

STATE AGENCY ACTION REPORT
ON APPLICATIONS FOR CERTIFICATE OF NEED

A. PROJECT IDENTIFICATION

1. Applicant/CON Action Number

Pinellas CON LLC/CON #10620

400 Rella Boulevard, Suite 200
Montebello, New York 10901

Authorized Representative: Michael Bleich
Authorized Member
(845) 579-6565

Pinellas Palms NH LLC/CON #10621

4042 Park Oaks Boulevard, Suite 300
Tampa, Florida 33610

Authorized Representative: Jacqueline Price
Vice President &
Chief Financial Officer
(813) 635-9500

PruittHealth – Pinellas County, LLC/CON #10622

1626 Jeurgens Court
Norcross, Georgia 30093

Authorized Representative: Neil L. Pruitt, Jr.
Chief Executive Officer (CEO)
(678) 533-6699

2. Service District/Subdistrict

District 5, Subdistrict 2 (Pinellas County)

B. PUBLIC HEARING

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

Letters of Support

Pinellas CON LLC (CON application #10620): Letters of support are noted from the following:

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- Martin Sokol, CEO – Bay Area Hospitalists, Hillsborough County, Tampa, Florida
- Helene Bush MSW DCM, Director of Case Management, Kindred Hospital, Pinellas County, St. Petersburg, Florida
- Abinales J. Benjamin MD, Co-Owner – Tampa Bay Med, Pinellas County, St. Petersburg, Florida
- Eduardo Palanca MD, Mease Countryside Hospital, Pinellas County, Clearwater, Florida
- Vinubhai Pansuriya MD, Pulmonologist, Pinellas County, St. Petersburg, Florida
- Fadi Saba MD, Professional Health Care of Pinellas, Inc., Pinellas County, St. Petersburg, Florida
- Dave Swenson, DO, Swenson Medical, Pinellas County, St. Petersburg, Florida
- Chris Carson MD, Medical Internist, Pinellas County, St. Petersburg, Florida

Pinellas Palms NH LLC (CON application #10621):

Letters of support are noted from the following:

- Rick Kriseman, Mayor – City of St. Petersburg, Pinellas County, St. Petersburg, Florida
- Charles W. Gerdes, Chairman – St. Petersburg City Council, District 1, Pinellas County, St. Petersburg, Florida
- Jake Fisher, CEO – Palms of Pasadena Hospital, Pinellas County, St. Petersburg, Florida
- Fadi Saba MD, Professional Health Care of Pinellas, LLC, Pinellas County, St. Petersburg, Florida
- Rabee Korbaj MD, Professional Health Care of Pinellas, LLC, Pinellas County, St. Petersburg, Florida
- Nilamben Shah MD, Sunrise Medical Clinic, LLC & Attending MD at St. Petersburg Healthcare, Pinellas County, St. Petersburg, Florida
- Sharon Hayes BSN MBA, CEO – Bayfront Health St. Petersburg, Pinellas County, St. Petersburg, Florida
- Sean Dimas, Vice President of Operations – American House Senior Living a/k/a Prevarian Senior Living, Pinellas County, St. Petersburg, Florida
- Allan R. Brown, Jr., Partner – Prevarian Senior Living, ~~Dallas County,~~ Dallas, Texas
- Most Reverend Gregory Parkes, Catholic Bishop – Diocese of St. Petersburg, Pinellas County, St. Petersburg, Florida
- James K. Schattman, President – Crossroads Area Neighborhood Association, Pinellas County, St. Petersburg, Florida
- Lance Lubin, President – Eagle Crest Civic Association & Lubin Team Realty (owns Eagle Crest), Pinellas County, St. Petersburg, Florida

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Allan R. Brown, Jr., Partner – Prevarian Senior Living, Dallas, Texas states Prevarian Senior Living is “the developer and an Owner of American House St. Petersburg (AHSP)”. Further, “Since the initial planning stages we have worked with Greystone Health with the intent that skilled nursing be a part of the AHSP campus and we reserved a portion of the campus property for a new SNF”. Zoning has been amended to include skilled nursing beds and “Together with AHSP, the presence of skilled nursing on the campus will complete the continuum of care ..to more effectively and completely serve the needs of St. Pete’s senior population”. He concludes by stating “Therefore, Prevarian Senior Living enthusiastically supports Pinellas Palms NH LLC (an affiliate of Greystone Healthcare Management).”

PruittHealth – Pinellas County, LLC (CON application #10622):

Letters of support are noted from the following:

- James Fagbodun, Administrator – Rainbow Manor Assisted Living Facility, Pinellas County, Clearwater, Florida
- Steven Ratter, Administrator – FirstLight Home of Pinellas County, Pinellas County, Clearwater, Florida
- Christian Wallace, Operations Manager – Aspire Home Care, Pinellas County, Clearwater, Florida
- John Simmons MSW NHA, Immediate Past President – Florida Health Care Association

C. PROJECT SUMMARY

Pinellas CON LLC (CON application #10620) is a developmental-stage, for profit entity that will also be referred to as PCL or the applicant. PCL proposes to establish a 120-bed community nursing home in District 5, Subdistrict 2, Pinellas County, Florida. The skilled nursing facility (SNF) will consist of 120 private rooms with 50 percent of the bathrooms being handicapped accessible.

Mr. Michael Bleich, PCL’s authorized representative, is stated to be a “Member, Director or Officer” of 24 Florida SNFs, and the applicant self-reports a list of these SNFs in Tab 5, Page 5-2 of CON application #10620. Mr. Bleich is stated to have “acquired several troubled facilities in or facing bankruptcy in 2018” and he has “also acquired other facilities, many with physical plants that are ending their useful lives”.

The proposed project includes 101,481 gross square feet (GSF) of new construction. The construction cost is \$21,000,000. The total project cost is \$29,453,100. The total project cost includes land, building, equipment, project development, financing and start-up costs.

The applicant anticipates issuance of license in June 2022 and initiation of services in July 2022.

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PCL conditions approval of the proposal to the following Schedule C conditions:

1. All 120 beds will be housed in private/single-occupancy rooms
2. Establish a 20-Bed Respiratory Unit
3. Establish a 20-Bed Dialysis Unit
4. Establish a 20-Bed Cardiac Rehabilitation Unit

Pinellas Palms NH LLC (CON application #10621) is a developmental-stage, for profit entity that will also be referred to as PPN or the applicant. PPN proposes to establish a 120-bed community home in District 5, Subdistrict 2, Pinellas County, Florida. The 120-bed SNF will have 56 private and 32 semi-private rooms, all containing individual bathrooms with showers. The applicant is an affiliate of Greystone Healthcare Management Corporation (Greystone) which was established in Tampa, Florida in 2001. Greystone is a subsidiary of Greystone & CO Holdings II, LLC, and is the parent company of 28 licensed Florida SNF's with 3,359 beds.

Greystone has three additional SNFs that are under construction and/or pending Agency final inspection:

- The Lakes of Clermont Health and Rehabilitation (Innovative Medical Management Solutions LLC), in Lake County, Subdistrict 3-7, CON #10267 – 60-bed & CON #10506 – 20-bed for a combined total 80-bed SNF, commenced Construction October 12, 2018, AHCA OPC final inspection scheduled for December 13, 2019
- The Health and Rehabilitation Center of Apopka LP (Orlando LLC), in Orange County, Subdistrict 7-2, CON #10305 – 180-bed SNF, commenced construction June 26, 2019, anticipated construction completion September 2020
- The Health and Rehabilitation Center at Lake Gibson Village (Lakeland Oaks NH LLC), in Polk County, Subdistrict 6-5, CON #10309 – 120-bed SNF, commenced Construction October 2, 2019, anticipated construction completion date December 2020

The proposed project includes 93,900 GSF of new construction. The construction cost is \$23,475,000. The total project cost is \$30,851,267. The total project cost includes land, building, equipment, project development, financing and start-up costs.

The applicant anticipates issuance of license and initiation of services during July 2022.

PPN conditions approval of the proposal to the following Schedule C conditions:

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1. Locate adjacent to and developed in coordination with American House Senior Living Campus – St. Petersburg whose address is 1101 66th Street North, St. Petersburg, Florida 33701.
2. The facility will include 56 private resident rooms, including four private bariatric rooms.
3. Seek The Joint Commission Gold Seal National Quality Approval within the first year of operation.
4. Provide specialized programs designed to enhance patient well-being, reduce recovery times and reduce re-hospitalizations, including:
 - a. Rapid Recovery Unit with specialized orthopedic, cardiac and stroke rehab programs
 - b. RN/LPN licensed staff 24 hours a day, 365 days a year
 - c. Comprehensive Physical Therapy (PT), Occupational Therapy (OT) and Speech/Language Pathologist (SLP) treatment available seven days a week
 - d. ADL - "safe to home" program
 - e. Advanced wound care programs
 - f. Pain management programs
 - g. Fall reduction programs
 - h. Coordination with Greystone Home Health (GHH) for seamless return to home transitions

PruittHealth – Pinellas County, LLC (CON application #10622) is a developmental-stage, for profit entity that will also be referred to as PHP or the applicant. PHP proposes to establish a 120-bed community nursing home in District 5, Subdistrict 2, Pinellas County, Florida. The 120-bed SNF will have 120 private rooms—100 percent handicap accessible.

The ultimate parent company is United Health Services, Inc. (UHS) which is the parent to more than 100 SNFs, assisted living facilities (ALF), hospices, home health agencies (HHA), pharmacies and an independent living facility, as well as several other health care-related facilities & services. PruittHealth, Inc. (PruittHealth) will provide all administrative and related services to PHP. PruittHealth was established in 1969 in the State of Georgia, and it currently operates SNFs in the following states: Florida, Georgia, North Carolina and South Carolina.

PruittHealth currently operates the following Florida SNFs:

- PruittHealth – Santa Rosa, LLC, Santa Rosa County, (Subdistrict 1-1)
- PruittHealth – Panama City, LLC, Bay County (Subdistrict 2-2)
- PruittHealth – Fleming Island, LLC, Clay County (Subdistrict 4-2)¹

¹ PruittHealth – Panama City, LLC (77 beds) and PruittHealth – Fleming Island, LLC (97 beds) were licensed on 12/14/2018 and 04/05/2019, respectively. PruittHealth has been the licensee for PruittHealth – Santa Rosa, LLC (120-beds), since 01/31/2003.

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PruittHealth has the following CON projects pending licensure as of November 20, 2019:

- PruittHealth – Escambia, LLC, (Exemption #E180033) combining (CON #10505) 75-beds and (CON #10527) 45 beds, for a 120-bed facility in Subdistrict 1-1
- PruittHealth – Santa Rosa, LLC, has (Exemption #E170020) to delicense 11-beds as part of the 75 beds approved for (CON #10505), see (Exemption #E180033) above in Subdistrict 1-1
- PruittHealth – Panama City, LLC, (CON #10528) to add 24 beds to its facility in Subdistrict 2-2
- PruittHealth – Southwood, LLC, (CON #10529) for a 101-bed facility in Leon County in Subdistrict 2-4
- PruittHealth – St. Johns, LLC, (CON #10616) for a new, 77-bed facility in Subdistrict 4-3
- PruittHealth – Hillsborough County, LLC, (CON #10509P) for an 84-bed community nursing home in Subdistrict 6-1
- PruittHealth – 6-1, LLC, (CON #10585) for a 119-bed community nursing home in Subdistrict 6-1.

The proposed project includes 111,608 GSF of new construction. The construction cost is \$17,857,280. The total project cost is \$29,400,148. The total project cost includes land, building, equipment, project development, financing and start-up costs.

The applicant anticipates issuance of license during August 2022 and initiation of services in September 2022.

PHP conditions approval of the proposal to the following Schedule C conditions:

1. Pinellas County, Subdistrict 5-2, Florida
2. All 120 patient beds will be in private patient rooms
3. All patient bathrooms will be handicap accessible
4. Facility will feature a 16-bed Alzheimer's disease secure unit
5. Incorporate four bariatric rooms/beds into the facility design
6. Seek Joint Commission accreditation or accreditation from some other similarly recognized accrediting body
7. Implement a program designed to reduce hospital re-admissions; the current program utilized by PruittHealth affiliated facilities is *INTERACT* 3.0. The program to be implemented will be this program or other similarly designed program based on the most recent quality driven program PruittHealth determines to be available at the time of implementation

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8. Participate in an organization-wide Quality Assurance / Performance Improvement (QAPI) initiative that entail quarterly visits in regard to clinical, operational, pharmaceutical and reimbursement areas by corporate consultants to ensure compliance with all local, state and federal laws
9. Provide the It's Never 2 Late ® (iN2L) computer system to residents of the Alzheimer's unit as a tool to empower and engage seniors, specifically those with dementia. Each resident can have his or her individual page on the system, which displays their favorite personal options: music, games, photos and videos, even websites, at their fingertips
10. Have at least one Certified Dementia Practitioner on staff on the Alzheimer's unit per shift
11. Implement Electronic Medical Records (EMR) at the facility, and include Smart Charting or other similar bedside patient charting tool
12. Implement Resident Safety Technology including Call Guard and WanderGuard into the facility
13. Implement Clinical Kiosks in appropriate locations throughout the facility
14. Assure all staff maintains ongoing training and continuing education credits utilizing Pruitt University and at no cost to the employees
15. Participate in a company-wide Annual Quality Report to demonstrate transparency in operations and make this Quality Report available to the public
16. Adopt the PruittHealth patient model of care including the applicable PerfectPath Programs appropriate for this facility and described in the CON Application and Supporting Documents
17. Implement PointRight Technology (or a future similar technology) in the ongoing operations
18. In addition to complying with Florida Emergency Management Plans and Operations Center as required by the State of Florida, the Applicant will adopt PruittHealth's policies related to natural disasters and hurricanes will implement the PruittHealth Hurricane Response Plan and be an active participant in PruittHealth's Central Command Center when severe weather events arise

Co-Batched Application #s 10620, 10621 & 10622

Subdistrict 5-2: Total GSF and Project Cost

Applicant	CON #	Project	GSF	Total Cost	Cost Per Bed
Pinellas CON, LLC	10620	120-bed SNF	101,481	\$29,453,100	\$254,445
Pinellas Palms NH LLC	10621	120-bed SNF	93,900	\$30,851,267	\$257,094
PruittHealth – Pinellas County, LLC	10622	120-bed SNF	111,608	\$29,400,148	\$245,001

Source: Schedules 1 and 9, CON application #s 10620, 10621 & 10622

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Should the proposed project be approved, the applicants' condition(s) would be reported in the annual condition compliance report, as required by Rule 59C-1.013(3), Florida Administrative Code.

Note: Section 408.043 (3) Florida Statutes, prohibits accreditation by any private organization as a requirement for the issuance or maintenance of a certificate of need, so Joint Commission accreditation will not be cited as a condition to approval. Should the project be approved, the applicants' proposed conditions would be reported in the annual condition compliance report as required by Rule 59C-1.013 (3) Florida Administrative Code.

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, rules of the State of Florida, and 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 provided in the application and independent information gathered by the reviewer.

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

Section 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, William J. Tripp, analyzed the application in its entirety with consultation from financial analyst Everett “Butch” Broussard of the Bureau of Central Services, who evaluated the financial data, and Scott Waltz of the Office of Plans and Construction, who reviewed the application for conformance with the architectural criteria.

E. CONFORMITY OF PROJECT WITH REVIEW CRITERIA

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

1. Fixed Need Pool

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

In Volume 45, Number 194, of the Florida Administrative Register dated October 4, 2019, need for 266 community nursing home beds was published in the fixed need pool for District 5, Subdistrict 2 for the July 2022 Planning Horizon.

Subdistrict 5-2 presently has 7,679 licensed, and 57 CON approved community nursing home beds.² As of December 26, 2019, the application omissions deadline for the October 2019 Other Beds and Programs Batching Cycle, there were no exemptions or expedited CON applications submitted to add community nursing home beds.

The reviewer notes that for the 12-month period ending on June 30, 2019, Subdistrict 5-2 had at total of 69 SNFs with a total of 7,679 licensed community SNF beds and an occupancy rate of 87.59 percent. See the following table.

² Subdistrict 5-2 presently has 7,724 licensed community nursing home and 12 beds pending licensure as Palm Garden of Clearwater added 45 beds effective July 16, 2019.

