH’s self-identified acute care service area is significantly older than the rest of the state as a whole

Projected Utilization of Proposed CMR Program

The applicant estimates by year three of operations (2024), the proposed unit will have:

- 31.2 percent market share
- 476 service area CMR patients
- 560 CMR patients (includes 15 percent in-migration)
- 7,163 patient days at 12.8 ALOS
- 19.63 ADC
- 81.8 percent occupancy

The reviewer reproduces only the applicant’s year three (2024) estimates in the exhibit below.

Brandon CMR Projected Utilization

	Brandon PSA	South Bay PSA	SSA	Total
<i>Projected Market Share</i>				
Year 3 (2024)	40.0%	30.0%	17.0%	31.2%
<i>Projected Service Area CMR Patients</i>				
Year 3 (2024)	308	91	77	476
<i>Total CMR Patients with 15% In-migration</i>				
Year 3 (2024)				560
<i>Projected Patient Days at 12.8 ALOS</i>				
Year 3 (2024)				7,163
<i>Projected ADC</i>				
Year 3 (2024)				19.63
<i>Projected Occupancy of 24 Beds</i>				
Year 3 (2024)				81.8%

Source: CON application #10573, page 66, Exhibit 35 (partial)

Regarding a 15 percent in-migration rate, BRH maintains that this is a reasonable and conservative assumption, considering that inpatient rehabilitation is a “specialty” service. The reviewer notes that the

CON Action Numbers: 10571, 10572 and 10573

applicant has previously cited that a “not normal circumstance” that should be considered is that the delivery of CMR services have been, “away from a regional referral model and toward a more locally-based step-down model”, the concept of such significant outmigration as noted above would not support the above “not normal circumstance” contention.

Lack of Impact on Existing District 6 Providers

BRH states that given the population within its self-identified acute care service area that is growing and aging, any impact on existing providers will be minimized. The applicant asserts that patients within its self-identified acute care service area do not have adequate access to CMR services which has resulted in abnormally low CMR use rates its sub-regional, sub-county self-identified service area. BRH indicates that it will serve these patients as well as those patients historically referred to CMR but oftentimes not admitted by existing providers.

The applicant maintains that any insignificant negative impact that could be deduced is far outweighed by the improvements that will be gained by approving the proposed project.

BRH concludes by summarizing the need for the proposed CMR services, maintaining that:

- Existing CMR providers are selective in which patients they will accept, often denying Medicaid and charity patients as well as medically complex patients.
- The distance and travel times deter patients and their families within the self-identified acute care service area from seeking care at the existing CMR providers and this is especially true for the age 65+ population.
- The “gate keeper” assessment process employed by TGH and AdventHealth Tampa creates barriers to access for patients who are referred to the existing CMR providers.

2. Agency Rule Criteria:

Please indicate how each applicable preference for the type of service proposed is met. Refer to Chapter 59C-1.039, Florida Administrative Code, for applicable preferences.

a. General Provisions:

- (1) Service Location. The CMR inpatient services regulated under this rule may be provided in a hospital licensed as a general hospital or licensed as a specialty hospital.**

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) states that the proposed project is a new freestanding 50-bed hospital licensed as a specialty hospital.

Florida Health Sciences Center, Inc. (CON application #10572) reiterates that it will license and operate the proposed project as a separate Class III hospital premise on the applicant's current license in the existing four-story rehabilitation building. FHSC points out that the proposal will not result in a change in services, construction costs, facility location or the number of currently licensed beds.

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) states that the proposed project will be a distinct unit located at its existing licensed hospital.

- (2) Separately Organized Units. CMR inpatient services shall be provided in one or more separately organized unit within a general hospital or specialty hospital.**

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) maintains that the proposed project is specifically designed and dedicated solely to the provision of CMR services.

Florida Health Sciences Center, Inc. (CON application #10572) states that the proposal is to convert its existing 59-bed CMR program currently licensed as a unit of TGH to a separate Class 3 specialty rehabilitation hospital. The applicant emphasizes that the proposed project will utilize the same facilities, beds and resources as the currently licensed CMR beds.

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) indicates that the proposed project will be in a separately organized unit with the following programmatic features:

- An ADL (Activities of Daily Living) area with simulated areas of kitchen, bedroom and bath
- A dining room/activity room
- An exercise physical therapy room on the second floor is conveniently located for vertical transportation and allows for efficient access to outpatient rehabilitation
- Each rehab patient room will have an accessible toilet and shower

- (3) **Minimum Number of Beds. A general hospital providing comprehensive medical rehabilitation inpatient services should normally have a minimum of 20 comprehensive rehabilitation inpatient beds. A specialty hospital providing CMR inpatient services shall have a minimum of 60 CMR inpatient beds.**

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) proposed a 50-bed freestanding inpatient CMR hospital.

Florida Health Sciences Center, Inc. (CON application #10572) proposed a conversion of the existing 59-bed CMR unit under the TGH's Class 1 license to separate premises licensed as a Class 3 hospital at the same physical location.

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) proposes a 24-bed inpatient CMR unit within the existing licensed hospital.

- (4) **Medicare and Medicaid Participation. Applicants proposing to establish a new comprehensive medical rehabilitation service shall state in their application that they will participate in the Medicare and Medicaid programs.**

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) commits to participate in the Medicare and Medicaid programs and provide care to patient populations in need, noting its condition to provide a minimum of four percent of total hospital patient days to Medicaid, Medicaid managed care and self-pay (including indigent/charity) patients annually.

Florida Health Sciences Center, Inc. (CON application #10572) states that FHSC currently participates in the Medicare and Medicaid programs and will continue to do so with the proposed project. The reviewer notes that the applicant does not offer a condition to provide a minimum percent of total CMR patient days this population.

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) states that the applicant currently participates in the Medicare and Medicaid programs, in its existing acute care operations and will continue to do so in the proposed project.

CON Action Numbers: 10571, 10572 and 10573

BRH contends that with respect to financial accessibility, it is by far the superior applicant. The applicant maintains that Encompass has a well-documented reputation for serving minimal Medicaid/Medicaid managed care and self-pay/no pay patients including charity. BRH utilizes the Agency’s Database to offer a payor mix comparison between Encompass facilities and other CMR providers, for the 12 months ending June 2018. See the exhibit below.

**Comparison of Statewide FY 2018 Payor Mix for CMR Patients
Encompass vs. Other CMR Providers**

Payor	Encompass Percent Payor Mix	Other Statewide CMR Percent Payor Mix
Commercial Insurance	10.9%	19.3%
Medicaid/Medicaid Managed Care	1.1%	7.5%
Medicare	86.0%	67.2%
Self-Pay/No Pay	1.0%	3.0%
Other*	1.0%	3.0%
Total	100.0%	100.0%

*Includes Other, Other State/Local Government, TriCare or Other, VA and Worker’s Comp
Source: CON application #10573, page 72, Exhibit 27

BRH reiterates its Schedule C condition to provide a minimum of eight percent of its annual CMR discharges to patients covered by Medicaid/Medicaid managed care or who meet the criteria for charity care, self-pay/no pay, combined.

b. Required Staffing and Services

- (1) Director of Rehabilitation. CMR inpatient services must be provided under the medical director of rehabilitation who is a board-certified or board-eligible psychiatrist and has had at least two years of experience in the medical management of inpatients requiring rehabilitation services.**

Each co-batched applicant states the intent to comply with this rule.

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) indicates strongly that it will provide CMR inpatient services under a Medical Director of Rehabilitation who is a board-certified or board-eligible Psychiatrist with at least two years of experience in the medical management of rehabilitation inpatients.

Florida Health Sciences Center, Inc. (CON application #10572) states that the applicant’s CMR program is currently operated under the direct medical supervision of a physical medicine and rehabilitation specialist (psychiatrist) who is board-certified and has

CON Action Numbers: 10571, 10572 and 10573

had more than two years of experience in the medical management of inpatients requiring rehabilitation services--Venerando I. Bata, MD. According to FHSC, Dr. Bata will continue serving in this capacity after implementation of the proposed project. The applicant provides the curriculum vitae (CV) of Dr. Batas indicating that from 1983 to present, he has been the medical director of the TGH Rehabilitation Center.

Galencare, Inc. d/b/a Brandon Regional Hospital

(CON application #10573) states that the proposed unit will be operated under the direct medical supervision of a board-certified physical medicine and rehabilitation specialist (physiatrist). BRH maintains that it will work with U.S. Physiatry for all of its physiatrist recruitment needs. The applicant anticipates that one physician will serve as the medical director and manage the rehabilitation needs (*e.g.* be the attending physician) of the patients who are admitted—providing for considerable continuity of care because of the uniformity of the practice through one physician.

BRH contends that in support of the rehabilitation medicine services provided by the medical director, the facility intends to involve the services of physicians who have expertise and specialized focus in the areas of geriatric medicine, neurology, orthopedics, cardiology and cardiovascular surgery, pulmonology, urology, oncology and neurosurgery.

(2) Other Required Services. In addition to the physician services, CMR inpatients services shall include at least the following services provided by qualified personnel:

- 1. Rehabilitation nursing**
- 2. Physical therapy**
- 3. Occupational therapy**
- 4. Speech therapy**
- 5. Social services**
- 6. Psychological services**
- 7. Orthotic and prosthetic services**

Encompass Health Rehabilitation Hospital of Hillsborough

County, LLC (CON application #10571) maintains that while the individual team members present at Encompass hospitals comply with each of the identified specialties listed in this rule—it is the interdisciplinary approach and synergy of skills from these team members that brings true value and high quality of care to the

CON Action Numbers: 10571, 10572 and 10573

patients. The reviewer notes that the applicant briefly discusses each of the required services on pages 34-35 of CON application #10571.

Florida Health Sciences Center, Inc. (CON application #10572) indicates that all of these services are currently available and will continue to be available through the proposed project. FHSC contends that continual training and education are required and supported for these positions. The applicant provides a brief description of each of the seven services listed above on pages 41-42 of CON application #10572. FHSC comments that other services are available to rehabilitation patients as needed, including dialysis, respiratory therapy and other ancillary inpatient services.

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) maintains that the above services will be provided based on patient need and notes that the following services will be provided if needed:

- Diabetic nurse educator
- Wound care specialist
- Neuropsych services
- Pharmacology
- Chaplain and other spiritual services

The applicant indicates that all seven required services, are currently available to patients with the exception of rehabilitation nursing. BRH provides job descriptions for many of the staff positions at the proposed unit, including the job description for the program director in Attachment J.

BRH provides a narrative description of all the services listed above on pages 75-79 of CON application #10573.

c. Criteria for Determination of Need:

- (1) Bed Need. A favorable need determination for proposed new or expanded comprehensive medical rehabilitation inpatient services shall not normally be made unless a bed need exists according to the numeric need methodology in Rule 59C-1.039 (5) (c), Florida Administrative Code.**

The reviewer notes that co-batched **CON applications #10571 and #10573** proposals are both outside the fixed need pool. The co-batched **CON application #10572** proposal would not alter the CMR bed inventory count and therefore has no impact on the fixed need pool in the current batching cycle.

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) is submitted outside of the fixed need pool. The applicant reiterates the following five “not normal” circumstances that are stated to support the proposed project:

1. Declining number of CMR beds in the heavily-populated and fast-growing district due to the delicensure of Winter Haven Hospital’s 24-bed CMR unit that reduced District 6 total licensed CMR beds from 173 to 149.
2. High and increasing utilization of the district’s remaining CMR beds following the loss of Winter Haven’s CMR service, illustrated by the most recent 2018 Q3 district-wide aggregated occupancy rate of 79.0 percent.
3. Disparities within the district in terms of utilization of CMR services, reflecting barriers to CMR services currently faced by residents in all but one county in District 6.
4. Significant outmigration by District 6 residents who are willing and/or able to travel outside the district for inpatient CMR services.
5. Limited availability of District 6 CMR beds means the majority of residents who suffer from a stroke are being discharged to less optimal care settings rather than CMR. CMR services have been proven to be more effective in enhancing patient outcomes and ultimately improving the patient’s quality of life compared to other PAC services.

The applicant states and discusses that special circumstances exist regarding the following:

- Population, demographics and dynamics
- Availability, utilization and quality of like services in the district
- Medical treatment trends
- Market conditions

Florida Health Sciences Center, Inc. (CON application #10572) maintains that because there will be no net increase in the number of CMR beds in District 6 as a result of the proposed project, this criterion is inapplicable.

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) does not respond directly to this criterion.

- (2) **Most Recent Average Annual District Occupancy Rate.** Regardless of whether bed need is shown under the need formula in Rule 59C-1.039 (5) (c), no additional comprehensive medical rehabilitation inpatient beds shall normally be approved for a district unless the average annual occupancy rate of the licensed comprehensive medical rehabilitation inpatient beds in the district was at least 80 percent for the 12-month period ending six months prior to the beginning date of the quarter of the publication of the fixed bed need pool.

The reviewer notes that the most recent average annual District 6 occupancy rate for CMR beds was 55.62 percent occupancy during the 12-month period ending June 30, 2018.

- (3) **Priority Consideration for Comprehensive Medical Rehabilitation Inpatient Services Applicants.** In weighing and balancing statutory and rule review criteria, the Agency will give priority consideration to:

1. **An applicant that is a disproportionate share hospital as determined consistent with the provisions of section 409.911, Florida Statutes.**

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) is a newly formed/developmental stage for-profit corporation and has no history regarding this provision. The reviewer notes that none of the parent's facilities are disproportionate share hospital (DSH) providers.

Florida Health Sciences Center, Inc. (CON application #10572) is the owner/licensee of the existing TGH, a participant in the DSH program.

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) states being a DSH provider and will continue to be committed to providing care for all patients, including low-income and indigent populations. The reviewer notes that BRH did not participate in the DSH program in SFY 2018-2019.

2. An applicant proposing to serve Medicaid-eligible persons.

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571)

reiterates its condition to provide a minimum of four percent of total hospital patient days to Medicaid, Medicaid managed care and self-pay (including indigent/charity) patients annually.

The applicant states that the parent, EH, has established admission and non-discrimination policies that will be implemented at the proposed hospital (CON application #10571, Appendix E) and that medically appropriate patients will be admitted regardless of race, color, national origin, sex, age or disability. EHRHHC maintains that it will not discriminate based on a patient's ability to pay and will not deny admission or care to a patient unable to pay at the time of admission or deny care to a patient whose benefits expire during a hospital stay.

Florida Health Sciences Center, Inc. (CON application #10572) points out that FHSC is an existing Medicaid provider and will continue to serve Medicaid patients at the proposed specialty rehabilitation hospital.

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) reiterates its condition to provide a minimum of eight percent of its annual CMR discharges to patients covered by Medicaid/Medicaid managed care or who meet the criteria for charity care, self-pay/no pay, combined.

3. An applicant that is a designated trauma center, as defined in Rule 64J-2.011, Florida Administrative Code.

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) is a newly formed/developmental stage for-profit corporation and is not a designated trauma center. The reviewer notes that none of the parent's facilities are designated trauma centers either.

Florida Health Sciences Center, Inc. (CON application #10572) is the owner/licensee of the existing TGH, a Level 1 Trauma Center.

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) is not a designated trauma center.

- d. **Access Standard. Comprehensive medical rehabilitation inpatient services should be available within a maximum ground travel time of two hours, under average travel conditions, for at least 90 percent of the district's total population.**

The reviewer notes that the access standard is currently met for District 6 CMR services.

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) maintains that the proposed project is being proposed to ensure that all district residents, including those in Hillsborough County—the most populated and fastest-growing, have available and accessible CMR services in their district.

Florida Health Sciences Center, Inc. (CON application #10572) points out that CMR services are available within the travel times set forth in the access standard and that this standard will continue to be met with the approval of the proposed project.

Galencare, Inc., d/b/a Brandon Regional Hospital (CON application #10573) contends that the two-hour travel time under this provision reflects the provision of CMR services two decades ago when only a small number of patients received inpatient rehabilitation care and the benefits of these services was not fully recognized. The applicant also contends that approval of the proposed project will enhance geographic access for “many patients”.

- e. **Quality of Care**

- (1) **Compliance with Agency Standards. Comprehensive Medical Rehabilitation inpatient services shall comply with the Agency standards for program licensure described in section 59A-3, Florida Administrative Code. Applicants who submit an application that is consistent with the Agency licensure standards are deemed to be in compliance with this provision.**

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) states that the proposed facility is consistent with all Encompass Health hospitals and will

CON Action Numbers: 10571, 10572 and 10573

operate in compliance with Agency licensure standards described in Chapter 59A-3, Florida Administrative Code, including 59A-3.066, as well as with CMR Medicare Conditions of Participation.

The applicant discusses other quality characteristics on pages 39-45 of CON application #10571.

Florida Health Sciences Center, Inc. (CON application #10572) maintains that it currently complies with licensure standards described in Chapter 59C-3, Florida Administrative Code, as well as the CMS Medicare Conditions of Participation and will continue to do so following implementation of the proposed project.

The applicant lists numerous awards, recognitions and accreditations on pages 45-47 of CON application #10572. In particular, the applicant provides current copies of the following:

- Commission on Accreditation of Rehabilitation Facilities (CARF) Inpatient Rehabilitation Programs (adult and pediatric specialty) for TGH Rehabilitation Center
- Joint Commission accreditation of FHSC

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) states that all HCA-affiliated hospitals in Florida, currently operate in compliance with licensure standards described in Chapter 59C-3, Florida Administrative Code, as well as with CMS Medicare Conditions of Participation, and will continue to do so following implementation of the proposed program. The applicant indicates it will apply for CARF accreditation within the first year of operation of the proposed unit.

The applicant briefly discusses the following quality characteristics of BRH on pages 82-84 of CON application #10573:

- Quality and clinical excellence program
- Clinical outcomes
- Patient experience
- Technology and innovation
- Culture of safety

f. Services Description. An applicant for comprehensive medical rehabilitation inpatient services shall provide a detailed program description in its certificate of need application including:

- (1) Age group to be served**

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) states that it will serve all patients in need of CMR services, but expects that the vast majority of patients will be adults, ages 18+.

Florida Health Sciences Center, Inc. (CON application #10572) maintains that the proposed project will serve the adult population.

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) states that the proposed project will serve adults age 18+.

(2) Specialty inpatient rehabilitation services to be provided, if any (e.g. spinal cord injury; brain injury)

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) indicates that the proposed programs will provide state-of-the-art rehabilitative care to patients recovering from a wide array of injuries and illnesses, including stroke, traumatic brain injury, spinal cord injury, amputation, orthopedic surgery or injury, cardiac episodes, and pulmonary conditions. The applicant states that nationally, in 2017 and 2018, EH facilities primarily served patient that fell within 11 different Rehabilitation Impairment Categories (RICs) and the reviewer confirms that these RICs accounted for 97.23 percent of all EH patients. The applicant provides a table to account for this patient-RIC mix by percentage on page 46 of CON application #10571.

Florida Health Sciences Center, Inc. (CON application #10572) explains that patients typically referred to its existing inpatient rehabilitation program include:

- Stroke
- Neurological disorder
- Brain injury
- Spinal cord disorder/injury
- Amputation
- Multiple injuries due to trauma
- Certain orthopedic conditions, such as joint replacement
- Burns

CON Action Numbers: 10571, 10572 and 10573

FHSC lists 22 inpatient services available and 10 additional patient support services on pages 48-49 of CON application #10572. The applicant offers more detailed narrative descriptions of outpatient services as well as specialty programs on pages 49-57 of CON application #10572.

Galencare, Inc. d/b/a Brandon Regional Hospital

(CON application #10573) indicates that BRH will provide the following specialty programs (and offers a narrative description of each on pages 92-95 of CON application #10573) on an inpatient or outpatient basis, or both as necessary, to meet the needs of the patient population:

- Stoke rehabilitation program
- Arthritis program
- Wound care program
- Orthopedic rehabilitation program
- Spasticity management program
- Balance and vestibular program

- (3) Proposed staffing, including qualifications of the medical director, a description of staffing appropriate for any specialty program and a discussion of the training and experience requirements for all staff who will provide comprehensive medical rehabilitation inpatient services.**

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) expects 107.9 total FTEs in year one and 123.8 total FTEs in year two. See table below.

CON Action Numbers: 10571, 10572 and 10573

**EHRHHC, LLC (CON application #10571) Staffing Pattern
Year One (Ending April 30, 2022) and Year Two (Ending April 30, 2023)**

	Year One FTEs	Year Two FTEs
ADMINISTRATION		
Administrator	1.0	1.0
Controller	1.0	1.0
Director of Nursing	1.0	1.0
Director of Pharmacy	1.0	1.0
Director of Plant Ops	1.0	1.0
Director of Human Resources	1.0	1.0
Director of Therapy Ops	1.0	1.0
Director of Case Management	1.0	1.0
HIMS Director	1.0	1.0
Marketing Ops Director	1.0	1.0
Quality/Risk Director	1.0	1.0
Patient Assmt Standards Coord	1.4	1.4
Purchasing Coordinator	1.0	1.0
AP/Payroll Specialist	1.0	1.0
Administrative Assistant	2.3	2.3
Receptionist	1.7	1.7
HIMS Coder	1.5	1.5
Admin Asst/Med Credentialing	1.0	1.0
PHYSICIANS		
Medical Director	Contracted	Contracted
NURSING		
RNs	16.1	20.4
Nursing Supervisor	4.9	4.9
LPNs	2.8	3.5
Rehab Nurse Technician	12.5	15.9
Education/Infection Control	1.8	1.8
Unit Secretary	2.1	2.1
Support Staff Coordinator	1.0	1.0
ANCILLARY		
Physical Therapist	4.4	5.6
Physical Therapist Assistant	2.0	2.6
Speech Pathologist	1.7	2.2
Occupational Therapist	4.3	5.5
Occupational Therapist Asst	2.5	3.2
Rehab Therapy Technician	2.5	3.2
Respiratory Therapy	1.7	2.1
Pharmacy Technician	1.0	1.0
Pharmacist	1.6	1.6
LABORATORY		
Laboratory	Contracted	Contracted
DIETARY		
Director of Dietary	1.0	1.0
Registered Dietician	1.2	1.2
Cook	3.1	3.1
Nutrition Services Aide	3.8	3.8
SOCIAL SERVICES		
Case Manager	3.9	3.9
Admissions Representative	1.0	1.0
Admissions Liaison	1.4	1.8
Rehabilitation Liaison	3.7	4.7
ENVIRONMENTAL AND MAINT		
Manager/Mechanic	2.0	2.0
Aides	2.9	3.7
TOTAL	107.9	123.8

Source: CON application #10571, Schedule 6

CON Action Numbers: 10571, 10572 and 10573

The applicant provider a summary of licensure and educational requirements for select staff members in Appendix H. Notes to the applicant’s Schedule 6 indicate that:

- The proposed project was developed using existing staffing models successfully employed at EH hospitals in Florida and nationwide
- The medical director’s services will be contracted
- Some additional ancillary services will be contracted (as appropriate)
- Laboratory, housekeeping and maintenance services will be contracted services

Florida Health Sciences Center, Inc. (CON application #10572) expects 145.8 total FTEs in year one and 149.5 total FTEs in year two. See table below.