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Subdistrict 5-2, Pinellas County, Utilization July 2018 – June 2019

Facility	Community SNF Beds	Community SNF Bed days	Patient Days	Total Occupancy
Abbey Rehabilitation and Nursing Center	152	55,480	43,985	79.28%
Advanced Care Center	120	43,800	41,139	93.92%
Alhambra Health and Rehabilitation Center	60	21,900	20,204	92.26%
Alpine Health & Rehabilitation Center	57	20,805	19,706	94.72%
Apollo Health & Rehabilitation Center	99	36,135	32,916	91.09%
Bay Pointe Nursing Pavilion	120	43,800	40,491	92.45%
Bay Tree Center	120	43,800	37,771	86.24%
Bayside Care Center	92	33,580	31,077	92.55%
Baywood Care Center	59	21,535	17,514	81.33%
Belleair Health Care Center	120	43,800	40,890	93.36%
Boca Ciega Center	120	43,800	37,704	86.08%
Bon Secours Maria Manor Nursing Care Center	274	100,010	94,905	94.90%
Care Center at Pinellas Park, The	120	43,800	38,703	88.36%
Carrington Place of St Pete	120	43,800	41,052	93.73%
Clearwater Center	120	43,800	36,712	83.82%
Concordia Manor	39	14,235	13,414	94.23%
Consulate Health Care of Safety Harbor	120	43,800	39,911	91.12%
Consulate Health Care of St. Petersburg	120	43,800	34,706	79.24%
Countryside Rehab and Healthcare Center	120	43,800	40,195	91.77%
Cross Terrace Rehabilitation Center	104	37,960	29,935	78.86%
Eagle Lake Nursing and Rehab Care Center	59	21,535	16,779	77.92%
East Bay Rehabilitation Center	120	43,800	40,769	93.08%
Egret Cove Center	120	43,800	39,610	90.43%
Freedom Square Rehabilitation & Nursing Services	116	42,340	36,935	87.23%
Gateway Care Center	120	43,800	35,174	80.31%
Glen Oaks Health and Rehabilitation Center	76	27,740	25,106	90.50%
Golfview Healthcare Center	56	20,440	16,332	79.90%
Gulfport Rehabilitation Center	126	45,990	21,127	45.94%
Gulf Shore Care Center	120	43,800	41,504	94.76%
Harbourwood Care Center	120	43,800	41,069	93.76%
Health and Rehabilitation Centre at Dolphins View	58	21,170	18,021	85.13%
Highland Pines Rehabilitation Center	120	43,800	39,134	89.35%
Jacaranda Manor	299	109,135	102,192	93.64%
Kensington Gardens Rehab and Nursing Center	150	54,750	45,342	82.82%
KR at College Harbor	52	18,980	15,713	82.79%
Lakeside Oaks Care Center	93	33,945	30,438	89.67%
Largo Health and Rehabilitation Center	158	57,670	31,248	54.18%
Laurellwood Nursing Center	60	21,900	15,547	70.99%
Lexington Health and Rehabilitation Center	159	58,035	55,445	95.54%
ManorCare Health Services Dunedin	120	43,800	40,753	93.04%
ManorCare Health Services Palm Harbor	180	65,700	61,315	93.33%
Marion and Bernard L Samson Nursing Center	180	65,700	58,340	88.80%
Mease Continuing Care	70	25,550	10,808	42.30%
Morton Plant Rehabilitation Center	126	45,990	40,604	88.29%
North Rehabilitation Center	45	16,425	15,032	91.52%
Oak Manor Healthcare & Rehabilitation Center	180	65,700	55,364	84.27%
Oaks of Clearwater, The	60	21,900	17,618	80.45%
Palm Garden of Clearwater	120	43,800	39,351	89.84%
Palm Garden of Largo	140	51,100	48,192	94.31%
Palm Garden of Pinellas	120	43,800	40,732	93.00%
Peninsula Care and Rehabilitation Center	120	43,800	42,332	96.65%
Pinellas Point Nursing and Rehab Center	60	21,900	20,435	93.31%
Sabal Palms Health Care Center	210	76,650	71,701	93.54%
Seminole Pavilion Rehabilitation & Nursing Services	120	43,800	38,170	87.15%
Shore Acres Care Center	109	39,785	37,023	93.06%
South Heritage Health & Rehab Center	74	27,010	21,524	79.69%
Springs at Boca Ciega Bay	109	39,785	36,459	91.64%
St. Mark Village	60	21,900	14,695	67.10%
St. Petersburg Nursing & Rehabilitation	96	35,040	33,166	94.65%
Stratford Court of Palm Harbor	60	21,900	18,260	83.38%
Sunset Point	120	43,800	39,404	89.96%
Sylvan Health Center	60	21,900	19,918	90.95%

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Subdistrict 5-2, Pinellas County, Utilization July 2018 – June 2019

Facility	Community SNF Beds	Community SNF Bed days	Patient Days	Total Occupancy
Tarpon Bayou Center	120	43,800	38,004	86.77%
Tierra Pines Center	120	43,800	42,437	96.89%
West Bay of Tampa	120	43,800	41,569	94.91%
Westchester Gardens Health & Rehabilitation	120	43,800	40,504	92.47%
Westminster Palms	42	15,330	10,245	66.83%
Westminster Suncoast	120	43,800	41,696	95.20%
Wrights Healthcare and Rehabilitation Center	60	21,900	18,955	86.55%
Total	7,679	2,802,835	2,455,021	87.59%

Source: Florida Nursing Home Bed Need Projections by District and Subdistrict, October 2019 Batching Cycle

The reviewer notes the current and projected population of Subdistrict 5-2, District 5 and the State of Florida for the current planning horizon. The projected population growth, both numerically and by percent, is provided in the following tables.

**Pinellas County, Florida, District 5, Subdistrict 5-2
Population Estimates July 1, 2019 through July 1, 2022**

Area/Subdistrict	July 1, 2019 Population			July 1, 2022 Population		
	65+ - 74	75+	65+ Total	65+ - 74	75+	65+ Total
Pinellas/5-2	131,319	103,378	234,697	137,895	111,750	249,645
District 5	200,303	154,231	354,534	211,216	168,114	379,330
State of Florida	2,379,631	1,833,175	4,212,806	2,547,685	2,026,052	4,573,737
Area/Subdistrict	July 2019 – July 2022 Increase			July 2019 – July 2022 Growth Rate		
	65+ - 74	75+	65+ Total	65+ - 74	75+	65+ Total
Pinellas/5-2	+6,576	+8,372	+14,948	+5.01%	+8.10%	+6.37%
District 5	+10,913	+13,883	+24,796	+5.45%	+9.00%	+6.99%
State of Florida	+168,054	+192,877	+360,931	+7.06%	+10.52%	+8.57%

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

The community SNF beds per 1,000 residents for the age 65+ to 74 cohort in Subdistrict 5-2 are in the following chart.

**Subdistrict 5-2 (Pinellas County) District 5 & Florida
Community Nursing Home Bed to Population Aged 65-74 Ratio
July 1, 2019 & July 1, 2022**

County/Area	Licensed Community Beds	2019 Pop. Aged 65-74	July 1, 2019 Beds per 1,000	Licensed & Approved Community Beds	July 1, 2022 Pop. Aged 65-74	July 1, 2022 Beds per 1,000
Pinellas	7,679	131,319	58.48	7,736	137,895	56.10
District 5	9,627	200,303	48.06	9,790	211,216	46.35
State of Florida	81,363	2,379,631	34.19	84,530	2,547,685	33.18

Source: Florida Agency for Health Care Administration Population Estimates, February 2015 and Florida Nursing Home Bed Need Projections by District and Subdistrict, October 2019 Batching Cycle

As the Agency's fixed need formula places emphasis on the estimated bed rate for community SNF beds utilized by the population age 75+ in a subdistrict/district, the reviewer provides the following table for beds per 1,000 residents age 75+.

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**Subdistrict 5-2 (Pinellas County) District 5 & Florida
Community Nursing Home Bed to Population Aged 75+ Ratio
July 1, 2019 & July 1, 2022**

County/Area	Licensed Community Beds	2019 Pop. Aged 75+	July 1, 2019 Beds per 1,000	Licensed & Approved Community Beds	July 1, 2022 Pop. Aged 75	July 1, 2022 Beds per 1,000
Pinellas	7,679	103,378	74.28	7,736	111,750	69.23
District 5	9,627	154,231	62.42	9,790	168,114	58.23
State of Florida	81,363	1,833,175	44.38	84,530	2,026,052	41.72

Source: Florida Agency for Health Care Administration Population Estimates, February 2015 and Florida Nursing Home Bed Need Projections by District and Subdistrict, October 2019 Batching Cycle

As demonstrated in the preceding tables, as of July 1, 2019, Subdistrict 5-2’s age 65 to 74 population has 58.48 licensed beds per 1,000 compared to the District amount of 48.06 and the State’s 34.19 beds per 1,000. With the licensed and approved beds and the projected population growth for July 1, 2022, these ratios decline to 56.10 for Subdistrict 5-2, 46.35 per 1,000 for District 5 and 33.18 per 1,000 for the State.

As of July 1, 2019, Subdistrict 5-2’s age 75+ population has 74.28 licensed beds per 1,000 compared to the District amount of 62.42 and the State’s 44.38 beds per 1,000. With the licensed and approved beds and the projected population growth for July 1, 2022, these ratios decrease to 69.23 for Subdistrict 5-2, 58.23 per 1,000 for District 5 and 41.72 per 1,000 for the State.

The co-batched applicants state that the proposed projects are being submitted in response to the Agency’s October 4, 2019, fixed need pool publication of 266 community nursing home beds for the subdistrict.

Pinellas CON, LLC (CON application #10620) proposes to construct a 120-bed community nursing home in Subdistrict 5-2. The applicant states that 50 percent of the rooms will have handicapped accessible bathrooms, which is the standard for nursing homes in Florida.

PCL cites the experience of Mr. Bleich with developing nursing homes, work plans and strategies to implement goals for operational success. Mr. Bleich will direct the coordination of financing for the project, construction leadership and operational implementation. The applicant states its “representatives met with several local physicians and other providers, all of whom provide recommendation of approval” and cites their letters of support (see Item B. of this report).

A proposed location is discussed on pages 1-6 through 1-10 of CON application #10620. Claritas LLC 2019 population age 65+ by Pinellas County zip codes is provided along with projections to 2024 (pages 1-5 and 1-6, Table 1-2). The applicant indicates that a ‘preferred’ zip code is 33770, which does not have a nursing home. PCL indicates the age 65+

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2019 population for this zip code is 7,032 persons—projected to increase to 7,970 in 2024. Table 1-3 (on page 1-8) indicates the 12 zip codes within a five mile radius of the proposed facility has 62,467 persons aged 65+—projected to increase to 71,674 in 2024. The applicant’s figure 1-2 on page 1-7 of CON application #10620, shows 14 existing nursing homes in the 12 zip codes within five miles of the potential location. Pinellas CON LLC breaks the potential service area down to selected zip codes within a 10-minute drive time contour around Centroid in Zip code 33770 (CON application #10620 page 1-10, Table 1-4). The reviewer combines the 2019 population and projected 2024 population in the table below.

Population Estimates of Persons Age 65+ Residing in Selected Zip Codes

Within a 10-Minute Drive Time Contour around Centroid in Zip Code 33770			
ZIP Code	2019 Pop 65+	2024 Pop 65+	Increase
33756	7,720	8,747	1,027
33770	7,032	7,970	938
33771	10,370	11,889	1,519
33774	5,673	6,455	782
33778	4,268	4,886	618
33786	605	662	57
Total	35,668	40,609	4,941
And Within a Five Mile Radius of the Proposed Facility			
ZIP Code	2019 Pop 65+	2024 Pop 65+	Increase
33755	4,237	5,025	788
33764	8,105	9,316	1,211
33767	4,217	4,823	606
33773	4,878	5,705	827
33776	3,451	3,968	517
33785	1,911	2,228	317
Total 12 Zips	62,467	71,674	9,207

Source: CON application #10620, Tables 1-3 & 1-4 from Claritas LLC population estimates by age cohort and Zip Code 2019-2024 data set

Pinellas CON LLC notes that Zip Code 33770’s compound annual growth rate is 2.5 percent per year, which it indicates is “strong and persisting growth that would support a nursing home since *now* (sp.) *none* exist presently”. The reviewer notes that ZIP Code 33770 applies to the cities of Largo and Belleair Bluffs in Pinellas County.³ The applicant does not propose to condition project approval to a particular zip code or city.

PCL provided an analysis describing Pinellas County patient characteristics as they pertain to skilled nursing needs, services to be provided, patient assessment, admission, care planning and discharge.

³ Source is the USPS website at <https://tools.usps.com/zip-code-lookup.htm?citybyzipcode>.

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Pinellas CON LLC’s analysis of hospital discharges to nursing homes identified Major Diagnostic Categories (MDC) and Diagnosis Related Groups (DRG) to determine the types of services residents require. According to the applicant, the conditions represented within both the MDC and DRG categories require a regimen of care that includes:

- Kidney Dialysis
- OT
- PT
- Respiratory therapy
- Specialized Cardiac Care
- SLP therapy

The applicant addresses these within PCL’s CON application #10620 Schedule C Conditions.

The reviewer notes the following hospital MDC-related data with category breakdown provided by the applicant.

**Table 2-1 (CON application #10620)
Pinellas Hospital Discharges to Nursing Homes for Residents of Pinellas County Aged
65 Years of Age or Older, Calendar Year 2018**

MDC	Cases	Percent	Cumm.
08 Diseases & Disorders of the Musculoskeletal System & Conn Tissue	3,252	20.8%	20.8%
05 Diseases & Disorders of the Circulatory System	2,280	14.6%	35.4%
11 Diseases & Disorders of the Kidney & Urinary Tract	1,762	11.3%	46.7%
18 Infectious & Parasitic Diseases, Systemic or Unspecified Sites	1,680	10.8%	57.4%
04 Diseases & Disorders of the Respiratory System	1,666	10.7%	68.1%
01 Diseases & Disorders of the Nervous System	1,425	9.1%	77.2%
06 Diseases & Disorders of the Digestive System	1,174	7.5%	84.7%
10 Endocrine, Nutritional & Metabolic Diseases & Disorders	569	3.6%	84.4%
09 Diseases & Disorders of the Skin, Subcutaneous Tissue & Breast	460	2.9%	91.3%
23 Factors Influencing Hlth Stat & Othr Contacts With Hlth Serves	221	1.4%	92.7%
07 Diseases & Disorders of the Hepatobiliary System & Pancreas	219	1.4%	94.1%
19 Mental Diseases & Disorders	208	1.3%	95.5%
16 Diseases & Disorders of Blood, Blood Forming Organs, Immunolog Disord	162	1.0%	96.5%
00 Pre MDC	155	1.0%	97.5%
21 Injuries, Poisonings & Toxic Effects of Drugs	136	0.9%	98.4%
03 Diseases & Disorders of the Ear, Nose, Mouth & Throat	55	0.4%	98.7%
24 Multiple Significant Trauma	51	0.3%	99.0%
17 Myeloproliferative Diseases & Disorders, Poorly Differentiated Neoplasm	42	0.3%	99.3%
12 Diseases & Disorders of the Male Reproductive System	32	0.2%	99.5%
13 Diseases & Disorders of the Female Reproductive System	28	0.2%	99.7%
20 Alcohol/Drug Use & Alcohol/Drug Induced Organic Mental Disorders	21	0.1%	99.8%
25 Human Immunodeficiency Virus Infections	13	0.1%	99.9%
02 Diseases & Disorders of the Eye	12	0.1%	100.0%
22 Burns	2	0.0%	100.0%
Total	15,625	100.00%	

Source: CON application #10620, Tab 2, Table 2-1, Page 2-3

The applicant maintains that it is apparent from tables above that five most frequent MDCs account for 10,640 cases or 68.1 percent of Pinellas County's 65+ cohort of patients discharged to SNFs. As shown in the table above, these categories include the musculoskeletal system, circulatory system, kidney & urinary tract system, infectious diseases, and respiratory system. Many of the conditions that fall into these five categories require medical management, post-surgical care including

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wound care, administration of medicines and training to use supportive equipment and assistive devices, and will benefit directly from the proposed unit conditions.

The applicant provided the table below that extracts the top 30 DRGs to determine the most frequently encountered conditions.

**Table 2-2 (CON application #10620)
Diagnostic Related Groups that Represent the Majority of Conditions for Elderly
Residents of Pinellas County Discharge to Nursing Homes, CY 2018**

MDC	Cases	Percent	Cumm.
871 Septicemia or Severe Sepsis W/O MV >96 Hours W MCC	1,126	7.2%	7.2%
Major Hip and Knee Joint Replacement or Reattachment of Lower Extremity W/O MCC	648	4.1%	11.4%
291 Heart Failure & Shock W MCC or Peripheral Extracorporeal Membrane	539	3.4%	14.8%
481 Hip & Femur Procedures Except Major Joint W CC	362	2.3%	17.1%
689 Kidney & Urinary Tract Infections W MCC	340	2.2%	19.3%
682 Renal Failure W MCC	333	2.1%	21.4%
690 Kidney & Urinary Tract Infections W/O MCC	306	2.0%	23.4%
683 Renal Failure W CC	287	1.8%	25.2%
552 Medical Back Problems W/O MCC	260	1.7%	26.9%
189 Pulmonary Edema & Respiratory Failure	222	1.4%	28.3%
193 Simple Pneumonia & Pleurisy W MCC	210	1.3%	29.7%
853 Infectious & Parasitic Diseases W O.R. Procedure W MCC	200	1.3%	30.9%
698 Other Kidney & Urinary Tract Diagnoses W MCC	195	1.2%	32.2%
563 Fx, Sprn, Strn & Disl Except Femur, Hip, Pelvis & Thigh W/O MCC	193	1.2%	33.4%
872 Septicemia or Severe Sepsis W/O MV >96 Hours W/O MCC	190	1.2%	34.6%
312 Syncope & Collapse	179	1.1%	35.8%
177 Respiratory Infections & Inflammations W MCC	177	1.1%	36.9%
641 Misc Disorders of Nutrition, Metabolism, Fluids/Electrolytes W/O MCC	172	1.1%	38.0%
603 Cellulitis W/O MCC	159	1.0%	39.0%
065 Intracranial Hemorrhage or Cerebral Infarction W CC or TPA in 24 Hrs	158	1.0%	40.0%
057 Degenerative Nervous System Disorders W/O MCC	156	1.0%	41.0%
064 Intracranial Hemorrhage or Cerebral Infarction W MCC	156	1.0%	42.0%
280 Acute Myocardial Infarction, Discharged Alive W MCC	156	1.0%	43.0%
378 G.I. Hemorrhage W CC	147	0.9%	44.0%
392 Esophagitis, Gastroent & Misc Digest Disorders W/O MCC	143	0.9%	44.9%
640 Misc Disorders of Nutrition, Metabolism, Fluids/Electrolytes W MCC	143	0.9%	45.8%
480 Hip & Femur Procedures Except Major Joint W MCC	132	0.8%	46.6%
536 Fractures of Hip & Pelvis W/O MCC	132	0.8%	47.5%
190 Chronic Obstructive Pulmonary Disease W MCC	130	0.8%	48.3%
194 Simple Pneumonia & Pleurisy W CC	130	0.8%	49.2%
884 Organic Disturbances & Intellectual Disability	123	0.8%	49.9%
Major Hip and Knee Joint Replacement or Reattachment of Lower Extremity W MCC or Total Ankle Replacement	114	0.7%	50.7%
Subtotal	7,918	50.7%	
Other	7,707	49.3%	
Total	15,625	100.00%	

Source: CON application #10620, Tab 2, Table 2-2, Page 2-4

PCL notes that of the 15,625 Pinellas County elderly discharged to nursing homes, 7,918 or 50 percent are associated with the 32 top DRGs. The applicant states that the conditions presented by these MDC and DRG categories require a care regiment that includes physical, speech, occupational and respiratory therapies. Further, progressive therapeutic activity for weight bearing is required, with measured progress, so that residents can gain control of mobility. The applicant indicates that progressive exercises, guided by PT and OT, are required to enhance flexibility in joints as well as legs and back; abdominal strengthening is also necessary.

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PCL notes that circulatory system disorders (MDC 5) are the second most prevalent and heart disease was the number one cause of death for Pinellas County residents in CY 2018 “with 772 succumbing to the disease. District 3 discharged 518 Pinellas County residents having circulatory system disorders (discharged) to skilled nursing facilities in 2018.” The reviewer notes that Table 2-1 above shows 2,280 Pinellas County residents having circulatory system disorders discharged from Pinellas County hospitals to skilled nursing facilities in 2018. The Florida Vital Statistics Annual Report 2018, lists Heart Diseases as the cause for 2,631 Pinellas County resident deaths in CY 2018.

PCL discusses its proposed 20-bed care cardiac unit/Cardiac Care Program stating that cardiac rehabilitation involves stamina increasing cardio-pulmonary activities that include the following:

- Walking
- Weight-bearing exercises
- Flexibility
- Some strength training

The applicant states that additional occupational therapies provide finer motor skills; these include standing and performing tasks using the arms. Pinellas CON LLC proposes a 20-bed cardiac rehabilitation unit to benefit these residents as addressed within the Schedule C Conditions.

PCL points out that circulatory issues often appear with respiratory conditions, so like those in MDCs 8 & 5, a combination of therapies would be required. PCL states that for Chronic Obstructive Pulmonary Disease (COPD) patients—medication management is crucial and strength and stamina gains often help. Also needed for respiratory conditions is educational information on managing symptoms and instruction on breathing techniques to minimize shortness of breath. Pulmonary rehabilitation also includes monitored exercise sessions and equipment which may be supplied at discharge. PCL states that chronic lower respiratory diseases were the fifth leading of death for Pinellas County residents in CY 2018 “with 245 succumbing to the disease. District 3 hospitals discharged 284 Pinellas County residents having respiratory system disorders to skilled nursing facilities in 2018.” The reviewer notes that Table 2-1 above shows 1,666 Pinellas County residents having circulatory system disorders discharged from Pinellas County hospitals to skilled nursing facilities in 2018. The Florida Vital Statistics Annual Report 2018, lists Chronic Lower Respiratory Diseases as the cause for 742 Pinellas County resident deaths in CY 2018. The applicant is conditioning this application upon a 20-bed respiratory unit to benefit these residents with circulatory issues.

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PCL next addresses its proposed 20-bed dialysis program. The applicant notes that 1,762 Pinellas County residents age 65 and older were in the kidney and urinary tract conditions (MDC 11). Five DRG categories accounted for 1,461 elderly discharges to nursing homes in 2018 and the applicant contends some of these may require renal support through hemodialysis to recover. Education is also stated to be important to provide ways of managing the condition. Infections are also addressed with PCL citing therapeutic intervention with antibiotics in addition to catheter care, incontinence services, bowel and bladder training and a variety of other supportive services may be required. PCL concludes that having all private rooms “aids in infection control in addition to providing residents with the highest level of privacy during their stay”. The applicant conditions project approval upon a 20-bed dialysis program to benefit residents with kidney related issues.

PCL provides the following table to explain their operational forecast:

**Table 1-5 (CON application #10620)
The Elements of Forecasting Future Utilization for Pinellas SNF
First Two Years**

Pinellas County	Factor
Licensed Beds	7,679
Approved Beds	57
Total Beds	7,736
Occupancy Rate Baseline	87.59%
Net Need	266
2019 Population 65+	248,751
Resident Days	2,455,021
Days per 1,000 65+	9,869
Population 65+ CAGR	3.04%
2023 Population 65+	280,435
Expected Days	2,767,726
2024 Population 65+	288,968
Expected Days	2,851,938
Pinellas SNF New Facility	
Year One Resident Days @ 51%	22,510
Average Daily Census	62
Occupancy	51%
Year Two Resident Days @ 89%	39,089
Average Daily Census	107
Occupancy	89%
Pinellas County Impact	
Days Remaining Year 1 after Pinellas SNF	2,745,216
Occupancy of 7,739 Beds, Year 1	98.0%
Days Remaining Year Two after Pinellas SNF	2,812,849
Occupancy of 7,739 Beds, Year Two	99.6%

Source: CON application #10620, Need Analysis, Tab 1, Table 1-5, Pages 1-10 & 11

Pinellas CON LLC indicates that “a drive time of 10 minutes or less for the elderly represents a reasonable travel time to obtain community nursing home care”, this area includes six zip codes. However, the applicant used the five-mile radius (12 zip codes) in the projections

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below. The reviewer notes that the applicant calculated the following table for PCL’s placement specifically into Zip Code 33770 and within a five-mile radius of the proposed facility.

**Table 1-6 (CON application #10620)
The Elements of Forecasting Future Utilization for Pinellas SNF
First Two Years Within the Area Circumscribed by Five-mile Radius**

Five-mile Radius of Target Zip 33770	Factor
2019 Population 65+	62,467
Number of Nursing Homes	14
CAGR	2.79%
Resident Days	552,554
Days per 1,000 65+	8,846
Licensed Beds	1,764
Occupancy Rate of Nursing Homes	85.8%
<hr/>	
2023 Population 65+	69,730
Expected Days	616,799
2024 Population 65+	71,674
Expected Days	633,995
<hr/>	
Pinellas SNF New Facility	
Year One Resident Days @ 51%	22,510
Average Daily Census	62
Occupancy	51%
Year Two Resident Days @ 89%	39,089
Average Daily Census	107
Occupancy	89%
<hr/>	
Target Area Impact	
Days Remaining Year One after Pinellas SNF	594,289
Occupancy of 7,764 Beds, Year One	92.3%
Days Remaining Year 2 after Pinellas SNF	594,906
Occupancy of 7,764 Beds, Year Two	92.4%

Source: CON application #10620, Need Analysis, Tab 1, Table 1-6, Page 1-12

The reviewer notes the applicant’s inclusion of several pages of maps, tables and data indicating a specific need for a community SNF; the applicant places substantial emphasis on Zip Code 33770 as being exceptionally appropriate as the location for PCL’s proposed 120-bed SNF. The applicant contends that this is due to the concentration of the 65+ cohort population individuals within this location, shorter driving times to family and/or responsible party residences and various amenities, and the centralized location in relation to other Zip Codes in Pinellas County that contain approximately 40,000-plus residents 65 years old or greater: 33756, 33771, 33774, 33778 & 33786.

Pinellas Palms NH LLC (CON application #10621) proposes to construct a 120-bed community nursing home in Subdistrict 5-2. The SNF will consist of 56 private rooms, including four private bariatric rooms.

Pinellas Palms cites its proposed location “adjacent to and developed in coordination with American House Senior Living Campus” as a benefit to the St. Petersburg community providing seniors with a secure residential

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campus accommodating different stages of aging, as health care needs increase. PPN notes that the site specified in its Schedule C Conditions is already properly zoned; this allows development of the proposed community SNF to proceed at once, if it receives CON approval.

PPN maintains that the Pinellas Palms proposal, if approved, will construct a new 120-bed community SNF on a senior living campus in St. Petersburg. Prevarian Senior Living is developing a 12-acre senior living campus for American House Senior Living Communities that will include independent living, assisted living and memory care. The applicant comments that it will have resort-style amenities and services that include a swimming pool, theater, spa, salon, massage services, fitness center and other features. PPN points out that the project fulfills facility-specific demand of Greystone affiliates in the area that averages over 93 percent occupancy.

The applicant states that Pinellas County is the most densely populated county in Florida with 3,323.12 persons per square mile. Pinellas County is home to 930,141 residents, of which 232,142 or; 25 percent; are age 65+ cohort population (Source: January 2019 Population Density, Florida Hospital Bed Need Projections & Service Utilization by District, January 18, 2019). Furthermore, the applicant states that the projected population estimates indicate that the age 65 elderly population in Pinellas County will increase by 25,277 persons over the next five years, at a rate of 2.1 percent per year. PPN contends that the 65+ population not only increases in number, but it also increases in proportion to the total population. The applicant states that this increases the demand for health and social services, including community SNF care. The applicant supports this assertion with Table 1-2, CON application #10622, Tab 1, Need Analysis, Need, Page 1-12. The applicant notes and the reviewer confirms that the Pinellas County concentration of 65+ cohort is greater than the district average at 25.8 percent, or the State of Florida at 21.5 percent, which indicates the future need for residential and health care services for that population.

Pinellas Palms provides an analysis of the St. Petersburg area by Zip Code which demonstrates that 55 percent of all seniors age 65 and over reside within a 10-mile radius of the proposed site. The reviewer notes the zip codes within a five-mile radius are 33781 and 33706-33714. Additional zip codes in the 10-mile radius include 33760, 33762, 33771, 33773, 33374, 33778, 33782, 33701-33705, 33716, 33772, 33776 and 33777. See the reviewer's selected rendition of the applicant's Table 1-3 below.

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**Current & Projected Population Age 65 & over within a 5 and 10-Mile Radius of the
Proposed Location in Zip Code 33710
January 2019 & January 2024**

Area	January 2019 Total Population	January 2019 Pop. Aged 65+	January 2024 Total Population	January 2024 Pop. Aged 65	Total Population Percent Increase	Age 65+ Total Population Percent Increase
5-Mile Radius	249,601	58,826	261,810	68,619	4.9%	16.6%
10-Mile Radius	579,375	135,969	609,481	159,003	5.2%	16.9%
Other Zip Codes	411,295	112,782	433,166	129,965	5.3%	15.2%
Pinellas Total	990,670	248,751	1,042,647	288,968	5.2%	16.2%

Source: CON application #10621 page 1-13 from Claritas, 2019 Update.

The applicant points out a more specific analysis of the St. Petersburg area by Zip Code (33701) shows that over half the Pinellas County population, and 55 percent of all 65+ cohort, reside within a 10-mile radius of the proposed community SNF site. PPN maintains that over the next five years, age 65+ population growth within the 10-mile radius will add 23,034 persons, a 16.9 percent increase over the current 135,969 age 65+ cohort population.

Pinellas Palms NH LLC includes a map which shows four hospitals within a five-mile radius, and additional one within a 10-mile radius and two other hospitals on the cusp of the 10-mile radius (CON application #10621, Page 1-14). The reviewer notes the inclusion of various tables and maps, occupancy and utilization percentages of surrounding community SNFs with accompanying analysis support the applicant’s choosing the St. Petersburg Zip Code 33701 for the location of the proposed SNF. CON application #10621, Page 1-16, Table 1-4, has nursing homes (21) within a five mile radius and Pinellas County population estimates by zip code are included in CON application #10621, Page 1-16 & Exhibit 1-2, Pages 1-23 to 1-27).

The applicant provides the following two tables of forecasted utilization:

**CON application #10621
Forecasted Utilization for Pinellas County
July 1, 2023 – June 30, 2024**

Resident Days July 1, 2018 to June 30, 2019	2,455,021
Pinellas County Population 65+, January 2019	232,142
Days Per 1,000 Persons, 65+, 2019	10,576
Pinellas County Population 65+, January	257,419
Resident Days Forecasted for 7/2023-6/2024	2,722,338
Increase in Resident Days	267,317
Proposed Pinellas Palms Days @ 95% (120 beds)	41,610
Deduct Pinellas Palms Days from increase in days	225,707
Average Daily Census, 7/23-6/24, Remaining Days	618

CON application #10621, Tab 1, Page 1-18, Table 1-5

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**CON application #10621
Projected Utilization for the New 120-Bed Facility
First Two Years of Operation**

Year	Admits	Patient Days	Occupancy Rate	ADC
Year One (7/2022 – 6/2023)	554	25,131	57.38%	69
Year Two (7/2023 – 6/2024)	985	41,724	95.00%	114

CON application #10621, Tab 1, Page 1-19, Table 1-6

The applicant indicates that the selected hospitals located near the proposed Pinellas Palms site discharged 11,120 adults to area community SNFs that represent over 58 percent of the 19,041 community SNF discharges from all of Pinellas County hospitals.

PPN indicates that the following table presents information for the most recent annual period having certified data, CY 2018, by MDC, which demonstrate patient characteristics that skilled nursing care is needed.

**CON application #10621
Discharges to Nursing Homes for Pinellas County Adult Residents, CY 2018
From All Pinellas Hospitals, and Hospitals within an Approximate 10-Mile Radius**

Major Diagnostic Category (MDC)	Selected Hospitals*		All Pinellas Hospitals	
	Cases	Percent	Cases	Percent
08 Diseases & Disorders of the Musculoskeletal System & Conn Tissue	2,141	19.3%	3,810	20.0%
05 Diseases & Disorders of the Circulatory System	1,472	13.2%	2,643	13.9%
18 Infectious & Parasitic Diseases, Systemic or Unspecified Sites	1,404	12.6%	2,236	11.7%
11 Diseases & Disorders of the Kidney & Urinary Tract	1,225	11.0%	2,025	10.6%
04 Diseases & Disorders of the Respiratory System	1,110	10.0%	2,034	10.7%
01 Diseases & Disorders of the Nervous System	1,003	9.0%	1,768	9.3%
06 Diseases & Disorders of the Digestive System	825	7.4%	1,374	7.2%
10 Endocrine, Nutritional & Metabolic Diseases & Disorders	476	4.3%	739	3.9%
09 Diseases & Disorders of the Skin, Subcutaneous Tissue & Breast	327	2.9%	566	3.0%
19 Mental Diseases & Disorders	225	2.0%	302	1.6%
07 Diseases & Disorders of the Hepatobiliary System & Pancreas	187	1.7%	325	1.7%
23 Factors Influencing Hlth Stat & Othr Contacts With Hlth Serves	156	1.4%	246	1.3%
16 Diseases & Disorders of Blood, Blood Forming Organs, Immunolog Disord	112	1.0%	194	1.0%
00 Pre MDC	111	1.0%	221	1.2%
21 Injuries, Poisonings & Toxic Effects of Drugs	108	1.0%	190	1.0%
03 Diseases & Disorders of the Ear, Nose, Mouth & Throat	47	0.4%	73	0.4%
17 Myeloproliferative Diseases & Disorders, Poorly Differentiated Neoplasm	39	0.4%	60	0.3%
24 Multiple Significant Trauma	39	0.4%	67	0.4%
25 Human Immunodeficiency Virus Infections	34	0.3%	41	0.2%
20 Alcohol/Drug Use & Alcohol/Drug Induced Organic Mental Disorders	29	0.3%	38	0.2%
12 Diseases & Disorders of the Male Reproductive System	20	0.2%	37	0.2%
13 Diseases & Disorders of the Female Reproductive System	18	0.2%	33	0.2%
02 Diseases & Disorders of the Eye	10	0.1%	16	0.1%
22 Burns	2	0.0%	3	0.0%
Grand Total	11,120	100.0%	19,041	100.0%

Source: CON application #10621, Table 2-1, Page 2-3

Note: Selected hospitals include Bayfront Health St. Petersburg, Largo Medical Center – Indian Rocks, Northside Hospital, Palms of Pasadena Hospital, St. Anthony’s Hospital, St. Petersburg General Hospital and Largo Medical Center.

The applicant notes its table includes all Pinellas County acute care hospitals within a 10-mile radius and the reviewer confirms these facilities are within the applicant’s 10-mile radius, with the exception of Largo Medical Center located approximately 10.19 miles in zip code 33770. Largo Medical Center’s 33770 zip code is not listed as a within 10-mile zip code but the facility would obviously serve patients residing in these zip codes. In the applicant’s table, the top five MDCs account

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for 12,748 cases, or 67.0 percent of the discharges to community SNFs from Pinellas County Hospitals, and 7,352 cases, or 66.1 percent of the discharges to community SNFs from hospitals within an approximate 10-mile radius of the proposed PPN facility. The applicant points out that the categories include:

- Diseases and disorders of the musculoskeletal system
- Circulatory system
- Infectious diseases
- Kidney and urinary tract system
- Respiratory system

PPN asserts that many of the conditions that fall into these top MDCs require medical management, post-surgical care including wound care, administration of medicines and training to use supportive equipment and assistive devices.

The applicant's table that follows extracts the top 50 DRGs to determine the most frequently encountered conditions for hospitals within an approximate 10-mile radius of the proposed site.

**CON application #10621
Top 25 of 50 Diagnostic Related Groups that Represent the Majority of Conditions for
Pinellas Residents Discharged to Nursing Homes in 2018
from Hospitals within an Approximate 10-Mile Radius of the Proposed Site**

Diagnostic Related Group (DRG)	Total Cases	Percent of Total	Cumm. Percent
871 Septicemia or Severe Sepsis W/0 MV >96 Hours W MCC	889	8.0%	8.0%
470 Major Hip & Knee Joint Replacement or Reattachment of Lower Extremity W/0 MCC	474	4.3%	12.3%
291 Heart Failure & Shock W MCC or Peripheral Extracorporeal Membrane Oxygenation (ECMO)	334	3.0%	15.3%
682 Renal Failure W MCC	242	2.2%	17.4%
689 Kidney & Urinary Tract Infections W MCC	214	1.9%	19.4%
853 Infectious & Parasitic Diseases W O.R. Procedure W MCC	212	1.9%	21.3%
690 Kidney & Urinary Tract Infections W/0 MCC	209	1.9%	23.1%
683 Renal Failure W CC	205	1.8%	25.0%
552 Medical Back Problems W/0 MCC	186	1.7%	26.7%
481 Hip & Femur Procedures except Major Joint W CC	174	1.6%	28.2%
698 Other Kidney & Urinary Tract Diagnoses W MCC	141	1.3%	29.5%
193 Simple Pneumonia & Pleurisy W MCC	139	1.3%	30.7%
641 Misc Disorders of Nutrition, Metabolism, Fluids/Electrolytes W/0 MCC	130	1.2%	31.9%
177 Respiratory Infections & Inflammations W MCC	127	1.1%	33.1%
872 Septicemia or Severe Sepsis W/0 MV >96 Hours W/0 MCC	127	1.1%	34.2%
603 Cellulitis W/0 MCC	115	1.0%	35.2%
640 Misc Disorders of Nutrition, Metabolism, Fluids/Electrolytes W MCC	114	1.0%	36.3%
064 Intracranial Hemorrhage or Cerebral Infarction W MCC	113	1.0%	37.3%
563 Fx, Sprn, Strn & Disl except Femur, Hip, Pelvis & Thigh W/0 MCC	112	1.0%	38.3%
885 Psychoses	110	1.0%	39.3%
280 Acute Myocardial Infarction, Discharged Alive W MCC	109	1.0%	40.3%
190 Chronic Obstructive Pulmonary Disease W MCC	108	1.0%	41.2%
312 Syncope & Collapse	106	1.0%	42.2%
392 Esophagitis, Gastroent & Misc Digest Disorders W/0 MCC	105	0.9%	43.1%
884 Organic Disturbances & Intellectual Disability	105	0.9%	44.1%
SUBTOTAL	4,900	44.1%	

Source: CON application #10621, Tab 2, Table 2-2A, Page 2-4

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The applicant notes that of the 11,120 discharges, the top 25 DRGs represent 4,900 cases or a cumulative 44.1 percent; another 25 DRGs, increase the cases by 1,800, representing 16.2 percent of the top cases to achieve a cumulative total of 60.3 percent. PPN continues this analysis with the following table.