**FHSC (CON application #10572) Staffing Pattern
Year One (Ending Date Not Provided) and
Year Two (Ending Date Not Provided)**

	Year One FTEs	Year Two FTEs
CMR ADMIN		
Nursing Director	1.1	1.1
Nursing Manager	2.1	2.2
PPS Coordinator	2.1	2.2
Case Manager	2.1	2.2
Social Worker	1.1	1.1
CMR PHYSICIANS		
Medical Director-Contract	--	--
CMR NURSING		
RN	50.9	52.2
PCT (Pt. Care Tech)	33.9	34.8
UL (Unit Liaison)	6.5	6.6
CMR ANCILLARY		
PT	9.3	9.6
OT	8.7	8.9
Speech	4.0	4.1
COTA	0.5	0.5
PTA	1.6	1.6
PT Supervisor	1.6	1.6
OT Supervisor	1.6	1.6
Activities COTA	2.1	2.2
All Other	16.6	16.9
TOTAL	145.8	149.5

Source: CON application #10572, Schedule 6A

The reviewer confirms that the year one total FTE count is arithmetically correct but notes that the year two total FTE count is arithmetically 149.4.

CON Action Numbers: 10571, 10572 and 10573

Notes to the applicant’s Schedule 6A indicate that:

- The proposed project is based on the current operating experience of the existing 59-bed CMR program
- No significant increases in staffing levels will be required with the proposed project
- Slight increases in staffing are associated with anticipated increases in patient day utilization

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) expects 29.60 total FTEs in year one and 41.80 total FTEs in year two. See below.

**BRH (CON application #10573) Staffing Pattern
Year One (Ending December 31, 2022) and
Year Two (Ending December 31, 2023)**

	Year One FTEs	Year Two FTEs
ADMINISTRATION		
Program Director	1.00	1.00
Nurse Manager	1.00	1.00
Outreach Coordinator	1.50	2.00
PAI Coordinator	1.00	1.00
PHYSICIANS		
Medical Director/Physiatrist	--	--
NURSING		
Charge Nurse/Clinical Coordinator	1.00	1.00
RNs	8.40	10.00
CNAs	4.20	8.40
Unit Secretary	--	1.40
ANCILLARY		
Inpatient Therapy Manager	1.00	1.00
Physical Therapist	4.25	5.00
Physical Therapist Assistant	--	1.00
Speech Therapist	1.00	1.75
Occupational Therapist	4.25	5.00
Occupational Therapy Assistant	--	1.00
SOCIAL SERVICES		
Social Worker/Case Manager	1.00	1.25
TOTAL	29.60	41.80

Source: CON application #10573, Schedule 6A

Notes to the applicant’s Schedule 6A indicate that:

- The medical director position is contracted based on the experience at other HCA rehabilitation units
- Non-patient care services such as dietary, housekeeping, laundry and plant maintenance will be provided directly by the hospital
- Other ancillary services such as respiratory therapy, psychological counseling, and orthotic and prosthetic services will either be provided by the hospital or under contract

CON Action Numbers: 10571, 10572 and 10573

Per the applicant, the proposed CMR unit will train all medical staff and employees on the significance of a culture of safety, which will include the following topics:

- Fall prevention
- Infection control
- Incidents and sentinel event reporting
- Environmental safety
- Medication management
- Universal protocols
- Patient rights, confidentiality and privacy
- Healthcare compliance and ethics

(4) A plan for recruiting staff, showing expected sources of staff.

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) asserts that it has numerous innovative approaches in place to recruit and retain staff members at its existing hospital facilities and does not expect to have difficulty hiring the necessary resources for the proposed project.

The applicant notes three employee recruitment and retention strategies and briefly describes each on pages 46-47 of CON application #10571:

- Competitive compensation and benefits
- National recruitment strategy
- Relationships with local universities and colleges

Regarding relationships with local universities and colleges in particular, the applicant provides a list of schools/institutions, their locations and programs, with which EH states having clinical training program relationships on pages 48-49 of CON application #10571.

Florida Health Sciences Center, Inc. (CON application #10572) points out that no additional staffing will be required as part of the proposed project. FHSC indicates it recruits highly qualified professionals utilizing a wide variety of approaches, including:

- Attending college and university career fairs
- Hosting on-site open houses
- Participating in local job fairs and community events
- Posting open positions internally for team members to see and apply for
- Posting open positions on the CFHA website
- Partnering with various community agencies

CON Action Numbers: 10571, 10572 and 10573

- Maintaining affiliations with universities and colleges (both locally and nationally)
- Attending professional conferences and conventions
- Utilizing direct mail pieces
- Posting open positions on various on-line career sites
- Working with local high schools to build a pipeline for future talent
- Advertising with specialty websites and journals
- Running advertisements in various local newspapers and magazines
- Utilizing professional search firms

FHSC states having agreements with various educational institutions and lists education training programs with which it has an affiliation in Exhibit G of CON application #10572.

Galencare, Inc. d/b/a Brandon Regional Hospital

(CON application #10573) anticipates no difficulties in filling positions as necessary to meet patient care needs. BRH indicates that some of the personnel required for the unit may be reassigned from the existing hospital and that others will be recruited as necessary. The applicant comments that it currently recruits utilizing a variety of methods and processes including:

- Promotion from within when possible
- Promotion and recruitment within HCA
- Utilization of corporate recruitment personnel and resources
- Utilization of professional recruiting agencies and services when necessary
- Advertisement in local, state and national media and professional publications

BRH maintains that these methods of recruitment have met staffing needs in the past and are expected to continue to meet such needs in the future, including for the proposed project.

(5) Expected sources of patient referrals.

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) provides EH's national admission sources and expects that admission sources will be similar to these national averages. The applicant states that the national averages are from the Encompass Health Investor Reference Book, Post Q4 2018 Earnings Release, March 5, 2019. See the table below.

CON Action Numbers: 10571, 10572 and 10573

**Encompass Health Referral Sources
National Averages as of March 2019**

Source	Percent of Total
General Acute Care Hospital	90%
Physician Offices/Community*	8%
Skilled Nursing Facilities	2%
Total	100%

*Note: Including physician practices, assisted living facilities, home health agencies, and self-referrals.

Source: CON application #10571, page 50, Table 21

Florida Health Sciences Center, Inc. (CON application #10572) explains that the source of patient referrals will not change as a result of the proposed project and that the existing patient population will be served.

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) expects to draw referrals to the proposed unit from a number of sources and that many admissions to the proposed CMR unit will arise from BRH’s own acute care patients. The applicant anticipates many referrals from physicians on the staff of the existing hospital and others practicing in the service area. BRH expects additional referrals from area nursing homes and other acute care hospitals in the area.

- (6) **Projected number of comprehensive medical rehabilitation inpatient services patient days by payer type, including Medicare, Medicaid, private insurance, self-pay and charity care patient days for the first two years of operation after completion of the proposed project.**

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) anticipates the total patient days in year one of 10,044 and 12,768 in year two. See the table below.

**Projected CMR Patient Days by Payer Type
Project Years One and Two**

Payer	Year One	Year Two
Medicare	5,246	6,669
Medicare HMO	1,563	1,987
Medicaid	131	166
Medicaid HMO	244	311
Commercial	2,342	2,977
Self-Pay/Nonpayment	213	270
Other	305	388
Total	10,044	12,768

Source: CON application #10571, page 53, Table 22 and Schedule 7B

CON Action Numbers: 10571, 10572 and 10573

Florida Health Sciences Center, Inc. (CON application #10572) states that this information is presented on the applicant’s Schedule 7B and is discussed in item E.3.g. of this report. The reviewer notes that the applicant anticipates total patient days in year one of 14,896 and in year two of 15,289. The reviewer generates the table below to account for patient days, by payer.

**Projected CMR Patient Days by Payer Type
Project Years One and Two**

Payer	Year One	Year Two
Medicare	6,301	6,301
Medicare HMO	2,354	2,354
Medicaid	730	730
Medicaid HMO	1,266	1,266
Commercial	3,084	3,084
Self-Pay	253	253
Other	908	908
Total	14,896	15,289*

Source: CON application #10572, Schedule 7B

* Note: This total is arithmetically 14,896, the same as for year one with the same patient days for each payer source.

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) responds to this criterion by referencing its Schedule 7B. The reviewer notes that the applicant expects a total of 4,352 patient days in year one and total of 6,491 patient days in year two. The reviewer generates the table below to show the applicant’s expected patient days and corresponding payer mix for the first two years.

**Projected CMR Patient Days by Payer Type
Project Years One and Two**

Payer	Year One	Year Two
Medicare	1,614	2,406
Medicare HMO	1,484	2,214
Medicaid	144	215
Medicaid HMO	161	240
Commercial Ins. HMO/PPO	692	1,033
Self-Pay/Charity	193	287
Other	64	96
Total	4,352	6,491

Source: CON application #10573, Schedule 7B

The reviewer notes that CON application #10573, page 66, Exhibit 35 indicates year one total patient days of 4,356 and year two total patient days of 6,487.

- (7) Admission policies of the facility with regard to charity care patients.**

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) references Appendices E and F of CON application #10571. The reviewer notes that admission policies of the facility with regard to charity care patients was previously discussed in this report.

Florida Health Sciences Center, Inc. (CON application #10572) maintains that the current criteria for admitting charity care patients into its existing CMR program will remain unchanged at the proposed Class 3 rehabilitation hospital. FHSC provides the TGH Financial Assistance and Charity Care Policy in Exhibit H of CON application #10572.

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) extends and will continue to extend services to all patients in need of care regardless of the ability to pay or source of payment. The applicant references its Schedule 7B and maintains that these estimates are drawn from an assessment of the applicant and other area acute care discharges to hospital rehabilitation services, from state- and district-wide CMR discharges and the demographic characteristics of the Hillsborough County and surrounding service area. BRH provides its Charity Financial Assistance Policy for Uninsured and Underinsured Florida Patients in Attachment C of CON application #10573.

(g) Utilization Reports. Facilities providing licensed comprehensive medical rehabilitation inpatient services shall provide utilization reports to the Agency or its designee, as follows:

- (1) Within 45 days after the end of each calendar quarter, facilities shall provide a report of the number of comprehensive medical rehabilitation inpatient services discharges and patient days which occurred during the quarter.**

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) commits to providing utilization reports to the Agency in a timely manner, consistent with the current compliance of EH's existing hospitals in Florida.

Florida Health Sciences Center, Inc. (CON application #10572) states that the applicant currently reports inpatient acute care discharge data to the Agency or its designee and will collect and report similar data for patients discharged from the proposed hospital.

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) states being familiar with and experienced in Agency reporting requirements. The applicant maintains that it currently reports to the Agency or its designee its inpatient acute care discharge data consistent with this provision and that it will collect and report similar data for patients discharged from the proposed CMR unit.