**CON application #10621
Remaining Top 50 Diagnostic Related Groups that Represent the Majority of
Conditions for Pinellas Residents Discharged to Nursing Homes in 2018
from Hospitals within an Approximate 10-Mile Radius of the Proposed Site**

Diagnostic Related Group (DRG)		Total Cases	Percent of Total	Cumm. Percent
189	Pulmonary Edema & Respiratory Failure	104	0.9	45.0
208	Respiratory System Diagnosis W Ventilator Support <=96 Hours	100	0.9	45.9
057	Degenerative Nervous System Disorders W/O MCC	97	0.9	46.8
065	Intracranial Hemorrhage or Cerebral Infarction W CC or TPA in 24 HRS	94	0.8	47.6
194	Simple Pneumonia & Pleurisy W CC	94	0.8	48.5
493	Lower Extrem & Humer Proc except Hip, Foot, Femur W CC	90	0.8	49.3
377	G.I. Hemorrhage W MCC	75	0.7	50.0
394	Other Digestive System Diagnoses W CC	75	0.7	50.6
378	G.L. Hemorrhage W CC	73	0.7	51.3
191	Chronic Obstructive Pulmonary Disease W CC	71	0.6	51.9
100	Seizures W MCC	68	0.6	52.5
638	Diabetes W CC	68	0.6	53.1
480	Hip & Femur Procedures except Major Joint W MCC	65	0.6	53.7
469	Major Hip & Knee Joint Replacement or Reattachment Of Lower Extremity W MCC Or Tot Al Ankle Replacement	64	0.6	54.3
292	Heart Failure & Shock W CC	63	0.6	54.9
309	Cardiac Arrhythmia & Conduction Disorders W CC	63	0.6	55.4
536	Fractures of Hip & Pelvis W/O MCC	63	0.6	56.0
637	Diabetes W MCC	63	0.6	56.6
101	Seizures W/O MCC	62	0.6	57.1
948	Signs & Symptoms W/O MCC	62	0.6	57.7
308	Cardiac Arrhythmia & Conduction Disorders W MCC	59	0.5	58.2
314	Other Circulatory System Diagnoses W MCC	59	0.5	58.7
605	Trauma to the Skin, Subcut Tiss & Breast W/O MCC	57	0.5	59.3
699	Other Kidney & Urinary Tract Diagnoses W CC	57	0.5	59.8
391	Esophagitis, Gastroent & Misc Digest Disorders W MCC	54	0.5	60.3
SUBTOTAL		1,800	16.2%	

Source: CON application #10621, Tab 2, Table 2-2B, Page 2-5

PPN points out that progressive therapeutic activity for weight bearing is required, with measured progress, so that residents can gain control of mobility. The applicant indicates that progressive exercises, guided by PT and OT, are required to enhance flexibility in joints as well as legs and back; abdominal strengthening is also necessary. The applicant points out the correlation between the types of services for related conditions, such as therapeutic involvement for musculoskeletal conditions.

Pinellas Palms states that cardiac rehabilitation involves stamina-increasing cardio-pulmonary activities that include the following:

- Walking
- Weight-bearing exercises
- Flexibility
- Some strength training

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The applicant states that OT provides finer motor skills; these include standing and performing tasks using the arms. The applicant points out that a circulatory issue often appears with a respiratory condition, MDCs 8 and 5 exhibited concurrently. Therefore, PPN supports a combination of these therapies to address the individual's need.

The applicant contends that those patients with COPD, a chronic condition where medication management is crucial, are of major concern; strength and stamina gains will often improve these conditions. Also needed for respiratory conditions is educational information on managing symptoms and instruction on breathing techniques to minimize shortness of breath. Pulmonary rehabilitation also includes monitored exercise sessions and equipment which may be supplied at discharge. PNN states the type of respiratory equipment include ventilators, apnea monitors, nebulizers, continuous positive airway pressure (CPAP), and bi-level positive airway pressure (BiPAP) machines, and oxygen concentrators. Infections and treatment thereof is also addressed, with PNN indicating dialysis will be provided under contract with a provider within the facility and transportation will be provided for residents requiring blood transfer dialysis.

PruittHealth – Pinellas County, LLC (CON application #10622): proposes to construct an SNF with 120 private rooms, 100 percent of the rooms having handicapped accessible bathrooms.

PHP **states it** carried out detailed market research to determine how it can be of biggest benefit and add greatest value to the residents of the Subdistrict 5-2 service area. Based on an evaluation of services provided at the licensed SNFs in Subdistrict 5-2, from their respective websites and FloridaHealthFinder.gov, it is confirmed that none of the 69 community SNFs in Subdistrict 5-2 have significant numbers of all-private/single occupancy accommodations.⁴ PHP states that its 120-bed facility will increase Pinellas County's private SNF bed inventory by 16 percent. The overall increase would be from approximately 9.4 percent to approximately 10.9 percent of the subdistrict's total beds being in private rooms.

PHP produced a large number of tables, maps and graphs regarding the population of Pinellas County and the current availability of specific types of community SNF beds: private vs. dual (or higher occupancy) and hospitals.

⁴ The reviewer notes the applicant's analysis states the subdistrict has 70 community nursing homes as PHP includes Masonic Home of Florida, which is a sheltered bed facility.

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PHP asserts that many dual or higher occupancy rooms existing in Subdistrict 5-2 cannot be fully utilized due to mixing of genders and potentially highly infectious diseases that may require isolation which all-private/ single occupancy rooms will address and remedy.

PHP will enhance programmatic accessibility for Medicaid Long-term Care (LTC) enrollees, individuals are not typically enrolled in Medicaid long-term care plans until they are in need of such care. The applicant points out that Medicare, on the other hand, covers short-term care (STC) stays in nursing facilities, focused on rehabilitation and skilled care. The applicant maintains that when a patient exhausts their Medicare days in the community SNF, they are converted to LTC enrollment provided they financially qualify. Additionally, PHP comments that those who are disabled, low-income, under Medicare ages, who are enrolled in Medicaid managed care plans and FFS, will immediately meet the income qualifiers to be enrolled in Medicaid LTC; all of these patients will be housed in private rooms.

PHP comments that Alzheimer's disease is a degenerative brain disease thought to begin 20 years or more before symptoms are actually visible in the patient, beginning with small changes in the brain that are unnoticeable to the person affected. After years of brain changes, the applicant comments that individuals experience noticeable symptoms, such as memory loss and language problems, individuals typically live with Alzheimer's symptoms for years. PHP maintains that over time, symptoms increase and start interfering with the person's ability to perform everyday activities. At this point in the disease, the applicant contends that the individual is said to have dementia due to Alzheimer's disease, referred to as Alzheimer's dementia, individuals in the final stages of Alzheimer's disease are bed-bound and require around the clock care.

The applicant cites a study that estimated 5.8 million Americans of all ages are living with Alzheimer's dementia in 2019. The study continues by saying that, of those, 5.6 million are 65+ years, and of the 5.8 million people with Alzheimer's dementia, 81 percent are 75+ years.

PHP cites another study using data from the Established Populations for Epidemiologic Study of the Elderly (EPESE), which claims that approximately 487,000 people age 65 and older will develop Alzheimer's dementia in the United States in 2019.

The applicant also notes further studies that have much higher incidences of the disease. PHP states that, according to the Chicago Health and Aging Project (CHAP), a population based study of chronic health conditions of older people, approximately 910,000 people 65+ developed Alzheimer's dementia in 2011, for those ages 65 to 74, four of

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every 1,000 people in a single year will develop Alzheimer's dementia within a year, and for those ages 75 to 84, 32 of every 1,000 people will develop Alzheimer's dementia within a year, and for those 85 and older, 76 of every 1,000 will develop the disease. PHP asserts that because of the increasing number of people in the 65+ cohort in the United States, particularly the oldest cohorts, the annual number of new cases of Alzheimer's and other dementias is projected to double by 2050.

PHP contends that of the total population in the United States:

- One in 10 people aged 65+ have Alzheimer's dementia.
- The occurrence of Alzheimer's dementia increases with age:
 - Three percent of people aged 65 to 74
 - 17 percent of people aged 75 to 84
 - 32 percent of people aged 85+

PHP notes that, according to the Alzheimer's Association, it is estimated that there are 560,000 residents age 65+ in Florida in 2019 who have Alzheimer's disease or some other form of dementia, by 2025 that number will increase by 28.6 percent to 720,000 seniors. The applicant indicates that Alzheimer's disease is now the sixth leading cause of death in Florida, and it is estimated that one in three seniors dies with Alzheimer's disease or some other dementia. The applicant notes that comparison of national prevalence rates by age cohort to population estimates and projections reveals that there are currently 28,713 persons afflicted with Alzheimer's disease in Subdistrict 5-2. PHP maintains that this statistic is projected to increase by 11.3 percent, to 31,954 people, by the year 2024.

Tab 3 in Volume II of CON application #10622 includes the 2019 Alzheimer's Disease Facts and Figures prepared by the Alzheimer's Association, which includes data in support of PHP's Alzheimer need argument. See the table below.

**Estimates of Persons Afflicted with Alzheimer's Dementia
Subdistrict 5-2: Pinellas County
2019 and 2024**

Age Cohort	2019			2024		
	Population	Incidence	Alzheimer's Estimate	Population	Incidence	Alzheimer's Estimate
Age 65-74	138,071	3%	4,142	168,161	3%	5,045
Age 75-84	72,288	17%	12,289	78,329	17%	13,316
Age 85+	38,380	32%	12,282	42,479	32%	13,593
Total	248,739		28,713	288,969		31,954

Source: CON application #10622, Page 72 from Claritas/EnviroNics, 2019 Alzheimer's Disease Facts and Figures, Alzheimer's Association & NHA Analysis

As shown above, PHP estimates that in 2019 there are 28,713 persons with Alzheimer's dementia which is expected to increase to 31,954 by 2024 or by 11.3 percent. PHP indicates a one day telephone survey with the five SNFs that have secure Alzheimer's unit revealed extensive

waiting lists, semi-private accommodations and one only one semi-private bed available. The Largo/Clearwater area is stated to be the area in most need of an Alzheimer's unit and PHH "is confident it will find a site in the area".

The reviewer notes PHP conditions project approval to the facility having a 16-bed secure Alzheimer's unit. PHP's Schedule C Conditions also stipulate that at least one Certified Dementia Practitioner would be on staff on the Alzheimer's unit every shift. PHP will also implement the *It's Never 2 Late*® (iN2L) computer system to residents of the Alzheimer's unit as a tool to empower and engage seniors, specifically those with dementia.

PHP is also responding to a growing demand for bariatric rooms and services to accommodate obese patients by adding as one of its Schedule C conditions maintenance of four full bariatric rooms/suites.

The applicant indicates an October 2017 study published by the Centers for Disease Control and Prevention (CDC) that found the prevalence of obesity among adults in the United States increased rapidly between the years 1980 and 2000. PHP maintains that although trends slowed in the most recent two decades, the overall age-adjusted obesity rate remains at 39.4 percent in adults. The prevalence among adults ages 40-59 is 42.8 percent, and amongst those 60+ it is 41 percent.

The applicant states that obesity is a risk factor for numerous diseases and conditions, including Type 2 diabetes, cardiovascular disease and many cancers. PHP maintains that researchers have projected 65 million more adults with obesity in the United States in 2030 than in 2010. The applicant notes that despite the recent trends reflecting a reduction in the rate of increase of obesity, there are still projected to be six million additional cases of Type 2 diabetes, five million cases of cardiovascular disease and 400,000 cases of cancer by 2030, all of which can be attributed to obesity rates.

The applicant states that, according to the CDC, prevalence of obesity varies from state to state. PHP cites a more recent May 2018 study from the University of Florida, Florida Hospital, and the Obesity Action Coalition, in which researchers reviewed health data of nine million Floridians. These researchers found that 37.1 percent of Floridians are considered obese. Women had higher obesity rates compared with men. Obesity rates varied within racial/ethnic groups, with the highest rate among African Americans (45.7 percent). Hispanics also have a higher prevalence of obesity than Caucasian populations.

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Tab 19 in Volume III of CON application #10622 includes an article entitled ‘Characterization of adult obesity in Florida using the OneFlorida clinical research consortium’ in support of PHP’s need for bariatric beds. The reviewer notes that PHP did not include copies of any of the primary source data it used to make these assertions concerning the prevalence or health consequences of obesity in its CON application #10622.

The reviewer notes that the applicant does not cite the complete numerical and/or statistical data from the University of Florida study supporting the differentiation of obesity rates for women, Hispanics or other relevant applicant-referenced subgroups, other than the generalized statistic provided by PHP for the African American population. The reviewer also notes that the applicant’s statistical information provided concerning African Americans does not differentiate between subgroups including age group, gender or socioeconomic status.

**Estimates of Residents with Obesity
Ages 65+, Subdistrict 5-2, Pinellas County, 2019 & 2024**

Pinellas	2019			2024		
	Population	Incidence	Obesity Estimate	Population	Incidence	Obesity Estimate
	234,697	42.5%	99,746	257,419	42.5%	109,403

Source: CON application #10622, Page 77 from Obesity Science & Practice published by John Wiley & Sons Ltd., World Obesity and The Obese Society, Volume 4, Issue 4: Pages 308-317, first published May 9, 2018, Environics/Claritas, & NHA Analysis

The reviewer notes that while incidence (percentage rate) remains constant, obesity estimates continue to rise in Pinellas County as population increases per cohort.

The applicant provides that following table analyzing the Service Line MS-DRG data for Pinellas county hospitals.

**Subdistrict 5-2 (CON application #10622)
Hospital Discharges to Skilled Nursing Facilities by Service Line
12 Months Ending March 31, 2019**

Service Line (MS-DRG)	Age 65+		Total	
	Cases	Percent of Total	Cases	Percent of Total
Orthopedics	3,238	18.5%	3,854	17.7%
Cardiology/Card Surgery/Invasive	2,266	13.0%	2,627	12.1%
Infectious Disease	1,623	9.3%	2,087	9.6%
Pulmonary	1,580	9.1%	2,024	9.3%
Nephrology	1,744	10.0%	2,022	9.3%
Neurology	1,281	7.3%	1,623	7.5%
General Surgery	952	5.5%	1,402	6.4%
Gastroenterology	940	5.4%	1,128	5.2%
Endocrinology	568	3.3%	724	3.3%
General Medicine	523	3.0%	678	3.1%
Trauma	370	2.1%	414	1.9%
Vascular	294	1.7%	409	1.9%
Oncology	300	1.7%	348	1.6%
All Others	1,778	10.2%	2,436	11.2%
Total	17,457	100.0%	21,776	100.0%

Source: CON application #10622, Page 93 from AHCA Inpatient Data Tapes and NHA Analysis

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The applicant provides a narrative of specialized services, initiatives and amenities on pages 93-100 of CON application #10622. PHP describes these to include: service disabling effects of Alzheimer's dementia, all private rooms, serving bariatric patients, programs to reduce hospital readmissions, resident safety through technologies and electronic medical records and extensive rehabilitation services. Specialized rehabilitation equipment includes but is not limited to:

- Nautilus leg press
- Nautilus triceps press
- Nautilus compound row
- Nautilus low back
- Nautilus four-way neck
- Nautilus leg extension
- Biodex balance system
- Biodex gait trainer
- Biodex un-weighing system
- Biodex Biostep
- Accelerated care plus modalities
- Ultrasound
- Shortwave diathermy⁵
- Electrical stimulation

PruittHealth – Pinellas County, LLC expects to admit a total of 296 patients (with total patient days of 16,008 and an average daily census (ADC) of 43.9 in its first year, increasing to a total of 736 patients (with total patient days of 41,724 and an ADC of 114.32) in year two. PH estimates a total occupancy of 36.5 percent (in year one) and 95.3 percent (in year two). The applicant indicates that the configuration of the facility will be a mix of short-term and long-term residents. See the table below.

⁵ A medical/surgical technique involving the production of heat in a part of the body by high-frequency electric currents, to stimulate the circulation, relieve pain, destroy unhealthy tissue or cause bleeding vessels to clot.

**PruittHealth – Pinellas Forecasted Utilization
120-Bed Facility
Years One and Two**

	Year One Ending 9/30/2023	Year Two Ending 9/30/2024
Medicare/Medicare HMO, Skilled Patients		
Admissions	236	610
Patient Days	5,778	15,006
Average Daily Census	15.8	41.1
Medicaid Long-term Care Patients		
Admissions	39	107
Patient Days	9,287	25,620
Average Daily Census	25.4	70.2
All Other Payors		
Admissions	16	19
Patient Days	643	1,098
Average Daily Census	2.6	3.0
Total		
Admissions	291	736
Patient Days	16,008	41,724
Occupancy Rate	36.5%	95.3%
Average Daily Census	43.9	114.3

Source: CON application #10622, page 105

The applicant maintains that the proposed project will have no adverse impact on existing SNFs in the service area given the obvious demand for skilled nursing services into the planning horizon.

PHP cites the published need but maintains that there are other factors supporting need for its project which include

- historical occupancy rates of existing providers
- less access and reduced offering of services by existing providers by offering/addressing the following:
 - Less access to disease-specific programming including accommodations for Alzheimer’s dementia
 - Limited accommodations for patients with obesity
 - Limited access to nursing home beds for Medicaid long-term care population particularly in private rooms
 - Historical hospital discharges to nursing homes by service line
 - The elderly population who are the most frequent users of nursing home services; and
 - The changing dynamics within payees and the payor system

The applicant indicates that it will apply its knowledge of this market, and expand upon existing PruittHealth-affiliated relationships throughout Florida to respond effectively to unique needs of Subdistrict 5-2.

PHP states its project should be approved based on the following facts and commitments:

- 100 percent private rooms
- 100 percent handicap accessible rooms
- 16-bed Alzheimer's dementia unit
- Four bariatric rooms/suites
- 61 percent of patient days to Medicaid long-term care enrollees in Year Two
- State of the art rehab suite, extensively equipped to include activities of daily living, putting greens (indoor and outdoor) and a Hydroworx therapy pool
- PruittHealth's successful programs to reduce hospital readmissions
- A commitment to technology, including PointRight, Smart Charting, Wandergard, Careguard, and electronic medical records.

PruittHealth Pinellas also restates its proposed conditions (see Item C Project Summary of this report).

2. Agency Rule Criteria and Preferences

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

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

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

The **co-batched applications** were not submitted to remedy a geographically underserved area as defined above. **All of the co-batched applications** were submitted to address the Agency's published 266-bed need for community SNF beds in District 5, Subdistrict 2, Pinellas County.

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

Pinellas CON, LLC (CON application #10620) maintains that it will have an operations team to establish a 20-bed Respiratory Care Program, a 20-bed Cardiac Care Program and a 20-bed Dialysis Care Program, as stipulated in the Schedule C Conditions, and will implement these within the proposed facility.

PCL will contract with local pulmonologists to provide regular visits. The applicant maintains that the 20-bed respiratory unit will be equipped with piped in oxygen and suctioning in the walls of patient rooms. The applicant states that the facility will accept patients with non-invasive ventilators and tracheostomies. PCL notes that individual treatment plans with an interdisciplinary team return patients to their highest possible functioning level with a goal of returning home.

The applicant points out that infection, as seen by MDC 18 in Table 2-1 (CON application #10620), require antibiotic therapeutic intervention. The applicant points out that if the treatment were for antibiotic resistant or systemic infections, the intravenous administration of antibiotics would be required. PCL maintains that catheter care, incontinence services, bowel and bladder training, and a variety other supportive services may be required, either temporary or permanent. The applicant contends that an SNF with all-private/single occupancy, as a condition upon award CON application #10620 will aid in infection control and in providing residents with the highest level of privacy during their stay.

PCL asserts that in cases where both infections and renal failure occur, as seen in MDC 11, Table 2-1, damage to the kidneys may make dialysis necessary. PCL contends that the 20-bed dialysis unit, as defined in Schedule C, will be of great benefit to these residents. After inspecting the hospital discharge data in Table 2-1, PCL indicates that MDC 11 accounts for 1,762 discharges of persons 65+ years with kidney and urinary tract conditions, and is the third most prevalent MDC in Pinellas County. Some of those persons may require renal support through

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hemodialysis to recover, therefore the applicant states that, either renal dialysis will be provided under contract with a provider within the facility, or residents will be transported to a provider of renal dialysis.