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 applicant’s service area? ss. 408.035(1)(a) and (b), Florida Statutes.**

As stated previously in item E.1.a of this report, District 6 had 173 licensed CMR beds which experienced a 55.62 percent occupancy rate for the 12-month period ending June 30, 2018.

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) reiterates that the proposed project will increase the availability and accessibility to CMR services for all patients in District 6, including those who are disproportionately being discharged from general acute care hospitals to less intensive services and those who must currently travel outside the district for care. The applicant highlights the parent’s (EH’s) higher Functional Improvement Measure (FIM) scores (2009 through 2017), when compared to national averages and the provision of these proven, high quality programs in a cost-effective manner.

The applicant maintains that the proposed project is based on “not normal” circumstances and that the proposed facility is best positioned to meet need as it will implement its program in an all-private-room freestanding facility designed specifically and wholly for CMR inpatients. EHRHHC asserts that a distinguishing factor between it and competing applications is its ability to focus solely on the needs of CMR patients and bring national programs (i.e. electronic medical records) specifically designed for CMR patients to the local market.

EHRHHC maintains that lack of available and accessible CMR services in District 6 forces residents to choose to receive suboptimal levels of care at non-CMR providers, travel to distant CMR providers outside the district or forego intensive inpatient rehabilitative care altogether. EHRHHC states that this negatively impacts:

- A patient’s continuity of care

CON Action Numbers: 10571, 10572 and 10573

- Chances of an optimal outcome that returns the patient to his/her highest level of independence
- Likelihood for readmission to a general acute care hospital

The applicant again notes the District 6 quarterly CMR occupancy rates (Q1 – Q3) in CY 2017 and 2018 previously shown in item E.1.c of this report.

EHRHHC contends that unless the proposed project is approved, the high occupancy of existing providers will only worsen the following “not normal” market conditions:

- Disparities in access and utilization of CMR services within the district which only allow Manatee County residents to have reasonable access to care.
- Decreasing number of licensed CMR beds at the same time that an exceptionally large population base is increasing, resulting in high occupancy rates that limit access to services.
- Significant outmigration from CMR services because of the lack of availability and accessible beds in the district. For residents in all counties, there is a significantly higher outmigration of patients for CMR services than general acute care services.

Regarding quality of care currently provided to District 6 residents, EHRHHC notes that the ability to discharge District 6 patients from the general acute care hospital directly to CMR for intensive stroke-specific care is limited because of the high occupancy and/or inability of existing CMR providers in the district to care for these patients. The applicant states that CMR-appropriate patients discharged from an acute care general hospital to the recommended CMR level of care rather than a lower level of care, on average, will experience six better outcomes. The reviewer notes that the six better outcomes referenced were drawn from a study of national trends and averages.

The applicant asserts that absent the proposed project, District 6 stroke survivors will continue to receive suboptimal care in less intensive and less appropriate settings, as will patients with a myriad of other types of diagnoses/conditions.

The applicant’s response to quality of care is further discussed in item E.3.b of this report.

Florida Health Sciences Center, Inc. (CON application #10572)

indicates that the proposed project will support the availability, quality of care, accessibility and utilization of the existing CMR providers in District 6. FHSC asserts that, consistent with the Legislature’s, “expressed policy choice” that intended that this service remain concentrated in a limited number of hospitals, CON application #10572

CON Action Numbers: 10571, 10572 and 10573

does not propose a net increase in the number of CMR providers in District 6. The applicant maintains that approval of the proposed project would position FHSC to improve its existing quality of care in District 6 via the implementation of a strategic plan to create a “best of breed” CMR service. The applicant describes the implementation of its stated strategic plan through the following three incremental steps:

- Obtain approval of CON application #10572 and subsequent licensure
- Construct a replacement 59-bed rehabilitation hospital (within one mile of the existing facility) that will enable FHSC to provide rehabilitation services in a first-class, modern facility with all private rooms
 - With the replacement facility being off of the Davis Islands campus, this will allow for the expansion of other programs and services in the vacated space on the main campus
- Intent to combine FHSC’s rehabilitation expertise and resources with those of Brooks Rehabilitation in a joint venture that will eventually license and operate the new 59-bed replacement rehabilitation hospital
 - By partnering with Brooks Rehabilitation, one of the premier CMR providers in Florida, FHSC will be able to offer District 6 residents a “best of breed” CMR service that will enhance rather than detract from the quality of rehabilitation care in the district

The reviewer notes no documentation was provided in the application to verify any correspondence and/or negotiations of any kind between Brooks Rehabilitation and FHSC.

FHSC argues that regarding the remaining co-batched projects

(CON applications #10571 and #10573):

- Population growth in District 6 and Hillsborough County is insufficient for either proposal to achieve a reasonable occupancy rate for the proposed programs by the planning horizon
- The proposed co-batched projects’ CMR patients would likely come primarily from existing providers
- Considering that the utilization rate of District 6’s existing CMR beds is already relatively low at 64.6 percent (excluding Winter Haven’s closed 24-bed CMR unit) each of the proposed co-batched projects would result in an unnecessary and harmful duplication of services rather than promote cost-effectiveness

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) reiterates having presented in detail the availability, quality of care and extent of utilization of existing health care facilities and health services in the service area. The applicant maintains that Hillsborough

CON Action Numbers: 10571, 10572 and 10573

County is by far the most populous county and that CMR patients in Hillsborough County are often forced to travel far outside of the district to obtain inpatient rehabilitation services at other CMR providers.

BRH asserts that:

- District 6 has the lowest CMR bed-to-population ratio of any district in the state
- District 6 experiences among the lowest CMR use rates of any district
- The lack of CMR beds and low use rate extends to BRH's self-identified acute care service area which is a sub-regional and a sub-county portion of the district representing only the eastern portion of Hillsborough County

The applicant notes the following accessibility issues with discharging BRH patients to existing CMR providers:

- Unwillingness of patients/families to travel for CMR care
- Unwillingness of existing providers to take patients with certain insurance or lack thereof
- A gate-keeper process that limits patients accepted by the closest CMR providers in Hillsborough County and delays patient admissions to CMR
- BRH and affiliate SBH are able to discharge far fewer patients to CMR than its peer HCA hospitals

BRH maintains that its patients and those of affiliate SBH, particularly their complex patients due to stroke, along with other service area residents, would vastly benefit from improved access to CMR which is currently not available nor accessible through existing District 6 providers.

- b. Does the applicant have a history of providing quality of care and has the applicant demonstrated the ability of providing quality care? ss. 408.035(1)(c), Florida Statutes.**

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) reiterates that a relatively small percentage of District 6 stroke survivors fortunate enough to be discharged from an acute care general hospital to the recommended CMR level of care, on average, will experience the following better outcomes:

- Return home from their initial rehab inpatient hospital stay 17 days earlier
- Remain at home more than three months longer
- Stay alive more than three months longer
- Have a 14 percent lower mortality rate
- Have four percent fewer ED visits per year
- Have 10 percent fewer hospital readmissions per year

CON Action Numbers: 10571, 10572 and 10573

EHRHHC maintains that absent the proposed new 50-bed project, District 6 stroke survivors will continue to receive suboptimal care in less intensive and less appropriate settings, as will patients with a myriad of other types of diagnoses/conditions.

The applicant provides a brief narrative of select corporate programs and services that will benefit the patients and families of the proposed new hospital on pages 10-11 and 39 of CON application #10571:

- TeamWorks
- Patient Safety Task Force
- Post-Acute Innovation Center
- National partnership with the American Heart Association/American Stroke Association
- Participation in The Joint Commission's Disease-Specific Care Certification programs
- Advanced technology

The applicant states that EH's success is built on the quality of care provided to each and every patient. EHRHHC contends that EH hospitals have a proven history of providing high quality, cost-effective care and that District 6 residents will benefit from proven programs that extensively utilize specialized staff and technology to deliver higher than expected clinical outcomes.

EHRHHC provides a table on page 59 of CON application #10571 to illustrate that as of March 2019, 12 EH rehabilitation hospitals in Florida hold at least one Joint Commission Disease-Specific Certification and that all 12 hold Joint Commission Disease-Specific Certification regarding stroke.

CON application #10571 provides the following appendices to document EH's quality characteristics and the benefits of the proposed project:

- Rehabilitation equipment and technology (Appendix C)
- Articles regarding documented benefits of CMR services (Appendix D)
- Quality assurance/quality improvement programs and outcomes (Appendix G)
- Summary of licensure and educational requirements for select staff members (Appendix H)

Agency complaint records indicate that the 12 EH hospitals (with a total of 927 licensed beds) had five substantiated complaints, during the three-year period ending March 6, 2019. A single complaint can include multiple complaint categories. See the table below.

CON Action Numbers: 10571, 10572 and 10573

Encompass Health Substantiated Complaint Categories 36 Months Ending March 6, 2019

Complaint Category	Number Substantiated
Quality of Care/Treatment	3
Life Safety Code	2

Source: Florida Agency for Healthcare Administration Complaint Records

Florida Health Sciences Center, Inc. (CON application #10572) states that it has a history of providing quality of care and continually improves its performance of key functions of patient care that promote:

- Elimination of unnecessary risks and hazards to assure safety at all levels of care
- Appropriate utilization of resources
- Provision of the same standard of care for like populations across the integrated delivery system
- Improvement in operational efficiencies
- Promotion of “best practices”
- Improvement in customer service

CON application #10572 provides the following exhibits to document FHSC’s quality characteristics:

- Accreditations and licensures (Exhibit D)
 - Current Agency licensure for TGH
 - Current CARF inpatient rehabilitation programs (adult and pediatric specialty) for TGH Rehabilitation Center
 - Current Joint Commission accreditation of FHSC
- Performance improvement and patient safety plan (Exhibit E)
 - Performance improvement structure-organization chart (Appendix I)

The applicant maintains that the proposed program will continue to adhere to the same mission, vision and pillars of quality and excellence as do all facilities within FHSC.

Agency complaint records indicate that the FHSC’s TGH (with a total of 1,007 licensed beds) had one substantiated complaint, during the three-year period ending March 6, 2019. A single complaint can include multiple complaint categories. See the table below.

TGH Substantiated Complaint Categories 36 Months Ending March 6, 2019

Complaint Category	Number Substantiated
Quality of Care/Treatment	2

Source: Florida Agency for Healthcare Administration Complaint Records

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) states that it will adhere to the same mission, vision and values as the other HCA hospitals:

- HCA Mission

CON Action Numbers: 10571, 10572 and 10573

- *Above all else, we are committed to the care and improvement of human life. In recognition of this commitment, we deliver high quality compassionate healthcare to all in our community*
- HCA Vision
 - *Our vision is to inspire faith within our community as the hospital where extraordinary professionals deliver exceptional healthcare*
- HCA Values
 - *People*
 - *Respect*
 - *Integrity*
 - *Devotion*
 - *Excellence*

CON application #10573 includes the following attachments to document quality characteristics of the existing hospital:

- Certificates and awards (Attachment B)
 - Current Joint Commission Certificate of Distinction in the management of:
 - Hip fracture
 - Coronary artery bypass graft
 - Sepsis
 - Primary stroke center
 - Heart failure
 - Acute myocardial infarction
- Patient safety and quality assurance (Attachment D)
 - Utilization/case management plan
- Draft rehabilitation policies and procedures (Attachment E)
- 2018 HCA West Florida Division Community Report (Attachment F)
- Leadership resumes (Attachment G)
- Rehab job descriptions (Attachment J)

BRH lists and discusses other awards and recognitions on page 100 of CON application #10573.