PCL points out that the dialysis unit will be essential for providing important education to residents in ways of managing their condition that often includes dietary changes. The applicant comments that bladder training is implicated; if an indwelling catheter is used, the individual is trained on use and maintenance to avoid infections. PCL states that, either renal dialysis will be provided under contract with a provider within the facility, or residents will be transported to a provider of renal dialysis.

The applicant points out that conditions represented both within the MDC and DRG categories require a regimen of care that includes physical, speech, occupational and respiratory therapies. PCL maintains that progressive therapeutic activities for weight bearing are required, with measured progress so that residents can gain control of mobility. PCL notes that progressive exercises guided by PT and OT are required to enhance flexibility in joints as well as legs and back. The applicant maintains that a number of residents needing these treatments may also need the additional aid of a bariatric room, and thus PCL will provide for this care in a limited number of rooms.

PCL indicates that Circulatory System disorders represented by MDC 5 in Table 2-1, accounts for 2,280 discharges of persons 65+ years which includes heart failure and arrhythmias, and is the second most prevalent MDC in Pinellas County. PCL contends that these residents also require improved conditioning, and will also benefit from the same types of therapies and exercises described earlier. The applicant maintains that Cardiac rehabilitation would be appropriate for residents experiencing heart failure, heart attack and coronary bypasses as reflected in the DRGs noted in PCL's Table 2-1 & 2-2. The applicant therefore proposes a 20-bed cardiac unit as defined in PCL's Schedule C Conditions, establishing a Cardiac Care Program similar to that of other facilities associated with the applicant's authorized member, or will contract with consultants for clinical services. The applicant notes that individual treatment plans with an interdisciplinary team return patients to their highest possible functioning level with a goal of returning home.

PCL contends that heart disease is the number one cause of death in Florida in 2018, and that the same holds true for Pinellas County. The applicant comments that Circulatory system disorders include chronic ischemic heart disease Dysrhythmias, congestive heart failure, stroke and other chronic conditions that can be effectively managed in a SNF.

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The applicant points out that many patients, following a heart attack, bypass surgery or other acute cardiac episode need rehabilitation before returning home.

PCL states that persons requiring therapeutic involvement for musculoskeletal conditions that appear under MDC 8, cardiac rehabilitation involve stamina-increasing activities such as cardio-pulmonary activities including walking, weight-bearing exercises, flexibility and some strength training. The applicant notes that additional OT provides finer motor skills as well as activities such as standing and performing tasks using the arms. Pinellas CON LLC is conditioning this application upon a 20-bed cardiac rehab unit to benefit these residents as well as those captured in MDC 5.

The applicant indicates that respiratory therapy helps restore airway capabilities and diaphragm patency. The applicant notes that circulatory issues often appear with respiratory conditions, so like those conditions in MDCs 8 & 5, the applicant maintains that a combination of therapies would be required to address the individual's needs.

PCL notes that chronic lower respiratory disease is the fifth leading cause of death in Florida in 2018, and the same holds true for Pinellas County. The applicant notes that District 5 hospitals discharged 1,666 residents to SNFs with respiratory system disorders in 2018. PCL points out that respiratory system disorders include COPD, asthma, pneumonia and other conditions that require rehabilitation in a SNF before returning home. PCL maintains that the greatest concern is those residents with COPD, where medication management is crucial; strength and stamina gains will also prove beneficial to these residents.

The applicant contends that educational information on managing symptoms, and instruction on breathing techniques to minimize shortness of breath, is also needed for residents with these respiratory conditions. The applicant points out that pulmonary rehabilitation should include monitored exercise sessions. PCL indicates that equipment may then be supplied to the patient at discharge. The applicant proposes a 20-bed respiratory care unit, equipped with in-wall gas supply and suction, establishing a dedicated Respiratory Care Program for which clinical consultants will assist in establishing. Pinellas CON LLC is conditioning award of this CON based on establishing a 20-bed respiratory care unit to benefit residents with respiratory issues.

PCL maintains that for stroke rehabilitation, reflected in neurological conditions in MDC 1, similar therapies produce gains in functional capabilities, and also benefit persons with respiratory conditions. The applicant notes that with brain-injury related conditions, rehabilitative

therapies are required to improve and to restore functions; a range of PT that includes balance, gait training and strengthening exercises are all-important. The applicant comments occupational and speech therapies also would be important for fine motor control and hand-eye coordination. PCL notes that SLPs may also be required to assist individuals in improving speech if that part of the brain was involved.

The applicant asserts that SLPs are important to those recovering from stroke. The applicant notes that these professional SLP's assess, diagnose, treat and help prevent disorders related to speech, language, cognitive communication, voice, swallowing and fluency. The applicant points out that typical treatment exercises include selective sensory stimulation such as tapping and stroking, active and passive range of motion exercise, and temporary restraint of good limbs while practicing motor tasks.

The applicant contends that some individuals who have suffered stroke may also experience pain that must be addressed. PCL notes that weakened limbs can cause pain sensations sometimes due to restricted/lack of movement that PT, with a range of exercise can improve. The applicant points out that another aftermath of a stroke that must be addressed with services is depression. The applicant indicates that both psychological services in groups, as well as individual counseling, are provided to help the individual return to normal functioning. The applicant asserts that a number of illnesses and conditions across all the MDCs can cause an individual to experience a loss of hope, depression or inability to cope.

PCL's admission assessment uses a person-centered approach to address the needs for both simple and complex psychosocial services. The facility's range of services include those below:

- PT – Addresses gait abnormalities, balance, transferring, bed mobility, positioning, strengthening and splinting of the lower extremities.
- OT – Addresses activities of daily living or life skills, the ability to care for one's self at home, upper body strengthening and positioning, and adaptive equipment
- Speech Therapy – Addresses cognition, swallowing, communication, language, and auditory skills
- Orthopedic Rehabilitation – Following joint replacement, fractures or injuries to restore musculoskeletal functions
- Neurological Rehabilitation – Help to regain functional mobility, maximize motor skills and optimize independence with self-care and daily living skills
- Pulmonary Rehabilitation – Focuses on decreasing pain and discomfort while maximizing cardiopulmonary functions and optimizing independence and mobility

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- Medical Management – Regimen of services for complex medical problems including infectious disease, wounds, IV therapy, post-surgical complications, cancer, gastrointestinal problems, renal failure and diabetes.
- Palliative Care – Designed to offer support and comfort to the terminally ill patient in the final stages of life
- Wound Care – Nursing staff that specializes in caring for complicated wounds to ensure the best treatment and healing

Other services include the following:

- Therapeutic meals, special diets, assistance with dining
- Hospice Care
- Wound Care
- Ostomy Care
- Enteral Care
- Foley catheter care, changes and teaching
- Diabetic care and management
- Medication Management
- Bowel and bladder training
- Dialysis Support
- Structured activities 7 days a week
- Pet Therapy
- Security System
- Daily Transportation
- Beauty/barber shop

PCL comments that a physician's order at the time of hospital discharge determines the post-acute placement of a patient in an SNF. The applicant notes that for Medicare beneficiaries, hospital stays of three days or longer determines in part the admission necessity. For both Medicare and Medicaid Programs, the conditions of participation provide the directives for all SNF admissions. The applicant states that admission process requires an orientation to the facility and its policies be provided to the resident and his or her family/designee. PCL indicates that an initial assessment takes place at this time. The applicant points out that each resident receives an admission packet that details the agreement between the facility and the resident, his/her legal representative or other responsible party. PCL maintains that residents also receive HIPAA information, an inventory of personal effects, initial care plan and the list of attending physicians.

The applicant indicates that a baseline care plan from admission assures that the resident's treatment goals follow them through all steps of therapy: physicians, dieticians, therapists and social workers. PCL

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contends that this resident-centered approach to care allows team members to seek feedback from the resident and make changes as requested.

The applicant states that discharge planning begins subsequent to admission, beginning with the multidisciplinary team assessment of the resident. As the care plan proceeds with the services and activities, PCL maintains that the progress of each person through prescribed therapy services determines the final date and discharge destination. The applicant comments that the interdisciplinary team updates the discharge plan, based on re-evaluation of the resident, changes in caregiver support and other factors. PCL points out that the discharge plan contains a summary of prior treatment, diagnoses, medications and any indications of issues associated with the resident. The applicant notes that CMS regulations require SNF staff to offer information to the resident about facilities to which they may be transferred, such as a home health agency, inpatient rehabilitation facility, long-term care hospital or another SNF.

The reviewer notes that documentation including selected excerpts from secondary scientific research articles on chronic kidney disease, CMS rules for dialysis and hemodialysis, kidney failure and other various operational manuals are outlined in CON application #10620, Exhibit 2-1.

The following table depicts PCL's years one and two FTE staffing pattern.

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**Pinellas CON LLC (CON application #10620)
Projected Year-One and Year-Two FTE Staffing Units**

	Total FTEs Year-One ending 2023	Total FTEs Year-Two ending 2024
Administration		
Administrator	1.0	1.0
Director of Nursing	1.0	1.0
Admissions	1.5	1.3
Bookkeeper	1.0	1.0
Secretary	1.0	1.0
Medical Records	2.0	1.7
Other: Receptionist	0.5	0.8
Other: Nursing Admin-MDS, Sched, CSR & ward clrk	4.5	4.5
Physician		
Medical Director	0.2	0.2
Nursing		
RNs	5.5	8.8 †
LPNs	8.5	13.4
Nurses' Aides	24.9	39.0
Ancillary		
Physical Therapist	2.4	3.7
Speech Therapist	0.7	1.4
Occupational Therapist	2.5	4.2
Other: Rehab Aide	1.0	1.7
Dietary		
Dietary Supervisor	1.0	1.0
Cooks	2.6	4.1 †
Dietary Aides	2.6	4.1 †
Social Services		
Social Service Director	1.0	1.0
Activity Director	1.0	1.0
Activities Assistant	0.6	1.0
Other: Social Services Assistant	0.1	0.2
Housekeeping		
Housekeeping Supervision	1.0	1.0
Housekeepers	4.2	6.6
Laundry		
Laundry Aides	3.0	4.7
Plant Maintenance		
Maintenance Supervisor	1.0	1.0
Maintenance Assistance	0.6	1.0
Total	75.9 ‡	109.7 ‡

Source: CON application #10620, Schedule 6, Resources, Tab 5, Pages 12 & 13

† Arithmetically incorrect: Year-Two day totals by summing M/E/N shifts are Cooks 4.2 & Dietary Aides 4.2

‡ Arithmetically incorrect: Year-One Total is 76.9 FTEs & Year-Two Total is 111.5 FTEs

The applicant indicates 75.9 FTE's for year one, and 109.7 for year two. The reviewer notes mathematical differences (with the symbols † and ‡) in the summed morning, evening, nightshift FTEs and yearly totals indicated in the applicant's Schedule 6.

The applicant's Schedule 7 indicates that the 120-bed facility is expected to have 22,510 total patient days (51.39 percent occupancy) in year one and 39,089 total patient days (89.00 percent occupancy) in year two

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ending June 30, 2023 and 2024, respectively. The applicant's Schedule 10 indicates an expected issuance of license on June 2022 and an expected initiation of services on July 2022.

Pinellas Palms NH LLC (CON application #10621) comments that the top conditions in the tables it provided support for the proposed services at the Pinellas Palms facility. PPN comments that the conditions represented both within the MDC and DRG categories require a regimen of care that includes physical, speech, occupational and respiratory therapies. PPN indicates that circulatory System disorders (captured in MDC 5), including heart failure and arrhythmias also require improved conditioning, and that persons having conditions within this MDC also benefit from the same types of therapies and exercises. The applicant states that cardiac rehabilitation would be appropriate for residents experiencing heart failure, heart attack and coronary bypasses as reflected in the DRGs above.

The applicant states that persons requiring therapeutic involvement for musculoskeletal conditions (appearing under MDC 8), may require cardiac rehabilitation that involves stamina-increasing activities such as cardio-pulmonary activities:

- Walking
- Weight-bearing exercises
- Flexibility
- Strength training

PPN comments that OT provides for finer motor skills and includes such activities such as standing and performing tasks using the arms. The applicant maintains that a number of residents needing these treatments may also need the additional aid of a bariatric room, and thus PPN will provide for this care in a limited number of private/single-occupancy rooms.

The applicant asserts that respiratory therapy helps restore airway capabilities and diaphragm patency; circulatory issues often appear with respiratory conditions, so like those conditions in MDCs 8 and 5, a combination of therapies would be required to address the individuals' needs. PPN points out that those with COPD, a chronic condition where medication management is crucial, that strength and stamina gains often will help. The applicant also indicates that, for residents with such respiratory conditions, educational information on managing symptoms and instruction on breathing techniques to minimize shortness of breath is essential. PPN contends that pulmonary rehabilitation also includes monitored exercise sessions, and the equipment may be supplied at discharge. The applicant lists types of respiratory equipment:

- Ventilators
- Apnea monitors

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- Nebulizers
- Continuous positive airway pressure (CPAP)
- Bi-level positive airway pressure (BiPAP) machines
- Oxygen concentrators

The applicant indicates that infections (conditions appearing in MDC 18) require the therapeutic intervention of antibiotics, and for resistant or systemic infections, the intravenous administration of antibiotics would be required. PPN comments that catheter care, incontinence services, bowel and bladder training, and a variety other supportive services may be required, on either a temporary or permanent basis.

In both infections and renal failure (MDC 11), the applicant notes that damage can occur to the kidneys that make dialysis necessary. PPN states that education is important to provide ways of managing the condition that often includes dietary changes. The applicant states that bladder training may be indicated. If an indwelling catheter is used, PPN asserts that the individual should be trained on the use and maintenance of the device to avoid infections. PPN comments that peritoneal dialysis will be provided under contract with a provider within the facility; transportation would be provided for residents requiring blood transfer dialysis.

The applicant states that stroke rehabilitation (reflecting neurological conditions in MDC 1) is required to produce gains in functional capabilities, and also can benefit persons with respiratory conditions.

The applicant lists a range of therapies:

- Balance training
- Gait training
- OT
- PT
- SLP therapies
- Strengthening exercises

PPN comments that SLPs may be required to assist individuals in improving speech, if that part of the brain was involved. The applicant asserts that SLPs are important to those recovering from stroke; professional SLPs assess, diagnose, treat and help prevent disorders related to speech, language, cognitive communication, voice, swallowing and fluency.

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The applicant points out that some individuals who have had a stroke may also experience pain that must be addressed which will require specialized pain management services; weakened limbs can also cause pain sensations, sometimes due to restricted or lack of movement, which PT and a range of exercise can improve.

PPN notes that a number of illnesses and conditions across all the MDCs can cause an individual to suffer conditions where psychological services where therapies in groups, as well as individual counseling, should be provided to help the individual return to normal functioning. The applicant indicates that a number of illnesses and conditions across all the MDCs can cause an individual to experience a loss of hope, depression or inability to cope. PPN notes that the admission assessment, as well as its person-centered approach to care, addresses the need for simple as well as complex psychosocial services.

PPN states the range of services includes, but are not limited to, those listed below:

- Rapid Recovery Rehab Unit – Provides inpatient rehabilitation services through specialized orthopedic, cardiac and stroke rehabilitation programs developed for restoring patients to their highest level of independence using advanced diagnostics.
- Orthopedic Recovery Program – A comprehensive program specializing in rehabilitation following total joint replacement (knee, hip, shoulder and ankle surgeries), spinal care, fracture care, sports medicine, and post-surgical care (for hand, elbow, shoulder, foot, and ankle.)
- Cardiac Rehabilitation Program – Designed by cardiologists in conjunction with the American Heart Association requirements
 - Services include remote telemetry, cardiac medication management, cardiology and physician assistant services, ZOE, EKG, cardiac rehabilitation, dietary services and support groups.
 - Specializes in treating patients with congestive heart failure, internal and external defibrillators, post open heart surgery, angioplasty, valve repair, post heart attack, coronary artery disease, peripheral artery disease, and arrhythmias
- AlterG® anti-gravity treadmill therapy – Exhibit 2-1 provides research and literature on the benefits of anti-gravity treadmills.
- PT – Addresses gait abnormalities, balance, transferring, bed mobility, positioning, strengthening and splinting of the lower extremities.
- OT – Addresses activities of daily living or life skills, the ability to care for one's self at home, upper body strengthening and positioning, and adaptive equipment
- Speech Therapy – Addresses cognition, swallowing, communication, language, and auditory skills

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- Orthopedic Rehabilitation – Following joint replacement, fractures or injuries to restore musculoskeletal functions \Neurological Rehabilitation--Help to regain functional mobility, maximize motor skills and optimize independence with self-care and daily living skills
- Pulmonary Rehabilitation – Focuses on decreasing pain and discomfort while maximizing cardiopulmonary functions and optimizing independence and mobility
- Medical Management – Regimen of services for complex medical problems including infectious disease, wounds, IV therapy, post-surgical complications, cancer, gastrointestinal problems, renal failure and diabetes
- Wound Care – Nursing staff that specializes in caring for complicated wounds to ensure the best treatment and healing

Other services include those below:

- Restorative Nursing Program
- Pain Reduction Program
- Fall Reduction Program
- Peritoneal dialysis
- IV therapy, total parenteral nutrition (TPN) and tracheotomy care
- Dental, podiatry, optometry and audiology care
- Registered Dietician services -therapeutic meals, special diets, assistance with dining
- Respite and Hospice Care
- Ostomy Care
- Enteral Care
- Foley catheter care, changes and teaching
- Diabetic care and management
- Medication Management
- Bowel and bladder training
- Recreational activities seven days a week
- Pet Therapy
- Security System
- Daily Transportation
- Beauty /barber shop

Below is a list of ancillary and specialty service providers that currently contract with Greystone facilities in the St. Petersburg area and would be available to the new facility:

- PharmScript Pharmaceutical Services
- Vista Clinical Diagnostics (Laboratory Services)
- MobilexUSA (Mobile X-ray and Ultrasound)
- Sheridan Dental Services
- Sounds for Seniors (Audiology)
- Health Psych Solutions (Mental Health Services)

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- KG Health Partners (Podiatry Services)
- Mobile Eyecare Associates (Eyeglass and Vision services)
- Empath Health (Suncoast Hospice)

The applicant states that vendors on the list may change from time to time based on the needs and contract terms.

PPN states that residents have multiple opportunities to participate in various forms of recreation for improving mind and body. The applicant comments that family members are encouraged to participate in activities and events. PPN will offer a range of activities each week, including, but not limited to, the following:

- Board Games
- Bingo
- Exercise
- Ice Cream Socials
- Wii Games
- Movies & Snacks
- Balloon Volleyball
- Birthday Parties
- Musical Performances
- Sing-A-Longs
- Church Services
- Crafts
- Arm Chair Travel
- Educational Seminars
- Happy Hour
- Special Holiday Celebrations

The reviewer notes a calendar of planned activities in CON application #10621, Tab 4, Quality, Exhibit 4-3.

PPH states that it provides the following specialty services:

- Rapid Recovery Unit with specialized orthopedic, cardiac and stroke rehab programs
- Comprehensive PT, OT and SLP treatment available seven days a week
- RN/LPN licensed staff 24 hours a day, 365 days a year
- Advanced bedside diagnostics and laboratory services
- Pharmacy services
- IV therapy, TPN and tracheotomy care
- Peritoneal dialysis
- Advanced wound care programs
- Pain management programs
- Fall reduction programs
- Registered dietitian services

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- Bedside dental, podiatry and eye care services
- Structured recreational activities seven days a week
- Patient transportation

PPN comments that a physician's order at the time of hospital discharge determines the post-acute placement of a patient in an SNF. For Medicare beneficiaries, the applicant comments that hospital stays of three days or longer in part determines the admission necessity. For both Medicare and Medicaid Programs, PPN notes that the conditions of participation provide the directives for all SNF admissions. The applicant states that admission process requires an orientation to the facility and its policies be provided to the resident and his or her family/designee. PPN indicates that an initial assessment takes place at this time. The applicant asserts that each resident receives an admission packet that details the agreement between the facility and the resident, his/her legal representative or other responsible party. PPN points out that residents also receive HIPAA information, an inventory of personal effects, initial care plan and the list of attending physicians.

The applicant states that facility staff begins the comprehensive resident assessment upon admission. PPN contends that the assessment instrument used is that required by the Centers for Medicare and Medicaid Services (CMS), incorporating the Minimum Data Set (MDS) elements, as well as those elements specific to Florida. The applicant's assessment is designed to capture aspects of resident needs, strengths, goals, life history and preference; it includes a review of the resident's status as it pertains to the following:

- Routines
- Cognitive patterns
- Communication
- Vision
- Mood and behavior patterns
- Psychological well-being
- Physical functioning
- Continence
- Disease diagnosis and health conditions
- Dental status
- Nutritional status
- Skin conditions
- Activity pursuit
- Medications
- Special treatments and procedures

PPN requires that resident-centered comprehensive care plans require completion within seven days. The applicant states that a Registered Nurse (RN) coordinates the interdisciplinary team that includes the

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participation of other health professionals. PPN comments that the resident's participation in the assessment requires that the care team document it. The applicant notes that team members complete the Pre-Admission Screen and Resident Review (PASRR). PPN points out that in the PASRR any mental illness and intellectual disabilities the team identifies preclude skilled nursing placement; the assessment informs each resident's plan of care. The applicant indicates that the team completes the plan within 48 hours of admission.

Upon plan implementation, the applicant states that the team re-assesses each resident as changes occur in his or her conditions. If no demonstrable change occurs, PPN staff completes a portion of the assessment quarterly with the full assessment annually.

The applicant indicates that a baseline care plan from admission assures that the resident's treatment goals follow them through all steps of therapy: physicians, dieticians, therapists and social workers. PPN contends that this resident-centered approach to care allows team members to seek feedback from the resident and make changes as requested.

The applicant states that discharge planning begins subsequent to admission, beginning with the multidisciplinary team assessment of the resident. As the care plan proceeds with the services and activities, PPN notes that the progress of each person through prescribed therapy services determines the final date and discharge destination. The applicant comments that the interdisciplinary team updates the discharge plan, based on re-evaluation of the resident, changes in caregiver support and other factors. PPN indicates that the discharge plan contains a summary of prior treatment, diagnoses, medications and any indications of issues associated with the resident. The applicant notes that CMS regulations require SNF staff to offer information to the resident about facilities to which they may be transferred, such as a home health agency, inpatient rehabilitation facility, long-term care hospital or another SNF.

The following table depicts PPN's years one and two FTE staffing pattern.

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**Pinellas Palms NH LLC (CON application #10621)
Projected Year One and Year Two FTE Staffing Units**

	Total FTEs Year One ending 2023	Total FTEs Year Two ending 2024
Administration		
Administrator	1.0	1.0
Director of Nursing	1.0	1.0
Bookkeeper	1.4	1.4
Secretary	1.5	1.9
Medical Records Clerk	1.5	1.5
Other: H/R, Marketing	3.0	3.0
Nursing		
RNs	9.5 †	15.1 †
LPNs	6.8 †	10.5 †
Nurses' Aides	30.9	51.2 †
Other: MDS/Nurse Liaison/Case Mgrs	6.9 †	6.9
Ancillary		
Physical Therapist	6.7	10.2
Speech Therapist	0.7	1.3
Occupational Therapist	2.9	5.1
Dietary 1.4		
Dietary Supervisor	1.4	1.4
Cooks	3.0	3.9
Dietary Aides	4.2 †	6.6
Social Services		
Social Service Director	1.6	1.8
Activity Director	1.0	1.0
Activities Assistant	0.9	1.5
Housekeeping		
Housekeeping Supervision	1.0	1.0
Housekeepers	4.9 †	7.9 †
Laundry		
Laundry Aides	2.7	4.5
Plant Maintenance		
Maintenance Supervisor	1.0	1.0
Other: Drivers	0.9	1.5
Total	95.2 ‡	142.0

Source: CON application #10621, Schedule 6

† Arithmetically incorrect: Year-One day totals by summing M/E/N shifts are: RNs 9.4, LPNs 6.9, Nursing other 6.9, Dietary aides 4.1, Housekeepers 4.8; Year-Two day totals by summing M/E/N shifts are: RNs 15.0, LPNs 10.4, Nurses' Aides 51.1, Housekeepers 11.9

‡ Arithmetically incorrect: Year-One Total is 96.2 FTEs

The applicant indicates 95.2 FTE's for year-one, and 142.0 for year-two. The reviewer notes mathematical differences (with the symbols † and ‡) in the summed morning, evening, nightshift FTEs and yearly total indicated in the applicant's Schedule 6.

The applicant's Schedule 7 indicates that the 120-bed facility is expected to have 25,131 total patient days (57.38 percent occupancy) in year-one and 41,724 total patient days (95.00 percent occupancy) in year-two ending June 30, 2023 and 2024, respectively. The applicant's Schedule 10 indicates an expected issuance of license on July 2022 and an

expected initiation of services on July 2022. The reviewer notes that issuance of license and initiation of services occurs the same month and year.

PruittHealth – Pinellas County, LLC (CON application #10622)

indicates that the proposed developmental-stage 120-bed facility will be utilized for Medicaid STC and LTC. PHP will enhance programmatic accessibility for Medicaid LTC enrollees. The applicant notes that individuals are not typically enrolled in Medicaid LTC plans until they are in need of such care. PHP notes that Medicare does cover STC stays in SNFs, focused on rehabilitation and skilled care. The applicant contends that when a patient exhausts their Medicare STC days in a community SNF, they are converted to Medicaid LTC enrollment provided they financially qualify. The applicant states that those who are disabled, low-income, under Medicare ages, who are enrolled in Medicaid managed care plans and FFS, immediately meet the income qualifiers to be enrolled in Medicaid long-term care. PHP points out that all of these patients would be housed in private rooms.

The applicant states that PruittHealth Premier is a specially designed plan for PruittHealth residents in SNFs. The applicant contends that, for those that qualify, this plan enables residents to receive more benefits than what is typically covered by FFS plans. Services include:

- \$0 copay for access to a primary care physician (PCP) visits, and the PCP delivers services within the facility
- Eye care – routine vision and glaucoma testing, with \$225 per year for prescription eyewear
- Hearing – routine hearing exam and hearing aid fitting, with \$1,250 every two years as needed for new/replacement hearing aids
- Foot care – six routine foot care visits per year
- Transportation – 24 one-way trips per year for health care-related needs
- Over-the-Counter (OTC) items – \$20 per month for certain OTC items
- \$0 coinsurance for days 1-100 of a SNF stay and no prior hospital stay required before a skilled nursing facility stay

The applicant will strive to open its doors as a deficiency-free facility, much like its recent predecessors, PruittHealth - Panama City, LLC & PruittHealth - Fleming Island, LLC, to become a 5-Star rated facility and to meet all AHCA Quality Award Requirements. The applicant contends that its commitment to implementation of technology such as PointRight, Smart Charting, Wanderguard, Careguard, medical kiosks, *INTERACT 3.0* and electronic medical records as evidence.

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PHP indicates its ability to offer and maintain to returning admissions the following basic and essential High Quality Services (HQS):

- 24-hour nursing services
- PT
- OT
- Speech therapy
- IV therapy
- Tube feeding and total parental nutrition
- Wound care management
- Pain management
- Central lines
- Oxygen therapy
- Outpatient therapy

Additional and Ancillary HQS also readily available:

- Dietetic programming and nourishment care
- Recreational activities programming
- Counseling services
- Religious services
- Laundry services
- Beauty/barber services
- Pharmacy services
- Volunteer services
- Medication management
- Chronic disease management
- Alzheimer's/dementia programming, including a commitment to have a 16-bed secure Alzheimer's unit
- Bariatric programming with specialized training and design features. This includes a commitment to have six specialty bariatric suites to serve this patient population.

The applicant lists these unique services and characteristics that are essential at each PruittHealth skilled nursing and rehabilitation facility, which set it apart from other SNF providers. These include but are not limited to the following:

- PerfectPath Specialty Care Programs
- Clinic Oversight Teams
- Mandatory Daily Interdisciplinary Team Meetings
- Electronic Medical Records
- Medication Monitoring
- Dedicated Quality Staff
- Clinical and General Kiosks

The applicant asserts that technology designed to meet the needs of its patients is critical in the recovery and strengthening process, and in avoiding re-hospitalization. PHP points out the following equipment,

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based on the community needs and based upon skilled discharges from area hospitals, will include but not be limited to the following:

- Nautilus Leg Press
- Nautilus Triceps Press
- Nautilus Compound Row
- Nautilus Low Back
- Nautilus 4-Way Neck
- Nautilus Leg Extension
- Biodex Balance System
- Biodex Gait Trainer
- Biodex Un-weighing System
- Biodex Biostep
- Accelerated Care Plus Modalities
- Ultrasound
- Shortwave Diathermy
- Electrical Stimulation

PHP notes that PerfectPath is a series of clinical pathways designed for caretakers to help patients navigate their complex journey back to health. The applicant points out that PerfectPath is a communication tool to help physicians, patients, hospitals and families work together more effectively. PHP contends that it is a state-of-the-art care delivery tool used to ensure that the patient receives the highest care possible, and thrives on their journey back to health. The applicant indicates the benefits of PerfectPath for the patient are as follows:

- A care path that is designed for the patient immediately upon admission
- Ongoing real-time feedback for patients and families about clinical milestones and achievements
- Increased coordination with patients and their primary caregivers to return them home quickly, while minimizing the risk of re-hospitalization
- Improved interdisciplinary communication

The applicant asserts that the following are also included as part of the PerfectPath Program:

- Clinical Pathways - Interdisciplinary plan of care that outlines optimal sequencing and timing of interventions for patients with a particular diagnosis
- Patient Workbook – Workbook designed to help patients and their families understand the plan of care and track their own progress
- Patient Education Guide – Detailed guide for the patients and their family that outlines their role in their journey back to health

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- Discharge Folder – Personal discharge folder that contains checklist utilized for transfers, recapitulation of resident's stay, final summary of the resident's status, medication reconciliation and post discharge plan of care

PHP asserts that it develops a PerfectPath specialty Care program with each of its residents. The applicant states that each of the PerfectPath Specialty Care programs will be implemented at PHP; an explanation of each program follows:

- UniStep (Joint Replacement & Surgical Procedure Program) – This program provides physical and occupational therapy, supported by state-of-the-art equipment, to residents that have had joint replacements or other musculoskeletal conditions including but not limited to total knee replacements, total hip replacements, back surgeries and others. It teaches the patient Activities of Daily Living and focuses on strength, balance, gait and cardiovascular training via the use of Nautilus and Biodex equipment.
- UniPulse (Heart Failure Program) – This program is targeted for patients who have chronic cardiac conditions that influence their overall well-being. It is designed to meet the needs of residents who experience exacerbations of congestive heart failure. UniPulse will be implemented in conjunction with other PerfectPath programs in an effort to support the patient's co-morbid cardiac condition while they recover from an acute episode, such as a total knee replacement or hip fractures.
- UniVive (Stroke Program) – This program focuses on rehabilitation for residents who have experienced a stroke or have other neurological conditions. Stroke rehab is a very important part of recovery for many who have had a stroke. This program builds strength, coordination, endurance and confidence. It re-teaches the patient how to move and learn to talk, think and care for oneself.
- UniRes (Respiratory Program) – This program focuses on residents who have chronic obstructive pulmonary disease (COPD) or other respiratory conditions. The program continues to expand with the development of care paths that address residents with other respiratory conditions such as asthma or who utilize CPAP, BPAP, jet nebulizers, and other respiratory equipment, and medications.
- UniFit (Falls Prevention & Balance Program) – Falls are usually caused by lack of physical activity resulting in poor muscle tone, decreased strength, bone mass, and flexibility, gait and balance disorders. UniFit is utilized in conjunction with the UniStep program with an emphasis on improving the resident's balance. The ultimate goal of the program is to decrease the risk of falls and injury through progressive strengthening exercises and balance training utilizing Biodex and other equipment.

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- UniQuest (Aqua Therapy Program) – Provided in PruittHealth skilled nursing & rehabilitation facilities with indoor therapeutic pools. This aquatics therapy program focuses on restoring strength while reducing pain, ultimately improving the patient's overall function.
- UniCure (Pain Management Program) – This program is built on UHS-PruittHealth's "Stop-Pain" policies that promote aggressive pain assessment and therapy. Through an extensive Pain Certification program, clinicians focus on the resident as a whole, while providing pharmacological and non-pharmacological interventions. Therapists add value to resident treatment by providing ultrasound, electrical stimulation and diathermy as treatment modalities to reduce pain.
- UniLife (Quality of Life Program) – This program focuses on the resident's overall quality of life. The program takes a holistic approach to the resident's well-being. The program incorporates restorative programming within the resident's day-to-day care and cognitive and social activities. The program provides an overall life enrichment plan designed to meet the needs and choices of individual residents.
- UniShield (Skin Integrity Program) – This program is a skin integrity program that focuses on wound prevention and healing. It is coordinated by a certified wound care consultant who works closely with PruittHealth's contracting department to ensure that facilities have the most up-to-date wound-care product formulary and wound education for all of its clinicians in the field. Therapists are also incorporated in the program by providing treatment options and opportunities that promote wound healing. A significant benefit of this program is it crosses all service lines, as wounds are an unfortunate result of many disease conditions or circumstances regardless of the primary reason for hospitalization per nursing home admission.

The applicant provides that following table analyzing the Service Line MS-DRG data for Pinellas county hospitals.

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**PruittHealth – Pinellas (CON application #10622)
Subdistrict 5-2
Hospital Discharges to Skilled Nursing Facilities by Service Line
12 Months Ending March 31, 2019**

Service Line (MS-DRG)	Age 65+		Total	
	Cases	Percent of Total	Cases	Percent of Total
Orthopedics	3,238	18.5%	3,854	17.7%
Cardiology/Card Surgery/Invasive	2,266	13.0%	2,627	12.1%
Infectious Disease	1,623	9.3%	2,087	9.6%
Pulmonary	1,580	9.1%	2,024	9.3%
Nephrology	1,744	10.0%	2,022	9.3%
Neurology	1,281	7.3%	1,623	7.5%
General Surgery	952	5.5%	1,402	6.4%
Gastroenterology	940	5.4%	1,128	5.2%
Endocrinology	568	3.3%	724	3.3%
General Medicine	523	3.0%	678	3.1%
Trauma	370	2.1%	414	1.9%
Vascular	294	1.7%	409	1.9%
Oncology	300	1.7%	348	1.6%
All Others	1,778	10.2%	2,436	11.2%
Total	17,457	100.0%	21,776	100.0%

Source: CON application #10622, Tab 2, Page 93, AHCA Inpatient Data Tapes and NHA Analysis

PHP states that there were more than 21,776 discharges to SNFs during the 12 months ending March 31, 2019, of which 17,457 were seniors. Hospital discharges to SNFs represent 15.5 percent of total hospital discharges across all ages, and 26 percent of discharges amongst those ages 65+.

PHP asserts that reducing hospital recidivism is a top priority. Therefore, a major emphasis will be placed on safely reducing hospital readmissions at PHP. To address the industry-wide issue of hospital readmissions, PHP has adopted *INTERACT 3.0*, a comprehensive program with tools specifically designed to decrease patient re-hospitalizations.

PHP asserts that *INTERACT* supports the goals of reducing overall health care costs and improving quality through measures taken to decrease patient re-hospitalizations. The applicant recognizes that the re-hospitalization risk for all patients is high. PHP understands that those who have had a hospitalization, within the previous 30 days of admission, are at an even higher risk of re-hospitalization. Because of the success that has been achieved by PruittHealth in reducing hospital readmissions by using the *INTERACT* software at some of its affiliated facilities, the applicant has conditioned approval of this application on the provision that it will implement the most up-to-date version of *INTERACT* at its campus upon opening. The applicant notes that, in doing so, the Director of Health Services (or a designee) will regularly meet with Service Area hospitals and other providers to inform the providers of its capabilities, programs, services and to ensure that both the applicant's facility and providers use the same clinical pathways for

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patients with primary diagnoses with high risk of re-hospitalization. PHP asserts that this condition will be measured by an annual signed declaratory statement confirming its program and activities.

The applicant states that the CallGuard system will be integrated with a technologically advanced Bed Occupancy Sensor System. PHP comments that the system connects to the nurse call system for visual status at a glance and incorporates selectable alarm delay times tailored to resident needs. The applicant indicates that CallGuard will notify the staff of the restless sleep of a resident; it will also notify staff when the resident is out of bed. PHP maintains that this system offers the following advantages compared to other bed sensors:

- Increased staff efficiency
- Reduced false alarm rates
- Less obtrusive, more comfortable sensing

PHP indicates that it utilizes WanderGuard for elopement protection. The applicant notes that residents at risk for elopement will wear a WanderGuard bracelet as indicated by their care plan. The applicant explains that when a resident who is at risk of elopement approaches an exit, the door controller locks the door to prevent the resident from leaving; or if the door is open, an alarm sounds. The applicant asserts that this is particularly important for Alzheimer's dementia patient populations.

The reviewer notes that PHP includes in the application's Volume 1, Tab 2, its admission and discharge policy documents, an explanation of Due Process procedures implemented to resolve conflicts, procedures for observing patient rights and confidentiality, as well as how to identify symptoms of elder abuse, self-reporting responsibilities and sources of support available to patients and their families who are subject to this type of abuse. The reviewer notes that this is not a complete and comprehensive description but it is representative of a quality standard of care.