The applicant provides the HCA “Rehabilitation Program Performance Improvement Indicators 2018” on page 84 of CON application #10573. BRH asserts that from an organizational perspective, the proposed program will be incorporated into existing care delivery/performance improvement/utilization review structure.

BRH explains that as a subsidiary of HCA, it will benefit from its involvement in a network of over 70 HCA-affiliated hospitals with inpatient rehabilitation facility services. The applicant notes that HCA is the second largest provider of inpatient rehabilitation services in the nation and that HCA has a “Rehabilitation Services Division”. BRH

CON Action Numbers: 10571, 10572 and 10573

indicates that its HCA affiliation will assure that the proposed CMR unit will operate with the same commitment to quality that is reflected in HCA’s awards and distinctions.

The applicant notes that all HCA facilities participate in the Uniform Data System (or UDS). The reviewer also notes that UDS participation was also stated by co-batched **CON application #10571**. BRH also points out that all HCA rehab programs are members of the American Medical Rehabilitation Providers Association (AMRPA) and that:

- One of HCA’s regional vice presidents currently serves on the Denials Management Committee for AMRPA
- HCA’s president of post-acute services serves on the AMRPA Board of Directors

BRH includes information about six HCA programs/support services available to assist its affiliates in the design, construction, start-up and continuing operation of high-quality inpatient rehabilitation programs on page 103 of CON application #10573.

The applicant provides a brief description of seven equipment items that the applicant indicates will be evaluated, along with other innovative pieces of equipment with an expectation to employ some or all of these items initially or as the program develops, including:

- Unweighting system
- Balance assessment/training system
- Computerized speech lab
- Upper extremity exercise system (Saeb Flex, Reo Go or equivalent)
- Neuromuscular electrical stimulator and biofeedback system for dysphasia
- Upper body and lower body functional electric stimulators
- Interactive Metronome

Agency complaint records indicate that BRH (with a total of 422 licensed beds) had five substantiated complaints, during the three-year period ending March 6, 2019. A single complaint can include multiple compliant categories. See the table below.

**Brandon Regional Hospital Substantiated Complaint Categories
36 Months Ending March 6, 2019**

Complaint Category	Number Substantiated
Quality of Care/Treatment	2
State Licensure	2
Emergency Access	1
Physician Services	1
Restraints/Seclusion General	1

Source: Florida Agency for Healthcare Administration Complaint Records

CON Action Numbers: 10571, 10572 and 10573

Agency complaint records also indicate that HCA’s 51 Florida hospitals (with a total of 12,324 licensed beds) had 108 substantiated complaints, during the three-year period ending March 1, 2019. A single complaint can include multiple complaint categories. See the table below.

**HCA Substantiated Complaint Categories
36 Months Ending March 1, 2019**

Complaint Category	Number Substantiated
Quality of Care/Treatment	39
State Licensure	29
Emergency Access	15
Resident/Patient/Client Rights	11
Admission/Transfer and Discharge	8
Nursing Services	4
Physician Services	4
Billing/Refunds	3
Administration/Personnel	2
Life Safety Code	2
Unqualified Personnel	2
EMTALA	1
Falsification of Records/Reports	1
Fraud/False Billing	1
Infection Control	1
Pharmaceutical Services	1
Physical Environment	1
Resident/Patient/Client Assessment	1
Restraints/Seclusion General	1

Source: Florida Agency for Healthcare Administration Complaint Records

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

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571):

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.

CON Action Numbers: 10571, 10572 and 10573

Historically we have compared all applicant financial ratios regardless of type to bench marks established from financial ratios collected from Florida acute care hospitals. While not always a perfect match to a particular CON project it is a reasonable proxy for health care related entities. The below is an analysis of the audited financial statements of Encompass Health Corporation and Subsidiaries (Parent) where the short term and long term measures fall on the scale (highlighted in gray) for the most recent year. All figures except ratios are in millions.

Encompass Health Corporation and Subsidiaries (In millions)		
	Dec-18	Dec-17
Current Assets	\$662.1	\$702.2
Total Assets	\$5,175.0	\$4,864.5
Current Liabilities	\$672.5	\$517.5
Total Liabilities	\$3,356.3	\$3,248.2
Net Assets	\$1,818.7	\$1,616.3
Total Revenues	\$4,277.3	\$3,913.9
Excess of Revenues Over Expenses	\$375.4	\$350.2
Cash Flow from Operations	\$762.4	\$658.3
Short-Term Analysis		
Current Ratio (CA/CL)	1.0	1.4
Cash Flow to Current Liabilities (CFO/CL)	113.37%	127.21%
Long-Term Analysis		
Long-Term Debt to Net Assets (TL-CL/NA)	147.6%	168.9%
Total Margin (ER/TR)	8.78%	8.95%
Measure of Available Funding		
Working Capital	(\$10)	\$185

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 \$39,040,322 which consists of the CON currently under review, CON year one equipment, and CON year two equipment. These statements were analyzed for the purpose of evaluating the applicant's ability to provide the capital and operational funding necessary to implement the project.

Conclusion:

Funding for this project is provided by related company financing. A letter of commitment was provided by the parent company pledging support. Funding for the entire capital budget should be available as needed.

Florida Health Sciences Center, Inc. (CON application #10572):

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 below is an analysis of the audited financial statements of Florida Health Sciences Center, Inc. and Subsidiaries (Parent) where the short term and long-term measures fall on the scale (highlighted in gray) for the most recent year.

CON Action Numbers: 10571, 10572 and 10573

Florida Health Sciences Center, Inc. and Subsidiaries		
	Sep-18	Sep-17
Current Assets	\$344,599,471	\$353,818,515
Total Assets	\$1,716,296,513	\$1,666,408,122
Current Liabilities	\$278,068,608	\$297,609,177
Total Liabilities	\$729,472,821	\$758,656,614
Net Assets	\$986,823,692	\$907,751,508
Total Revenues	\$1,325,392,455	\$1,257,494,387
Excess of Revenues Over Expenses	\$66,369,011	\$62,923,582
Cash Flow from Operations	\$49,869,635	\$86,094,977
Short-Term Analysis		
Current Ratio (CA/CL)	1.2	1.2
Cash Flow to Current Liabilities (CFO/CL)	17.93%	28.93%
Long-Term Analysis		
Long-Term Debt to Net Assets (TL-CL/NA)	45.7%	50.8%
Total Margin (ER/TR)	5.01%	5.00%
Measure of Available Funding		
Working Capital	\$66,530,863	\$56,209,338

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 \$393,798,250 which consists of the CON currently under review (\$162,250), exempt/non-review, other capitalization, current maturities of long-term debt, a rehab replacement hospital – non-review, and contingency for all projects. These statements were analyzed for the purpose of evaluating the applicant’s ability to provide the capital and operational funding necessary to implement the project.

Conclusion:

Funding for this project is to be provided by cash on hand. Funding for the project should be available. However, funding may not be fully available for the total capital projects.

CON Action Numbers: 10571, 10572 and 10573

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573):

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 below is an analysis of the audited financial statements of HCA Healthcare, Inc. (Parent), where the short-term and long-term measures fall on the scale (highlighted in gray) for the most recent year. All figures except ratios are in millions.

HCA Healthcare, Inc. (In millions)		
	Dec-17	Dec-16
Current Assets	\$9,977	\$9,086
Total Assets	\$36,593	\$33,758
Current Liabilities	\$6,158	\$5,834
Total Liabilities	\$41,588	\$39,391
Net Assets	(\$4,995)	(\$5,633)
Total Revenues	\$43,614	\$41,490
Excess of Revenues Over Expenses	\$4,381	\$4,810
Cash Flow from Operations	\$5,426	\$5,653
Short-Term Analysis		
Current Ratio (CA/CL)	1.6	1.6
Cash Flow to Current Liabilities (CFO/CL)	88.11%	96.90%
Long-Term Analysis		
Long-Term Debt to Net Assets (TL-CL/NA)	-709.3%	-595.7%
Total Margin (ER/TR)	10.04%	11.59%
Measure of Available Funding		
Working Capital	\$3,819	\$3,252

CON Action Numbers: 10571, 10572 and 10573

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 \$49,497,225 which includes 2018 routine rollover, other capital expenditures, routine capital budget FY 2019, the CON currently under review (\$22,019,000), enabling work, Obs unit, contingency estimate, and estimated routine capital FY 2020-2021. The applicant provided 10-K SEC filings for fiscal years 2017 and 2016. It should be noted that this filing is outdated as the applicant has their 2018 filing available. These statements were analyzed for the purpose of evaluating the applicant’s ability to provide the capital and operational funding necessary to implement the project.

Conclusion:

The applicant states on Schedule 3 that funding will be provided by related company financing. With \$5,426 million in cash flows from operations alone, funding for the entire capital budget should be available as needed.

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

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571):

Analysis:

This project is for a standalone comprehensive medical rehabilitation (CMR) hospital. The applicant will be compared to currently operating CMR hospitals in the State of Florida as reported in the most recent filings with the Florida Hospital Uniform Reporting System (FHURS) reports and inflated to the projected years. Inflation adjustments were based on the new CMS Market Basket, 3rd Quarter, 2018.

CON Action Numbers: 10571, 10572 and 10573

	Projected	Highest	Median	Lowest
NRPD	1,375	2,695	1,849	1,742
CPD	1,350	2,592	1,469	1,326
OMPD	25	521	276	46
Medicare				
	68%	91%	83%	57%
Medicaid				
	4%	8%	2%	0%
Total				
	70%	92%	78%	60%

Conclusion:

The cost per patient day (CPD) is within the control group’s highest and lowest values. The net revenue per patient day (NRPD) and operating margin per patient day (OMPD) are below the control group’s lowest value. This is not entirely unexpected as this is a new facility being compared to established facilities. Overall, the projections appear reasonable.

Florida Health Sciences Center, Inc. (CON application #10572):

Analysis:

This project is for a standalone comprehensive medical rehabilitation (CMR) hospital. The applicant will be compared to currently operating CMR hospitals in the State of Florida as reported in the most recent filings with the Florida Hospital Uniform Reporting System (FHURS) reports and inflated to the projected years. Inflation adjustments were based on the new CMS Market Basket, 3rd Quarter, 2018.

	Projected	Highest	Median	Lowest
NRPD	1,409	2,541	1,744	1,643
CAPD	1,395	2,444	1,385	1,250
OMPD	14	521	276	46
Medicare				
	58%	91%	83%	57%
Medicaid				
	13%	8%	2%	0%
Total				
	69%	92%	78%	60%

Conclusion:

The cost per patient day (CPD) is within the control group’s highest and lowest values. The net revenue per patient day (NRPD) and operating margin per patient day (OMPD) are below the control group’s lowest

CON Action Numbers: 10571, 10572 and 10573

value. This is not entirely unexpected as this is a new facility being compared to established facilities. Overall, the projections appear reasonable.

The applicant did not include a fiscal year beginning and ending for Schedules 7 and 8. The Agency used the used the initiation of service date listed on Schedule 10. Additionally, the applicant incorrectly added the total patient days in year two. The Agency used the correct, re-calculated amount when doing its analysis of 14,986 patient days.

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573):

Analysis:

Our comparison is of the applicant’s estimates to its latest FHURs report.

The applicant did not submit Schedule 7A showing the projected patient days for the entire hospital. The projected patient days used for the per patient day calculations were from Schedule 5. However, Schedule 5 does not list patient days by payer type. The Agency included Medicaid/ Medicaid HMO and Medicare days in the table below, but those percentages are likely not accurate as no reasonable assumption could be made by the Agency to distribute the projected total days by payer type. Total occupancy is not impacted by this omissions of information.

	PROJECTIONS PER APPLICANT		Actual Data Inflated to
	Total	PPD	2023
Net Revenues	377,904,197	3,509	5,077
Total Expenses	368,319,432	3,420	4,025
Operating Income	9,584,765	89	800
Operating Margin	2.54%		
	Days	Percent	2023
Occupancy	107,710	66.16%	63.68%
Medicaid/MDCD HMO	455	0.42%	22.08%
Medicare	4,620	4.29%	48.16%

The unit accounts for roughly 3.1 percent of net revenues and roughly 2.9 percent of expenses. The additional beds amounts to a five percent increase in capacity. Projections indicate net profit of \$38,879,135 at the end of year two. Because the comprehensive medical rehabilitation unit is a small part of the overall hospital operations, the hospital is able to support the unit even if sustained losses were to occur.

Conclusion:

Given the small financial impact the addition of this unit would have, the project appears financially feasible.

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

For all three applicants (CON applications #10571-10573), 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. In addition, competitive forces truly do not begin to take shape until existing business' market share is threatened. The existing health care system's barrier to price-based competition via fixed price payers limits any significant gains in cost-effectiveness and quality that would be generated from competition.

Conclusion:

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

- f. **Are the proposed costs and methods of construction reasonable? Do they comply with statutory and rule requirements? ss. 408.035(1)(h), Florida Statutes.; Ch. 59A-3, Florida Administrative Code.**

The plans submitted with these applications 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 these applications 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.

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571): 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.

Florida Health Sciences Center, Inc. (CON application #10572): 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. The application involves converting an existing hospital unit of a Class 1 hospital into a new Class 3 hospital. No renovations are anticipated. 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.

Galencare, Inc., d/b/a Brandon Regional Hospital (CON application #10573): 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.

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

The table below illustrates the Medicaid/Medicaid HMO/managed care days and percentages as well as charity percentages provided by TGH and BRH for FY 2017 data, according to the Florida Hospital Uniform Reporting System (FHURS). The reviewer notes that Encompass Health (EH) does not currently operate a rehabilitation hospital in District 6, therefore EH's Medicaid/Medicaid HMO/managed care days and percentages as well as charity percentages for FY 2017 are provided in a separate table.

Per FHURS, TGH provided 26.68 percent of their total patient days to Medicaid/Medicaid HMO/managed care patients and 5.65 percent to charity care. BRH provided 22.08 percent of their total patient days to Medicaid/Medicaid HMO/managed care patients and 2.48 percent to charity care. In aggregate, District 6 acute care facilities provided 18.86 percent of their total patient days to Medicaid/Medicaid HMO/managed care and 4.06 percent to charity care, during FY 2017.

CON Action Numbers: 10571, 10572 and 10573

**TGH, BRH and District 6 Acute Care Hospitals
Medicaid, Medicaid HMO/Managed Care and Charity Data FY 2017**

Applicant/Provider	Medicaid and Medicaid HMO/Managed Care Days	Medicaid and Medicaid HMO/Managed Care Percent	Percent of Charity Care	Percent Combined Medicaid, Medicaid HMO/Managed Care and Charity Care
Tampa General Hospital	76,152	26.68%	5.65%	32.33%
Brandon Regional Hospital	21,658	22.08%	2.48%	24.56%
District 6 Total	303,843	18.86%	4.06%	22.92%

Source: FHURS data for FY 2017

The table below illustrates the Medicaid/Medicaid HMO/Managed Care days and percentages as well as charity care percentages provided by EH's Florida facilities (statewide) for FY 2017 data, according to FHURS. Per FHURS, EH's Florida facilities/programs, in aggregate, provided 1.55 percent of their total patient days to Medicaid/Medicaid HMO/Managed Care patients and 0.93 percent to charity care.

**Encompass Health Rehabilitation Hospitals
Medicaid, Medicaid HMO/Managed Care and Charity Care Data FY 2017**

Applicant Parent	Medicaid and Medicaid HMO/Managed Care Days	Medicaid and Medicaid HMO/Managed Care Percent	Percent of Charity Care	Percent Combined Medicaid, Medicaid HMO/Managed Care and Charity Care
Encompass Health	4,045	1.55%	0.93%	2.48%

Source: FHURS data for FY 2017

The Agency notes that as a newly formed/developmental stage corporation, EHRHHC has no low-income pool (LIP) and no DSH participation. However, the table below illustrates the existing providers, TGH and BRH, state fiscal year (SFY) 2018-2019 LIP and DSH program participation, as of May 16, 2019 (at 3:35 PM).

**Florida Health Sciences Center, Inc./Tampa General Hospital (CON application #10572)
and Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573)
LIP and DSH Program Participation
SFY 2018-2019**

Program/Provider	Annual Total Allocation	Year-to-Date Total Allocation as of May 16, 2019
LIP-FHSC/Tampa General Hospital	\$70,157,763	\$57,995,842
DSH-FHSC/Tampa General Hospital	\$7,624,241	\$5,718,181
LIP-Galencare/Brandon Regional Hospital	\$79,163	\$39,582
DSH-Galencare/Brandon Regional Hospital	\$0	\$0

Source: Agency Division of Medicaid, Office of Program Finance

As shown in the table above, TGH has begun but has not completed drawing down the entirety of its SFY 2018-2019 LIP and DSH allocations while BRH has also done so in the LIP program. Brandon Regional Hospital did not participate in the DSH program in SFY 2018-2019.

CON Action Numbers: 10571, 10572 and 10573

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) asserts that care is provided on a non-discriminatory basis accepting all medically-appropriate patient referrals without regard to race, religion, national origin, age, disability, marital status or source of payment. The applicant maintains that these same admission policies will be implemented at the proposed facility.

The reviewer generates the table below from the applicant’s Schedule 7B to indicate the year one (ending April 30, 2022) and the year two (ending April 30, 2023) patient days and percent of patient days, by payer type. See the table below.

**Proposed Encompass Tampa CMR Hospital
Patient Days and Percent of Patient Days
Year One and Year Two**

Patient Days and Percent of Patient Days Years 1 and 2	Self-Pay/Charity	Medicaid	Medicaid HMO	Medicare	Medicare HMO	Comm. Ins.	Other	Total
Year 1								
Patient Days	213	131	244	5,246	1,563	2,342	305	10,044
% of Patient Days	2.1%	1.3%	2.4%	52.2%	15.6%	23.3%	3.0%	100.0%
Year 2								
Patient Days	270	166	311	6,669	1,987	2,977	388	12,768
% of Patient Days	2.1%	1.3%	2.4%	52.2%	15.6%	23.3%	3.0%	100.0%

Source: CON application #10571, Schedule 7B

As shown in the above table, in both year one and year two, Medicaid/Medicaid HMO accounts for 3.7 percent of total annual patient days and self-pay/charity accounts for 2.1 percent of total annual patient days. For both years, the combined Medicaid/Medicaid HMO/self-pay/charity patient days are projected to be at 4.8 percent.

In CON application #10571, Schedule C Condition #1, Encompass Health states:

- The applicant will provide a minimum of four percent of total hospital patient days to Medicaid, Medicaid Managed Care and self-pay (including Indigent/charity) patients annually

Florida Health Sciences Center, Inc. (CON application #10572)

asserts that FHSC is one of the most financially accessible organizations in Florida—providing necessary medical care regardless of the patient’s ability to pay for services under its charity care policy. The applicant contends that for the fiscal year period ending September 30, 2018, the hospital reported the following:

- Medicaid and Medicaid HMO patient days totaled 74,455. This number represents 26.4 percent of total acute care hospital patient days.

CON Action Numbers: 10571, 10572 and 10573

- Gross Medicaid charges were \$390.7M with net revenues of \$98.7M after contractual allowances.
- Gross Medicaid HMO charges were \$1,030.3M with net revenues of \$123.8M after contractual allowances.
- Deductions for charity care patients were \$448.9M.
- Bad debt deductions were \$65.3M.
- Specific to CMR inpatient services, Medicaid and Medicaid HMO patient days for the rehabilitation program totaled 1,892 patient days in 2018. This represented 13.4 percent of total CMR patient days at the facility.

The applicant maintains that this level access commitment will continue with approval of the proposed project.

The reviewer generates the table below from the applicant’s Schedule 7B to indicate the year one (ending date not indicated in the schedule) and the year two (ending date not indicated in the schedule) patient days and percent of patient days, by payer type. See the table below.

**Proposed Tampa General Hospital Rehabilitation Hospital (Class 3 Hospital)
Patient Days and Percent of Patient Days
Year One and Year Two**

Patient Days and Percent of Patient Days Years 1 and 2	Self-Pay/Charity	Medicaid	Medicaid HMO	Medicare	Medicare HMO	Comm. Ins.	Other	Total
Year 1								
Patient Days	253	730	1,266	6,301	2,354	3,084	908	14,896
% of Patient Days	1.7%	4.9%	8.5%	42.3%	15.8%	20.7%	6.1%	100.0%
Year 2								
Patient Days	253	730	1,266	6,301	2,354	3,084	908	15,289*
% of Patient Days	1.7%	4.9%	8.5%	42.3%	15.8%	20.7%	6.1%	100.0%

Source: CON application #10572, Schedule 7B

* Note: This total is arithmetically 14,896, the same as for year one with the same patient days for each payer source.

Notes to the applicant’s Schedule 7B indicate that:

- Unlike other acute services, the large percentage of Medicare patients using rehabilitation inpatient services effectively minimizes the need for charity and uncompensated care for this service. Charity and uncompensated care are projected at the historical percent of gross patient revenue.

As shown in the above table, in both year one and year two, Medicaid/Medicaid HMO accounts for 13.4 percent of total annual patient days and self-pay/charity accounts for 1.7 percent of total annual patient days. For both years, the combined Medicaid/Medicaid HMO/self-pay/charity patient days are projected to be at 15.1 percent.

CON Action Numbers: 10571, 10572 and 10573

In CON application #10572, Schedule C, FHSC offers no Medicaid/Medicaid HMO/self-pay/charity care condition.

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) states that HCA affiliate hospitals in Hillsborough County have a strong record of providing care to patients with little or no private insurance and to Medicaid beneficiaries. The applicant indicates that in addition to its provision of charity care, HCA has developed a corporate policy for its affiliated hospitals to provide discounts to uninsured patients who are not eligible for charity care or Medicaid. The reviewer notes that the applicant describes its discount procedures in the “Charity Financial Assistance Policy for Uninsured and Underinsured Florida Patients” policy part 9.C. – “Patients Who Are Uninsured”. BRH contends that HCA affiliates are committed to accessibility for uninsured patients and those covered by Medicaid.

BRH indicates the percentage of patient days and the percentage of revenue for all payor types, including Medicaid/Medicaid managed care and self-pay/charity. The reviewer reproduces only the stated percentages for Medicaid/Medicaid managed care and self-pay/charity. See the exhibit below.