The applicant comments that according to the American Health Care Association, one in four persons admitted to an SNF from a hospital are a result of recidivism to a hospital within 30 days of their release from a SNF. PHP comments that this has detrimental effects on the patient that are potentially physically devastating, but can also have potential emotional and psychological individual affects. PHP indicates that it will

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place weighted concern on recidivism rates by using specific interventions to reduce instances of hospital readmissions; these interventions will include:

- Stop and Watch Tool - is an early warning tool used by staff, residents and visitors to alert staff to a sign or symptom. It is used as documentation in the resident medical record.
- Change in Condition File Cards - this is a list of signs and symptoms and what to request from the physician when notifying a change.
- Care Pathways - provide clinical pathways of primary diagnosis with high risk of re-hospitalization.
- SBAR Communication Tool – nursing assessment tool used in conjunction with the Stop and Watch, Change in Condition File Card and Care Paths to cue assessment and request orders.
- Transfer Checklist – form with all required documentation that follows the resident from the PruittHealth affiliated facility to the hospital. It enables the hospital to obtain a better history and physical on the resident's current condition and treatments already attempted.
- Acute Care Transfer Form – check-off sheet of items required in the resident folder for us by the hospital emergency department and hospital discharge planners.
- Quality Improvement Tool – a tool that determines, after re-hospitalization, why recidivism occurs and assists in determining opportunities for improvement.

The reviewer notes the following full-time employee (FTE) table as PHP's FTE staffing pattern based upon the applicant's numbers reported in the Schedule 6 data found in the application's Volume 1, Tab 3.

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**PruittHealth – Pinellas County, LLC (CON application #10622)
Projected Year-One and Year-Two FTE Staffing Units**

	Total FTEs Year-One ending 8/31/23	Total FTEs Year-Two ending 8/31/24
Administration		
Administrator	1.00	1.00
Director of Nursing	1.00	1.00
Admissions Director	1.00	1.00
Secretary	1.40	1.40
Medical Records Clerk (CNA)	0.70	0.70
Other: Financial Counselor	1.00	1.00
Physician		
Medical Director	0.20	0.20
Other: Physician Services	0.02	0.02
Nursing		
RNs	8.20	16.2
LPNs	7.00	15.0
Nurses' Aides	21.6	54.6
Other: RN MDS Nurse	0.70	1.00
Ancillary		
Physical Therapist	0.80	1.84
Physical Therapy Assistant	0.90	2.15
Speech Therapists	0.40	1.12
Occupational Therapist	0.90	2.10
Occupational Therapy Assistant	0.30	0.76
Other: Rehab Aide	1.00	1.00
Dietary		
Dietary Supervisor	1.00	1.00
Cooks	2.70	5.10
Dietary Aides	2.70 †	5.10 †
Social Services		
Social Service Director	1.00	1.00
Activity Director	1.00	1.00
Housekeeping		
Housekeepers	5.80 †	9.80 †
Laundry		
Laundry Aides	1.40	2.80
Plant Maintenance		
Maintenance Supervisor	1.00	1.00
Total	64.75 ‡	128.90 ‡

Source: CON application #12215, Schedule 6, Volume 1, Tab 3, Pages 3 & 4

† **Arithmetically incorrect: Year-One day totals by summing M/E/N shifts are Dietary Aides 2.6 & Housekeeping 5.9; Year-Two day totals are Dietary Aides 5.2 & Housekeepers 9.9**

‡ **Arithmetically incorrect: Year-One Total is 64.72 & Year-Two Total is 129.09**

The applicant indicates 64.75 FTE's for year one, and 128.90 for year-two. The reviewer notes mathematical differences (with the symbols † and ‡) in the summed morning, evening, nightshift FTEs and yearly totals indicated in the applicant's Schedule 6.

PHP states in Schedule 7 data, found in Volume 1, Tab 3, Page 2, that the projected average length of stay is projected to be 59.7 days for self-pay, 24.9 day for Medicare, 20.4 days for Medicare HMO, 63.4 days for hospice and 240.4 days for Medicaid subpopulations.

The applicant's Schedule 7 indicates that the 120-bed facility is expected to have 16,008 total patient days (37.0 percent occupancy) in year-one and 41,724 total patient days (95.0 percent occupancy) in year-two. The applicant's Schedule 10 indicates an expected issuance of license on August 2022 and an expected initiation of services on September 2022

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

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

Pinellas CON LLC (CON application #10620) is a developmental-stage, for-profit entity formed for the purpose of establishing a community SNF in Subdistrict 5-2, and therefore has no operational history, and has not had a SNF license denied, revoked or suspended within the 36 months prior to the current application. The applicant's representative is the principle party/authorized representative in 24 existing, associated SNF entities within the State of Florida. None of these licensed SNF facilities has ever had its license denied, revoked or suspended. This specifically addresses Florida facilities.

Pinellas Palms NH LLC (CON application #10621) is a developmental-stage, for-profit entity formed for the purpose of establishing a community SNF in Subdistrict 5-2, and therefore has no operational history, and has not had a SNF license denied, revoked or suspended within the 36 months prior to the current application. PPN comments that its ultimate parent corporation, Greystone, also has not had a SNF license denied, revoked or suspended within the 36 months prior to the current application.

PruittHealth – Pinellas County, LLC (CON application #10622) is a developmental-stage, for-profit entity formed for the purpose of establishing a community SNF in Subdistrict 5-2, and therefore has no operational history, and has not had a SNF license denied, revoked or suspended within the 36 months prior to the current application. PHP comments that its ultimate parent corporation, UHS, also has not had a SNF license denied, revoked or suspended within the 36 months prior to the current application.

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

Pinellas CON, LLC (CON application #10620) is a developmental-stage, for-profit entity formed for the purpose of establishing a community SNF in Subdistrict 5-2, and therefore has no operational history. The applicant's representative is the principle party/authorized representative in 24 existing, associated SNF entities within the State of Florida. None of these licensed SNFs has been placed into receivership at any time, particularly within the past 36 months. This specifically addresses Florida facilities.

Pinellas Palms NH LLC (CON application #10621) is a development stage, for-profit entity formed for the purpose of establishing a community SNF in Subdistrict 5-2, and therefore has not been placed into receivership at any time. PPN comments that its ultimate parent corporation, Greystone, also has not been placed into receivership within the past 36 months.

PruittHealth – Pinellas County, LLC (CON application #10622) is a developmental-stage, for-profit entity formed for the purpose of establishing a community SNF in Subdistrict 5-2, and therefore has not been placed into receivership at any time. PHP comments that its ultimate parent corporation, UHS, also has not been placed into receivership within the past 36 months.

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

Pinellas CON, LLC (CON application #10620) indicates that this criterion is not applicable.

Pinellas Palms NH LLC (CON application #10621) indicates that this criterion is not applicable.

PruittHealth – Pinellas County, LLC (CON application #10622) indicates that this criterion is not applicable.

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

Pinellas CON, LLC (CON application #10620) indicates that this criterion is not applicable.

Pinellas Palms NH LLC (CON application #10621) indicates that this criterion is not applicable.

PruittHealth – Pinellas County, LLC (CON application #10622) indicates that this criterion is not applicable.

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

Pinellas CON, LLC (CON application #10620), is a development stage, for-profit Florida entity that has no operating history in Florida. PCL notes that the applicant, nor any SNF in which the applicant is a Member, Director or Officer of have not had reported claims of Harmful Conditions within the past 36 months prior to the submission of the application for this proposed project.

Pinellas Palms NH LLC (CON application #10621) is a development stage, for-profit Florida entity that has no operating history in Florida. PPH notes that its affiliated facilities through Greystone, have not had reported claims of Harmful Conditions within the past 36 months prior to the submission of the application for this proposed project.

PruittHealth – Pinellas County, LLC (CON application #10622) is a development stage, for-profit Florida entity that has no operating history in Florida. PHC notes that its affiliated facilities through UHS, have not had reported claims of Harmful Conditions within the past 36 months prior to the submission of the application for this proposed project.

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

All applicants indicate that within 45 days after the end of each calendar quarter, the **co-batched applicants** will report their total number of patient days, which occurred in each month of the quarter, and the number of such days, which were Medicaid patient days.

3. Statutory Review Criteria

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

As of August 16, 2019, and as noted in the *Florida Nursing Home Bed Need Projections by District and Subdistrict* publication, the reviewer notes that there are a total of 85-licensed communities SNFs with a total of 9,627 community beds in District 5. Subdistrict 5-2 is composed of Pinellas County, and has 69-licensed community SNFs with a total of 7,679 community beds. As of August 16, 2019, Pinellas County has 57 CON approved SNF beds yet to be licensed. As previously noted, 45 beds were licensed so 12 beds remain yet to be licensed. The subdistrict averaged 87.59 percent total occupancy for the 12-month period ending June 30, 2019.

The **co-batched applicants all** cite the 266-bed need and assert that the approval of a 120-bed community SNF, that includes private/single occupancy beds, would be positive for the availability for nursing home beds and SNF to the residents of Pinellas County, Florida.

Pinellas CON LLC (CON application #10620) states that it does not have a documented history of providing quality of care because it is a developmental-stage entity for purposes of filing this CON application. However, concurrent with licensure and certification, the applicant will develop all policies and procedures as well as the Quality Assurance Program (QAP) concurrent with PCL's sister facilities throughout the United States. The applicant states that upon licensure and certification, PCL will adhere to any and all State and Federal nursing home regulations statutes and the entire facility will meet Medicare's Conditions of Participation.

Concerning availability, the applicant states that it accepts that the Agency's calculation of need is a reasonable balance to achieve availability and accessibility without negatively affecting current providers and the future utilization of existing providers.

Pinellas Palms NH LLC (CON application #10621) states that it does not have a documented history of providing quality of care because it is a newly formed entity for purposes of filing this CON application. However, concurrent with licensure and certification, the Applicant will develop all policies and procedures as well as the QAPI based on its other Greystone-affiliated facilities throughout Florida. The applicant states

that upon licensure and certification, PPH will adhere to any and all State and Federal nursing home regulations statutes and the entire facility will meet Medicare's Conditions of Participation.

Concerning availability, the applicant states that it accepts that the Agency's calculation of need is a reasonable balance to achieve availability and accessibility without negatively affecting current providers and the future utilization of existing providers.

PruittHealth – Pinellas County, LLC (CON application #10622) states that it does not have a documented history of providing quality of care because it is a newly formed entity for purposes of filing this CON application. However, concurrent with licensure and certification, the applicant will develop all policies and procedures as well as the QAP based on its other PruittHealth-affiliated facilities throughout the southeastern United States. The applicant states that upon licensure and certification, PHP will adhere to any and all State and Federal nursing home regulations statutes and the entire facility will meet Medicare's Conditions of Participation.

Concerning availability, the applicant states that it accepts that the Agency's calculation of need is a reasonable balance to achieve availability and accessibility without negatively affecting current providers and the future utilization of existing providers.

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

Pinellas CON, LLC (CON application #10620) is a development stage, for-profit Florida entity, and therefore does not have an historical record available to document in this CON proposal. The applicant states that implementation of this proposal will involve the development of all quality policies and procedures, and a QAP, based on its other associated facilities. PCL expresses a commitment to adhere to any and all State and Federal SNF regulations and statutes in addition to Medicare's Conditions of Participation. While PCL is a new entity, the reviewer notes that the applicant self-reported as being identified as the "Member, Director or Officer" of 24 associated SNFs in the State of Florida. For the three-year period November 20, 2016 – November 20, 2019, the applicant's representative affiliated facilities had 114 substantiated complaints, which are summarized in the following table. A single complaint can encompass multiple complaint categories.

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**Pinellas CON LLC – Pinellas County
Michael Bleich Affiliated Facilities
Three-Year Substantiated Complaint History**

Complaint Category	Number Substantiated
Quality of Care/Treatment	52
Resident/Patient/Client Rights	13
Admission, Transfer & Discharge Rights	12
Administration/Personnel	7
Physical Environment	6
Resident/Patient/Client Abuse	5
Dietary Services	4
Infection Control	4
Elopement	3
Falsification of Records/Reports	3
Billing/Refunds	1
Fraud/False Billing	1
Life Safety Code	1
Resident/Patient Abuse/Neglect	1
Resident/Patient/Client Neglect	1
Total Number of Substantiated Complaints	114

Agency Complaint Records, November 20, 2016 – November 20, 2019

PCL points out that the Quality Assurance Performance Improvement (QAPI) Plan and Quality Assurance and Assessment Program will assure that the facility meets or exceeds the needs, expectations and requirements of the patients cost-effectively while maintaining good patient outcomes and resident centered care. Guidance also comes from the American Health Care Association whose commitment to providing members with assistance and guidelines build a uniform approach to measuring and assuring quality within nursing homes.

The applicant asserts that the increasing complexity of the long-term care environment in recent years and the growing demands and expectations on the regulatory process offer both an opportunity and a need to efficiently incorporate internal processes for providing quality, individualized patient care.

The reviewer notes that the PCL facility will use the Quality Management System - Abaqis Providigm, if approved. The applicant asserts that Abaqis is already being utilized in many facilities; Abaqis uses an online system that promotes conformity with the CMS quality of care guidelines called *Abaqis Providigm*. The applicant asserts that this tool for SNFs provides the same quality metrics and tools as used by surveyors. *Abaqis* goes beyond readiness and is the foundation for quality assurance, performance improvement, customer satisfaction, readmission and compliance. The applicant maintains that the processes described in the QAPI are effective in assuring quality throughout the range of services provided, and they lead to ongoing enhancements in service delivery.

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The applicant points out that *Abaqis* replicates the entire Quality Indicator Survey (QIS) methodology. PCL contends that consistent use of *Abaqis* helps prepare skilled nursing facilities for either QIS or traditional surveys, utilizing a combination of resident, family/responsible party and staff interviews, observations and record reviews to provide actionable data that identifies the regulatory areas where the facility should focus quality improvement efforts. The applicant indicates that an emphasis on resident-centered feedback also helps pinpoint customer satisfaction facility practices and resident choices that need attention.

PCL contends that *Abaqis* is suited for quality improvement because it facilitates daily assessment at a sustainable level and combines that with real-time drill-down analysis for facility-level use and roll-up reporting for managing multi-facility organizations. The applicant comments that using *Abaqis* helps identify the root cause of issues and concerns, so resources can promptly be allocated to the specific areas where the facility most needs improvement. PCL comments that whether a facility employs it for QAPI, regulatory compliance or customer satisfaction, being able to focus improvement efforts helps staff spend more time on resident care.

The applicant maintains that the system developers at *Abaqis Providigm* constantly work to make solutions as efficient and productive as possible for its customers. PCL asserts that the web-based nature of *Abaqis* allows access from any Internet-connected device. The applicant indicates that the QAPI process also includes monitoring whether there is, or is not sufficient staff to meet resident needs, resident weight loss and infections, rehabilitation following acute injury or illness and prevention of readmissions to a hospital.

PCL states that the *Providigm* QAPI Accreditation Program is based on four standards for excellence in continuously improving quality of care and life for nursing home residents; the four standards are evaluated quarterly for a period comprising the preceding 12 months (four quarters).

1. Comprehensive – There are a sufficient number of assessments completed by the facility staff and entered into the *Abaqis* web based program. The assessments consist of the admission record review, census record review, family interview, resident interview, resident observation and staff interview.
2. Continuous – The quality activities are not done just during the survey window. Quality activities are performed on an ongoing basis of two alternating quarters.
3. Coverage – There are a sufficient number of unique residents assessed through an admission record review and/or a census assessment. The same resident assessments cannot be used repeatedly.

4. Corrective – Areas that have been identified as needing improvement are going through an improvement process. These are known as Stage 2 activities.

The applicant contends that Quality Assurance (QA) is most notable for its scientific basis and explicit methodology designed around four fundamental steps:

- Develop scientifically valid quality metrics
- Establish minimum standards of quality
- Systematically evaluate quality using valid metrics
- Verify that quality meets minimum standards

The applicant asserts that use of the *Abaqis* system translates the science and methods of QA into easily understood and usable tools that allow the staff to monitor constantly the quality of care being delivered. PCL notes that the company designs software to provide the most efficient quality evaluation, without compromising scientific validity. The applicant affirms that “\Abaqis” solutions also prioritize areas of concern and isolate their underlying root cause, so that the staff can quickly focus their efforts on rectifying the most pressing issues. PCL points out that with the time saved, staff can efficiently focus on higher quality health care.

PCL indicates that a QAPI committee will be established to assess resident care practices, review quality indicators, events, deficiencies, resident grievances, weekly weights, hospital admissions, wounds and *Abaqis* results. The applicant indicates that the committee will develop plans of action and then expedite corrective action to identified concerns; the committee will be composed of the following stakeholders:

- Administration
- Director of Nursing
- Medical Director
- Risk Manager(s)
- Minimum of three staff members
- Additional consultants (as appropriate)

PCL comments that subcommittees may be established ad hoc for evolving areas of concern. The applicant states that these committees will provide input to the Quality Assurance Risk Management Committee. The applicant notes that QAPI audits are performed and reviewed at each meeting. PCL asserts that a risk manager will be assigned to implement and perform oversight; the risk manager shall abide state regulation while recognizing and addressing factors constituting an adverse incident. The applicant indicates that the risk manager and administration will address corrective action, and establish an educational program to inform staff in order to prevent a recurrence

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of an adverse incident. The reviewer notes that a summary of the policies for the QAPI process is included in Exhibit 4-1 of CON application #10620.

The applicant states that a Residents' Rights brochure is given to each patient, family member or responsible party upon admission; staff are also given Residents' Rights and receive mandatory education on its contents upon hire, and then annually thereafter.

The applicant asserts that the proposed SNF will develop a Comprehensive Emergency Management Plan. PCL notes that the plan(s) shall cover preparation protocols, monitoring, reports and evacuation protocols. The applicant asserts that these protocols include procurement and storage of sufficient supplies, including food, water, pharmaceuticals and nursing supplies. The reviewer notes that a sample safety policy and plan is included in Exhibit 4-2 of CON application #10620.

Pinellas CON LLC's responses demonstrate the capability to implement a program of quality assurance with elements that lead to continuous improvement, and a commitment to achieve exemplary ratings in both the Federal and State rating systems.

Pinellas Palms NH LLC (CON application #10621) is a developmental stage, for-profit Florida entity, and therefore does not have an historical record available to document in this CON proposal. The applicant states that implementation of this proposal will involve the development of all quality policies and procedures, and a QAPI, based on its other affiliated facilities. PPN expresses a commitment to adhere to any and all State and Federal SNF regulations and statutes in addition to Medicare's Conditions of Participation. While PPN is a new entity, the reviewer notes that the applicant is an affiliate of Greystone Healthcare Management Corporation (Greystone) which was established in Tampa, Florida in 2001. Greystone is a subsidiary of Greystone & CO Holdings II, LLC, and is the parent company of 28 licensed Florida SNF's with 3,359 beds. For the three-year period, November 20, 2016 to November 20, 2019, Greystone affiliated facilities had 72 substantiated complaints, which are summarized in the table below. A single complaint can encompass multiple complaint categories.

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Pinellas Pines NH LLC – Pinellas County

Greystone Florida SNF's, Three-Year Substantiated Complaint History

Complaint Category	Number Substantiated
Quality of Care/Treatment	42
Resident/Patient/Client Rights	7
Admission, Transfer & Discharge Rights	5
Dietary Services	5
Physical Environment	4
Administration/Personnel	2
Resident/Patient/Client Abuse	2
Falsification of Records/Reports	1
Infection Control	1
Misappropriation of property	1
Quality of Life	1
Resident/Patient/Client Neglect	1
Total Number of Substantiated Complaints	72

Agency Complaint Records, November 20, 2016 – November 20, 2019

The applicant states that as a testament to quality, nine Greystone facilities have been recognized in the US News & World Report's *Best Nursing Homes* list, and 29 have received national quality awards from the American Health Care Association and National Center for Assisted Living. PPH reports that all Greystone facilities seek Joint Commission Accreditation to ensure high quality standards.