**Brandon 2016 and 2017 Payor Mix per Patient Days and Revenue
Medicaid/Medicaid Managed Care and Self-Pay/Charity**

Payor	2016		2017	
	Percent of Patient Days	Percent of Revenue	Percent of Patient Days	Percent of Revenue
Medicaid and Medicaid HMO	20.6%	17.9%	22.1%	18.1%
Self-Pay/Charity*	6.8%	8.7%	7.0%	8.9%

*Note: Estimated from combined inpatient/outpatient financial data
Source: CON application #10573, page 111, Exhibit 38 (partial)

The applicant projects 340 CMR patients in year one, 507 in year two and 560 in year three. See the exhibit below.

Projected Payor Mix of Brandon CMR Patients

Payor	Year One	Year Two	Year Three	Percent Payor
Commercial Insurance	56	83	92	16.4%
Medicaid	20	30	33	5.9%
Medicare	240	358	395	70.6%
Self-Pay/No Pay	16	24	26	4.6%
Other	8	13	14	2.5%
Total	340	507	560	100.0%

Source: CON application #10573, page 112, Exhibit 39

However, the reviewer generates the table below from the applicant’s Schedule 7B to indicate the year one (ending December 31, 2022) and the year two (ending December 31, 2023) patient days and percent of patient days, by payer type. See the table below.

CON Action Numbers: 10571, 10572 and 10573

**Proposed Brandon Regional Hospital CMR Unit
Patient Days and Percent of Patient Days
Year One and Year Two**

Patient Days and Percent of Patient Days Years 1 and 2	Self-Pay/Charity	Medicaid	Medicaid HMO	Medicare	Medicare HMO	Comm. Ins./HMO/PPO	Other	Total
Year 1								
Patient Days	193	144	161	1,614	1,484	692	64	4,352
% of Patient Days	4.4%	3.3%	3.7%	37.1%	34.1%	15.9%	1.5%	100.0%
Year 2								
Patient Days	287	215	240	2,406	2,214	1,033	96	6,491
% of Patient Days	4.4%	3.3%	3.7%	37.1%	34.1%	15.9%	1.5%	100.0%

Source: CON application #10573, Schedule 7B

As shown in the above table, in both year one and year two, Medicaid/Medicaid HMO accounts for 7.0 percent of total annual patient days and self-pay/charity accounts for 4.4 percent of total annual patient days. For both years, the combined Medicaid/Medicaid HMO/self-pay/charity patient days are projected to be at 11.4 percent.

CON application #10573, Schedule C Conditions that:

- BRH will provide a minimum of eight percent of its annual CMR discharges to patients covered by Medicaid/Medicaid managed care or who meet the criteria for charity care, self-pay/no pay, combined

F. SUMMARY

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571), a newly formed/developmental stage for-profit corporation, seeks to establish a new 50-bed CMR hospital in District 6, Hillsborough County. The applicant indicates that the proposed project will be located in northwest Hillsborough County, proximate to major roadways running north/south (I-75 and I-275) and east/west (I-4), so that residents and families throughout the district can easily reach the proposed new CMR hospital. The applicant states the likely site is west of I-75, north of State Hwy 580 and Tampa International Airport.

Project approval would increase the CMR bed inventory count in District 6 by 50. The applicant’s parent is EH, which operates 12 CMR facilities/programs in Florida, with a total of 927 licensed CMR beds.

The project involves 53,275 GSF of new construction, at a construction cost of \$18,821,926. The total project cost is \$38,950,322. Project costs include land, building, equipment, project development, financing and start-up costs.

The applicant proposes seven Schedule C Conditions.

CON Action Numbers: 10571, 10572 and 10573

Florida Health Sciences Center, Inc. (CON application #10572), the not-for-profit owner/licensee of the existing Class 1 TGH, seeks to develop a 59-bed CMR hospital to be licensed by the applicant as a Class 3 specialty hospital in District 6, Hillsborough County, Florida. The proposed project is to be located in space that is currently licensed as a Class 1 facility and will utilize currently licensed Class 1 hospital beds. The applicant indicates that simultaneously with the licensure of the proposed project, the applicant will delicense the 59 CMR beds that are presently on TGH's Class 1 license. FHSC states that the proposed project will be located on the existing TGH campus, with a proposed facility name of TGH Rehabilitation Hospital. Project approval would not change the CMR bed inventory count in District 6.

FHSC emphasizes that the proposed project does not result in a change in services, construction costs or facility location of the existing licensed CMR beds at TGH.

The total project cost is \$162,250. Project costs include project development costs only, with no other project costs shown in Schedule 1 of the application. Notes to Schedule 1 indicate that the proposed project involves only a change in licensure classification to the existing freestanding building and no site, equipment or start-up costs are required or necessary.

The applicant proposes one Schedule C Condition.

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573), an existing Class 1 for-profit hospital, seeks to establish a new 24-bed CMR unit at its existing facility in District 6, Hillsborough County. Project approval would increase the CMR bed inventory count in District 6 by 24. The applicant's parent is HCA, which, among other licensed beds and programs, operates 11 CMR programs in Florida, with a total of 296 licensed CMR beds.

The project involves 23,057 GSF of new construction and 633 GSF renovation space, for a total project of 23,690 GSF, at a construction cost of \$14,141,000. The total project cost is \$23,019,000. Project costs include building, equipment, project development, financing and start-up costs.

The applicant proposes six Schedule C Conditions.

Need

In Volume 45, Number 13 of the Florida Administrative Register, dated January 18, 2019, a fixed need pool of zero beds was published for CMR beds for District 6 for the July 2024 planning horizon. Therefore, the co-

CON Action Numbers: 10571, 10572 and 10573

batched **CON applications #10571 and #10573** proposals are both outside the fixed need pool. The co-batched **CON application #10572** proposal would not alter the CMR bed inventory count and therefore has no impact on the fixed need pool in the current batching cycle.

As of January 18, 2019, District 6 had 173 licensed and zero approved CMR beds. During the 12-month period ending June 30, 2018, District 6's 173 licensed CMR beds experienced 55.62 percent utilization.

For the 12 months ending June 30, 2018, according to data obtained from the Florida Center for Health Information and Transparency:

- Of the 1,461 adult (age 18+) Hillsborough County residents discharged from inpatient CMR providers, 1,092 (74.74 percent) were discharged from a District 6 CMR provider and 369 (25.26 percent) were discharged from other Florida facilities/programs
 - For the period, this 369 discharges represented an out-migration rate of 25.26 percent

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571) contends that as a result of too few CMR beds to meet residents' needs, District 6 residents are experiencing the following "not normal" circumstances:

- Declining number of CMR beds in the heavily populated and fast growing District due to the delicensure of Winter Haven Hospital's 24-bed CMR unit that reduced District 6 total licensed CMR beds from 173 to 149
- High and increasing utilization of the District's remaining CMR beds following the loss of Winter Haven Hospital's CMR service, illustrated by the most recent 2018Q3 District-wide aggregated occupancy rate of 79.0 percent
 - Hillsborough County providers are operating at or above 80 percent occupancy due to increasing occupancy rates since Winter Haven Hospital closed
 - The sole remaining CMR provider in Polk County (Lakeland Regional Medical Center) is operating at 86 percent occupancy, as its program has reached virtual capacity since Winter Haven Hospital closed its unit
 - Manatee County's sole CMR provider has occupancy rates reaching the mid-70 percent occupancy level, thus has too few beds "available" to meet the district residents' needs
- Disparities within the district in terms of utilization of CMR services, reflecting barriers to CMR services currently faced by residents in all but one District 6 county
 - District differences in CMR utilization between residents in Manatee County and the other four counties (Hillsborough, Polk, Highlands and Hardee)

CON Action Numbers: 10571, 10572 and 10573

- CMR utilization for residents in Hillsborough, Polk, Highlands and Hardee is significantly below Manatee County, Florida and the nation
- Relatively higher utilization for less intensive and therefore less optimal post-acute care settings for residents in Hillsborough, Polk, Highlands and Hardee Counties when compared to Manatee County
- Significant outmigration by District 6 residents who are willing and/or able to travel outside the District for inpatient CMR services
- The large percentage of residents currently traveling outside District 6 for CMR services indicates there are too few CMR beds available for residents in the district, particularly in Hillsborough County
 - Notably, the percentage of CMR residents who must travel outside District 6 to receive CMR services is materially higher than the percentage of District 6 residents who travel outside the district for general acute care services
- Limited availability of District 6 CMR beds as the majority of residents who suffer from a stroke are being discharged to less optimal care settings rather than CMR, which has been proven to be more effective in enhancing patient outcomes and ultimately improving the patient's quality of life compared to other post-acute services
 - Stroke is one of the leading conditions treated in inpatient CMR programs, representing approximately 20 percent of cases nationally; thus, this patient population is illustrative of the adverse impact of too few beds on District 6 residents
 - The American Heart Association/American Stroke Association issued a joint guideline in 2016 for adult stroke survivors that strongly recommends inpatient rehabilitation care over less intensive post-acute services
 - District stroke inpatients in aggregate are discharged to CMR at disproportionately low rates compared to Florida overall
 - Within the district, Hillsborough County stroke inpatients are discharged to CMR at even lower rates than the district average

The significant outmigration of residents to non-District 6 CMR facilities, particularly the fact that the majority of these residents are choosing freestanding (non-acute care affiliated health systems) CMR hospitals demonstrates a not normal circumstance demonstrating need outside of published need for new CMR beds.

The Agency notes approximately a quarter of Hillsborough County residents are currently outmigrating to seek CMR care—the majority of which are seeking care in freestanding CMR hospitals not affiliated with existing acute care health systems. Given the existing variety of hospital systems within District 6 at present, a new freestanding CMR hospital independent of existing acute care affiliation would increase access and

CON Action Numbers: 10571, 10572 and 10573

availability of CMR services to all residents of District 6, and specifically those identified residents in Hillsborough County, the most populous County within District 6.

Florida Health Sciences Center, Inc. (CON application #10572):

The applicant indicates need in the following context:

- The proposed project involves only a change in licensure classification to the FHSC's existing 59-bed CMR unit at TGH
- There is no change in the total CMR bed count and no change in physical location of the existing CMR beds from the existing Class 1 TGH to the proposed Class 3 TGH Rehabilitation Hospital
- The proposal, if approved, will continue to be reflected on FHSC's license but identified as a separate Class 3 hospital premise
- From a patient care and operations perspective, the proposed project will be seamless
- The proposed Class 3 hospital will have the same patient origin and service area as the existing Class 1 hospital CMR unit, with identical services utilizing the same facilities, beds, staff and equipment

The Agency indicates that the CMR proposal requested by TGH in CON application #10572 does not affect existing services or bed availability/accessibility—and is mostly a change in the type of licensure with no effect on existing quality of care or health planning.

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573) maintains from its executive summary that:

- There are “not normal” circumstances that warrant approval of additional CMR beds in eastern Hillsborough County beyond the fixed need pool. These circumstances include:
 - District 6 has the lowest CMR bed to population ratio of any district in the state.
 - Hillsborough County has a comparatively low CMR use rate compared to the statewide average.
 - Eastern and southern Hillsborough County have very low CMR use rates. This area is older than western Hillsborough and similar to the statewide population age distribution. The senior population of the service area is growing rapidly.
 - There are two existing CMR providers in Hillsborough County, both of which are located in Tampa. These providers are not geographically accessible to residents of eastern and southern Hillsborough County.
 - BRH's patients have access barriers to CMR services based on the congested traffic and travel times to existing providers. These circumstances hold true for patients of BRH's affiliate South Bay Hospital (SBH) located in Southern Hillsborough County.

CON Action Numbers: 10571, 10572 and 10573

- BRH and SBH patients face a “gate-keeper” barrier when seeking admission to existing providers. Both existing CMR providers rely on the same physiatrist to evaluate patients’ appropriateness for CMR care, and these reviews often delay or inappropriately limit admission to CMR care.
- Limitations on BRH and SBH’s ability to discharge patients to CMR are evidenced by the low CMR use rates in the area, the low percentage of discharges to CMR generally and the low percentage of discharges to CMR for specific diagnostic categories that most often benefit from CMR care.
- Both quantitative analysis and letters of support document the difficulty in discharging BRH and SBH patients to CMR that document a “not normal” circumstance.
- BRH asserts that CON application #10573 documents the bed need for its proposed project using several approaches based on reasonable and conservative assumptions.
- As an affiliate of HCA, BRH has the resources, leadership, clinical expertise and quality of care systems in place to develop the proposed project. This is documented within CON application #10573.

BRH notes “It is not possible to quantify the number of patients who need CMR care but do not receive it” but that BRH case managers have identified a number of common reasons why patients in need of CMR are not able to access it from any of the existing providers in District 6, these include:

- Patients who lack health insurance or are covered by Medicaid are often not accepted.
- The CMR patient assessment process employed by AdventHealth Tampa and TGH limits CMR referrals based on payor mix and other subjective factors resulting in limited access to CMR services.
- Patients and their families cannot or will not make the drive to CMR programs located further north in Hillsborough County due to congested traffic conditions and longer commute times. This is especially true for older adults who are the largest population base for CMR services.

BRH contends that an additional “not normal” circumstance arises because CMR CON Rule 59C-1.039, Florida Administrative Code, has not been amended since 1995 (page 26 of the application). The reviewer notes that rule 59C-1.039, Florida Administrative Code, was amended after 1995, the amendment’s effective date was July 2, 2017.

Quality of Care

Each one of the three co-batched applicants demonstrates the ability to provide quality care.

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571):

- Agency complaint records indicate that, for the three-year period ending March 6, 2019, the applicant's parent, EH, had five substantiated complaints among its 12 CMR facilities/programs (with 927 licensed beds) statewide

Florida Health Sciences Center, Inc. (CON application #10572):

- Agency complaint records indicate that, for the three-year period ending March 6, 2019, the applicant's TGH had one substantiated complaint, among its 1,007 licensed beds

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573):

- Agency complaint records indicate that, for the three-year period ending March 6, 2019, the applicant, BRH, had five substantiated complaints (within its 422 licensed beds) and for the same time period, the parent, HCA, had a total of 108 substantiated complaints (among its 12,324 licensed beds, within its 51 hospital facilities statewide)

Cost/Financial Analysis

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. In addition, competitive forces truly do not begin to take shape until existing business' market share is threatened. The existing health care system's barrier to price based competition via fixed price payers limits any significant gains in cost effectiveness and quality that would be generated from competition. Therefore, none of the applicant's proposed projects are likely to have a material impact on completion to promote quality and cost-effectiveness.

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571):

- Funding for the entire capital budget should be available as needed
- Overall, the projections appear reasonable

CON Action Numbers: 10571, 10572 and 10573

Florida Health Sciences Center, Inc. (CON application #10572):

- Funding for the project should be available. However, funding may not be fully available for the total capital projects
- Overall, the projections appear reasonable

Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573):

- Funding for the entire capital budget should be available as needed
- The project appears financially feasible

Medicaid/Indigent Care

Of the three co-batched applicants, in SFY 2018-2019, only **CON application #10572** participated in both the LIP and the DSH programs. Brandon Regional Hospital (**CON application #10573**) participated in the LIP program. Below are the applicant’s LIP/DSH allocation and draw down as of May 16, 2019 (3:35 PM).

**Florida Health Sciences Center, Inc./Tampa General Hospital (CON application #10572)
and Galencare, Inc. d/b/a Brandon Regional Hospital (CON application #10573)
LIP and DSH Program Participation
SFY 2018-2019**

Program/Provider	Annual Total Allocation	Year-to-Date Total Allocation as of May 16, 2019
LIP-FHSC/Tampa General Hospital	\$70,157,763	\$57,995,842
DSH-FHSC/Tampa General Hospital	\$7,624,241	\$5,718,181
LIP-Galencare/Brandon Regional Hospital	\$79,163	\$39,582
DSH-Galencare/Brandon Regional Hospital	\$0	\$0

Source: Agency Division of Medicaid, Office of Program Finance

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC (CON application #10571): According to the applicant’s Schedule 7B, in both year one and year two, Medicaid/Medicaid HMO accounts for 3.7 percent of total annual patient days and self-pay/charity accounts for 2.1 percent of total annual patient days. For both years, the combined Medicaid/Medicaid HMO/self-pay/charity patient days are projected to be at 4.8 percent.

In CON application #10571, Schedule C Condition #1, Encompass Health states:

- The Applicant will provide a minimum of four percent of total hospital patient days to Medicaid, Medicaid Managed Care and self-pay (including Indigent/charity) patients annually

CON Action Numbers: 10571, 10572 and 10573

Florida Health Sciences Center, Inc. (CON application #10572):

According to the applicant’s Schedule 7B, in both year one and year two, Medicaid/Medicaid HMO accounts for 13.4 percent of total annual patient days and self-pay/charity accounts for 1.7 percent of total annual patient days. For both years, the combined Medicaid/Medicaid HMO/self-pay/charity patient days are projected to be at 15.1 percent.

In CON application #10572, Schedule C, FHSC offers no Medicaid/Medicaid HMO/self-pay/charity care condition.

Galencare, Inc., d/b/a Brandon Regional Hospital (CON application #10573):

The applicant projects 340 CMR patients in year one, 507 in year two and 560 in year three, further estimating payor types, by percentage, for each of the three years. See below.

Projected Payor Mix of Brandon CMR Patients

Payor	Year One	Year Two	Year Three	Percent Payor
Commercial Insurance	56	83	92	16.4%
Medicaid	20	30	33	5.9%
Medicare	240	358	395	70.6%
Self-Pay/No Pay	16	24	26	4.6%
Other	8	13	14	2.5%
Total	340	507	560	100.0%

Source: CON application #10573, page 112, Exhibit 39

According to the applicant’s Schedule 7B, in both year one and year two, Medicaid/Medicaid HMO accounts for 7.0 percent of total annual patient days and self-pay/charity accounts for 4.4 percent of total annual patient days. For both years, the combined Medicaid/Medicaid HMO/self-pay/charity patient days are projected to be at 11.4 percent.

CON application #10573, Schedule C Conditions that:

- Brandon will provide a minimum of eight percent of its annual CMR discharges to patients covered by Medicaid/Medicaid managed care or who meet the criteria for charity care, self-pay/no pay, combined

Architectural Analysis

Encompass Health Rehabilitation Hospital of Hillsborough County, LLC CON application #10571):

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.

Florida Health Sciences Center, Inc. (CON application #10572): 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. The application involves converting an existing hospital unit of a Class 1 hospital into a new Class 3 hospital. No renovations are anticipated. A review of the architectural plans, narratives and other supporting documents did not reveal any deficiencies that are likely to have significant impact on either construction costs or the proposed completion schedule.

Galencare, Inc., d/b/a Brandon Regional Hospital (CON application #10573): The cost estimate for the proposed project provided in Schedule 9, Table A and the project completion forecast provided in Schedule 10 appear to be reasonable. A review of the architectural plans, narratives and other supporting documents did not reveal any deficiencies that are likely to have significant impact on either construction costs or the proposed completion schedule.

G. RECOMMENDATION

Approve CON #10571 to establish a 50-bed CMR hospital in District 6, Hillsborough County. The total project cost is \$38,950,322. The project involves 53,275 GSF of new construction and a construction cost of \$18,821,926.

CONDITIONS:

1. The applicant will provide a minimum of four percent of total hospital patient days to Medicaid, Medicaid managed care and self-pay (including indigent/charity) patients annually.
2. The applicant will provide CMR inpatient services under a Medical Director of Rehabilitation who is a board-certified or board-eligible Psychiatrist with at least two years of experience in the medical management of rehabilitation inpatients.
3. The applicant will apply for hospital-wide Joint Commission accreditation within the first year of operation, *i.e.*, by the end of 12 months from the date of acceptance of the first patient.
4. The applicant will apply for certification in a minimum of one Joint Commission Disease-Specific Care Certification Program within the first 18 months of operation, with the expectation that the DSC Certification will likely be a Stroke-specific Certification.

CON Action Numbers: 10571, 10572 and 10573

5. The following rehabilitative equipment will be purchased and used at the new hospital, as described and illustrated in Appendix C:
 - Bioness Overhead Tracking System/FreeStep SAS
 - Bioness Integrated Therapy System (BITS)
 - Bioness L300
 - Synchrony
 - SaeboFlex
 - VitalStim
 - Interactive Metronome

Please note: if technology improvements occur between approval of this application and opening of the hospital, Encompass Tampa may substitute a newer, enhanced model with the same or improved functionality as those listed items above.

6. Implementation and use of an electronic medical record (EMR) within the facility to document patient care, including pharmacy and functional improvements.
7. Encompass Tampa will serve as a training site for clinical rotations for nursing and physical therapy students.

Approve CON #10572 to establish a 59-bed CMR hospital in District 6, Hillsborough County. The total project cost is \$162,250.

CONDITION:

- Delicense the 59 CMR Class I beds with approval of CON #10572 for 59 Class III beds

Approve CON #10573 to establish a 24-bed CMR unit in District 6, Hillsborough County. The total project cost is \$23,019,000. The project involves 23,057 GSF of new construction, 633 GSF of renovation space and a total construction cost of \$14,141,000.

CONDITIONS:

- BRH will provide a minimum of eight percent of its annual CMR discharges to patients covered by Medicaid/Medicaid managed care or who meet the criteria for charity care, self-pay/no pay, combined.
- BRH will apply for CARF accreditation for its CMR program in the first 12 months of operations.
- CRRN certification will be achieved for a minimum of 20 percent of BRH's rehabilitative nursing staff by year four of operation of the proposed CMR unit.

CON Action Numbers: 10571, 10572 and 10573

- The medical director of the CMR program will be a board-certified or board-eligible physiatrist with at least two years of experience in the medical management of inpatients requiring rehabilitation services.
- BRH's CMR program will provide the following specialized equipment:
 - Unweighting System (Zero G, Vector, LiteGait, etc)
 - Crosstrainer
 - Total Body Exerciser
 - Integrated Therapy system (Bioness BITS or equivalent)
 - Upper Body and Lower Body Functional Electrical Stimulators (Bioness or equivalent)
 - Bariatric capable electric exercise tables and parallel bars
 - Balance Assessment/Training System
 - Interactive Metronome
 - Neuromuscular Electrical Stimulator and Biofeedback system for Dysphagia (Vital Stim, Synchrony or equivalent)
 - Computerized Speech Lab (VisiPitch or equivalent)
 - Wrist and Upper Extremity System (Saebo Flex, Reo Go or equivalent)
- Therapy services will be available seven days a week.

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