The applicant comments that four Greystone facilities (out of 31 in the State), recently achieved status as a Vohra Center of Excellence in Wound Care from the Vohra Wound Physicians, recognizing facilities that have developed a superior wound management program. PPH points out that this distinction requires that certain mandatory criteria be met, aimed at optimizing patient outcomes, preventing re-hospitalizations and reducing costs; facilities holding the award must achieve a hospitalization recidivism rate of less than one percent.

The applicant asserts that its management is dedicated to improving the quality of care standards at their facilities and consistently invests in upgrades and renovations to the facilities and engages staff in quality improvement initiatives and education. PPH indicates that the proposed facility will be developed with rehabilitation in mind to promote recovery and return to the community, while also providing long-term care.

The applicant notes that the proposed facility location provides access by major roads and highways to seven area hospitals, including:

- Northside Hospital
- Palms of Pasadena Hospital
- St. Anthony's Hospital

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- St. Petersburg General Hospital
- Bayfront Health St. Petersburg
- Largo Medical Center
- Largo Medical Center - Indian Rocks

The applicant notes that access issues are evident, especially for short-term rehabilitative care; hospitals are the primary source of referrals for community SNFs and can have trouble finding a rehabilitation unit for residents of this area.

PPH reports that the hospitals within an approximate 10-mile radius reported 11,120 acute care discharges to community SNFs within Pinellas County in 2018, representing 58 percent of the total 19,041 SNF discharges from all Pinellas County hospitals. The applicant notes that of the 11,120 total cases, 2,141 cases were associated with MDC 8, Musculoskeletal System, including joint replacements and fractures; 1,472 cases were associated with cardiac patients; 1,404 cases were associated with infectious diseases; 1,225 cases were associated with MDC 11, Kidney and urinary tract diseases and disorders; and 1,110 were associated with respiratory system illness. The applicant contends that these 7,352 cases in the top five MDCs represent 66 percent of all cases discharged to community SNFs.

The applicant states that within a 10-mile radius of the project site, are 43 nursing homes, and 21 within a five-mile radius. PPH notes that these facilities averaged 87.30 percent and 86.66 percent occupancy, respectively, for the 10 and five-mile radii, close to the subdistrict average.

The applicant claims that community SNFs represent a safety net for those persons who cannot afford their long-term care. The reviewer notes Table 3-1 in Tab 3, Health Planning factors, Page 3-9, which shows the occupancy rates of Greystone facilities within a 10-mile radius of the proposed site for CON application #10621.

As a participant in the Medicare and Medicaid Programs, Pinellas Palms NH LLC would not discriminate against persons on religious, racial, ethnic, disability, or gender.

Greystone Health's Culture of *CARE* is based on four primary pillars - caring, accountability, respect and excellence. The reviewer notes the further explanation of *CARE* in CON application #10621, Page 4-3, Tab 4, Quality.

The applicant comments that a weekly *CARE* bulletin features top WOW moments from facilities and agencies throughout the Greystone network; a WOW moment occurs when someone in the Greystone family goes the

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extra mile to create an exceptional experience for their patients, families, visitors, coworkers or friends. The reviewer notes a sample of *CARE* bulletins provided in CON application #109621, Tab 4, Quality, Exhibit 4-1.

The applicant asserts that the increasing complexity of the long-term care environment in recent years and the growing demands and expectations on the regulatory process offer both an opportunity and a need to efficiently incorporate internal processes for providing quality, individualized patient care. Greystone developed and implemented organization-specific programs that promote delivery of quality care; a summary of voluntary programs beyond mandatory requirements include:

- Believe Balanced Assessment – identifies quality on several levels - clinical services, revenue development, financial management, people management, satisfaction and environment. Staff develops an action plan for areas that need improvement and incorporate these plans into business strategies.
- Operation Make a Difference – assists facilities in identifying opportunities to implement positive change. When a facility is identified from the Focus Leveling Report, a corporate team consisting of the Chief Executive Officer, Chief Operating Officer, Senior Vice President Clinical Operations, Vice President Clinical Operations, Regional Director of Operations, and Regional Director of Clinical Operations convenes to meet with facility department heads to identify items needed to bring the facility from good to great. Staff develops a plan with specific dates for accomplishment; the corporate team monitors weekly until the "Operation" is successful.
- Care Line, Benchmarking – A toll-free Alert Line, or Care Line, is a mechanism to respond to customer concerns and acknowledgements. Staff investigates and responds to the calls within the guidelines according to scope and severity. The Risk Management Department directs the investigations.
- Focus Leveling Monitoring Steps – uses a point system to identify performance levels tied to key quality indicators. There are five levels:
 - Level One (20+ points) - Much Below Average
 - Level Two (16-19 points) - Below Average
 - Level Three (11-15 points) -Average
 - Level Four (6-10 points) -Above Average
 - Level 5 (0-5 points) - Much Above Average
- Quality Assurance/Risk Management (QA/RM) Standards and Guidelines – At the highest level (five) of the Clinical Focus Leveling system (described above), an ongoing QA/RM process operates, providing a roadmap to excellence. With level four, additional focus becomes the audit tools and critical element pathways that rapidly implement improvement strategies and dispute resolutions as appropriate. Level three also focuses on quality assurance auditing

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tools, with updates performed weekly and unannounced employee interviews. The facility also performs mock surveys as needed. At Level two, weekly QA/RM meetings occur, semi-weekly calls from corporate directors and a daily clinical update to regional directors in addition to the ongoing quality assurance mechanisms. At the lowest level (one), staff implements “Operation Make a Difference.”

- Electronic Health Care Library

PPN points out that the QAPI Plan and Quality Assurance and Assessment Program will assure that the facility meets or exceeds the needs, expectations and requirements of the patients cost-effectively while maintaining good patient outcomes and resident centered care. PPN asserts that guidance also comes from the American Health Care Association whose commitment to providing members with assistance and guidelines build a uniform approach to measuring and assuring quality within nursing homes.

PPN indicates that a QAPI committee will be established to assess resident care practices, review quality indicators, events, deficiencies, resident grievances, weekly weights, hospital admissions, wounds and survey results. The applicant asserts that the committee will develop plans of action and then expedite corrective action to identified concerns; the Committee will be composed of the following stakeholders:

- Administration
- Director of Nursing
- Medical Director
- Risk Manager(s)
- Minimum of three staff members
- Additional consultants (as appropriate)

The applicant points out that the proposed facility will utilize the best available evidence to define and measure goals. PPN notes that initially, the facility administrator forms the steering committee and then works with the steering committee to establish communication structures for QAPI, develop the vision and mission statement, establish a purpose statement and guiding principles for the QAPI and develop the QAPI plan. The applicant notes that the QAPI program obtains input from facility staff, as well as from residents and their families and/or representatives. PPH asserts that the governing body ensures the QAPI program is adequately resourced to both begin and continue its work.

The applicant states that the governing body and executive leadership also remain responsible for setting priorities for the QAPI program and building on the principles identified in the design and scope, setting

expectations around safety, quality, rights, choice and respect by balancing both a culture of safety and a culture of resident-centered rights and choice.

The applicant notes that the facility establishes systems to monitor care and services drawing data from multiple sources to support its QAPI program. PPN asserts that feedback systems actively incorporate input from staff, residents, families and others as appropriate. The reviewer notes that a copy of Greystone's QAPI program policy is provided in CON application #10621, Tab 4, Quality, Exhibit 4-2.

The applicant indicates that each facility conducts Performance Improvement Projects (PIPs) to examine and improve care or services in areas identified as needing attention. PPH comments that each PIP has a designated leader and the PIP team establishes a timeline and goals for the project; PIPs focus on clinical as well as non-clinical areas of operation. The applicant maintains that each PIP team follows the plan-do-study-act (PDSA) approach to the project; the four components that drive the processes appear below:

1. Data are analyzed to establish whether problems are caused, or exacerbated, by the way care and services are organized or delivered. Before implementing facility-wide changes, the facility pilot tests the modifications on a smaller scale to ensure they produce the required change.
2. Systemic analysis also requires facility staff to be adept at using Root Cause Analysis (RCA) and other tools. The RCA supports looking comprehensively across all involved systems to prevent future events and promotes sustained improvement, with a focus on continual learning and continuous improvement.
3. Greystone provides a continuum of medical and social services for individuals who are unable to manage living independently and those living with chronic health conditions that affect their ability to perform everyday activities. The goals of long-term care are sometimes complicated and difficult to measure. In most cases, the primary objective is to prevent deterioration and promote social adjustment to stages of decline.
4. Among the quality measures currently in place to monitor effectiveness of care in long-term care facilities is hospital readmission rate. Because readmissions put patients at risk for complications, Greystone Health has instituted measures that reduce costs and improve quality of care. The reviewer notes Greystone's hospital recidivism rates in Figure 4-2 (CON application #10621, Tab 4, Quality Figure 4-2. Page 4-8) as 10.7 percent, compared to the state's 23.0 percent and the National average of 21.1 percent.

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The applicant states that the Resident Council is an independent group of families and friends of residents, who together protect and improve the quality of life for residents and provide families with a voice in decisions affecting their loved ones. PPH indicates that the proposed facility staff will coordinate and attend meetings of the Resident Council to give residents and families the opportunity to voice concerns and make suggestions. The reviewer notes a list of 27 specific Resident’s Rights shown in CON application #10621, Tab 4, Quality, “*Quality Assurance through Resident Council*,” Page 4-9.

Pinellas Pine NH LLC’s responses demonstrate the capability to implement a program of quality assurance with elements that lead to continuous improvement, and a commitment to achieve exemplary ratings in both the Federal and State rating systems.

PruittHealth – Pinellas, LLC (CON application #10622) is a developmental-stage, for-profit Florida entity, and therefore does not have an historical record available to document in this CON proposal. The applicant states that implementation of this proposal will involve the development of all quality policies and procedures based on its other affiliated facilities. PHP expresses a commitment to adhere to any and all State and Federal SNF regulations and statutes in addition to Medicare’s Conditions of Participation. While PHP is a new entity, the reviewer notes that the applicant is affiliated with PruittHealth, the parent company of three licensed SNF’s with 294 beds. For the three-year period, November 20, 2016 to November 20, 2019, PruittHealth had 10 substantiated complaints, all at PruittHealth – Santa Rosa, LLC, which are summarized in the table below. A single complaint can encompass multiple complaint categories.

**PruittHealth – Pinellas, LLC – Pinellas County
PruittHealth, Three-Year Substantiated Complaint History**

Complaint Category	Number Substantiated
Quality of Care/Treatment	6
Resident/Patient/Client Rights	3
Admission, Transfer & Discharge Rights	2
Billing/Refunds	1
Total Number of Substantiated Complaints	12

Agency Complaint Records, November 20, 2016 – November 20, 2019

PHP states that it will develop programs, services, protocols and exceed benchmarks in an effort to achieve AHCA Gold Seal eligibility. The reviewer notes that there are no existing AHCA Gold Seal Award nursing facilities in the Subdistrict 5-2 (Source: FloridaHealthFinder.gov). The applicant will strive to be a deficiency-free facility, in order to become a 5-Star rated facility and meet all AHCA Quality Award Requirements.

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PHP points out that annually, PruittHealth honors its outstanding employees in order to foster a sense of invested ownership in the success and continually improving quality care of their associated PruittHealth facilities. PruittHealth also sponsors annual retreats, workshops and continuing education programs where employees meet in structured forums to encourage open and honest communication that provides a foundation for conducting and improving daily operations of health-related, support and administrative tasks in an ethical and legal manner that will better anticipate and fulfill residents' evolving health and quality of life needs.

The applicant comments that the *Administrative Fellowship Program* is designed to mold young professionals into health care industry leaders by sponsoring paid instruction and training for these employees to complete MBA and MHA graduate degrees, while still performing their daily duties within PruittHealth facilities. PHP maintains that this fosters continual innovation and improvement of quality health care in a practical, facility-centered way with continued daily contact with residents that ensure current and practical connections between training and actual patient health needs and concerns.

PruittHealth comments that it has built an industry-leading holistic model of health care, known as the continuum of care, to meet a spectrum of long-term and ancillary care needs in the communities its affiliates serve. PruittHealth is known throughout the southeast for having affiliated providers that provide high quality care through proactive performance improvement programs, including on-site visits and in-service education. PHP contends that PruittHealth's vision, *Committed to Caring*, defines not only what it does, but also the culture in which it works.

The applicant notes that each of the subdistricts where PruittHealth will operate is within reasonable proximity to its pharmacy services and medical/nutritional supply centers in Valdosta, Lowndes County, Georgia. PHP indicates that this promotes accessibility, and provides a logistical advantage to PruittHealth facilities as its pharmaceuticals, medical supplies and other similar products are available 24/7 (including weekends) through either the operations centers or their back up facilities, thus assuring timely availability and quality for residents/patients of these facilities. PruittHealth is now considering opening a new distribution center in Florida designed to improve the efficiency of service to its facilities' needs progressing into the future.

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PruittHealth contends that it developed an innovative *Model of Care* to provide comprehensive, streamlined solutions for its patients and customers. PruittHealth asserts that this continuum of services recognizes new challenges presented to all providers in health care services allowing for a seamless transition across multiple care settings. The applicant also points out the PruittHealth *Model of Care* is designed to significantly reduce hospital recidivism rates and improve the overall outcomes for patients.

PHP states that, as a part of *PruittHealth Therapy Services*, it offers the *PerfectPath Road to Recovery* (a PruittHealth developed and branded program) which is composed of four steps that help lead patients from admission to re-integration into the community; these steps include the following:

- Acute Step
- Fundamental Step
- Transitional Step
- Progressive Step

PHP maintains, and continually updates, a Comprehensive Plan of Action for Natural Disasters as to ensure a proactive approach to timely and uninterrupted maintenance of high quality patient health care in the advent of natural disaster that include the following policies/actions:

- Electronic medical records are accessible from all PruittHealth facilities so each patient's medical records, medication forms, and all clinical information easily follow the patient to an evacuation facility.
- Policies and procedures are uniform across facilities so the interactions, customer service and patient follow-up will be consistent.
- The patient will be able to continue with their therapy treatment in a complete gym that is designed and similarly equipped in all PruittHealth facilities.
- Each facility has a generator sufficient to operate the entire facility, so that power outages will not negatively affect the patient.
- The physical plant, design and finishes are similar which will serve to minimize resident disorientation relative to the temporary relocation.

The review notes that PHP does not state how long the supplemental power generation will function in an uninterrupted capacity without additional fuel being supplied.

PruittHealth – Pinellas, LLC’s responses demonstrate the capability to implement a program of quality assurance with elements that lead to continuous improvement, and a commitment to achieve exemplary ratings in both the Federal and State rating systems.

- 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.**

Analysis – applies to all applicants:

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

Historically we have compared all applicant financial ratios regardless of type to bench marks established from financial ratios collected from Florida acute care hospitals. While not always a perfect match to a particular CON project it is a reasonable proxy for health care related entities. The applicant provided audited financial statements, where the short-term and long-term measures fall on the scale (highlighted in gray) for the most recent year.

Pinellas CON, LLC (CON application #10620):

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CON-10620	
Pinellas CON, LLC	
	Dec-19
Current Assets	\$ 234,000
Total Assets	\$ 234,000
Current Liabilities	\$ 16,416
Total Liabilities	\$ 16,416
Net Assets	\$ 217,584
Total Revenues	\$ -
Excess of Revenues Over Expenses	\$ -
Cash Flow from Operations	\$ -
Short-Term Analysis	
Current Ratio (CA/CL)	14.3
Cash Flow to Current Liabilities (CFO/CL)	0.00%
Long-Term Analysis	
Long-Term Debt to Net Assets (TL-CL/NA)	0.0%
Total Margin (ER/TR)	0.00%
Measure of Available Funding	
Working Capital	\$217,584

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 a single project on Schedule 2 for CON application #10620 (this project) totaling \$29,453,100. In addition, the applicant projects a year one operating loss of \$1,693,600 that will require financing.

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The applicant is a development stage corporation with total assets of \$234,000 consisting entirely of cash, total liabilities of \$16,416 and no operations at December 2, 2019.

The applicant implies on Schedule 3 that funding will come from a loan from Synovus bank.

The applicant provided a letter from Synovus bank expressing “strong interest” in providing funding up to \$33 million to the project. Staff notes that an expression of interest is not a formal commitment to lend any funds.

Conclusion:

Funding for the project will depend on the applicant’s ability to secure the referenced Synovus loan.

Pinellas Palms NH LLC (CON application #10621):

CON-10621		
Greystone & Co Holdings II, LLC		
	Dec-18	Dec-17
Current Assets	\$ 52,482,632	\$ 61,005,267
Total Assets	\$ 281,107,604	\$ 274,313,178
Current Liabilities	\$ 41,368,316	\$ 49,096,598
Total Liabilities	\$ 272,659,410	\$ 262,414,046
Net Assets	\$ 8,448,194	\$ 11,899,132
Total Revenues	\$ 351,483,284	\$ 358,690,029
Excess of Revenues Over Expenses	\$ (2,462,304)	\$ (1,500,161)
Cash Flow from Operations	\$ 4,324,752	\$ 21,775,478
Short-Term Analysis		
Current Ratio (CA/CL)	1.3	1.2
Cash Flow to Current Liabilities (CFO/CL)	10.45%	44.35%
Long-Term Analysis		
Long-Term Debt to Net Assets (TL-CL/NA)	2737.8%	1792.7%
Total Margin (ER/TR)	-0.70%	-0.42%
Measure of Available Funding		
Working Capital	\$11,114,316	\$11,908,669

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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 one project on Schedule 2 for CON application #10621 (this project) totaling \$30,851,267. In addition, the applicant projects a year one operating loss of \$1,949,561 that will require financing.

The applicant is a development stage corporation with total assets of \$30,867 consisting of cash of \$5,500 and intangible assets of \$25,367, total liabilities of \$30,867 and no operations at November 30, 2019.

The applicant states that funding will come from unrelated bank financing.

The applicant provided a letter of financial commitment from its parent company, Greystone and Company Holdings II, LLC, and a letter of interest in providing funding for the project from SunTrust bank. Staff notes that a letter of interest is not a formal commitment to lend.

Conclusion:

Funding for the project will depend on the applicant's ability to secure the referenced SunTrust loan.

PruittHealth – Pinellas County, LLC (CON application #10622):

CON Action Numbers: 10620, 10621 & 10622

CON-10622		
United Health Services, Inc. and Subsidiaries		
	Jun-19	Jun-18
Current Assets	\$ 174,311,000	\$ 146,731,000
Total Assets	\$ 743,072,000	\$ 690,363,000
Current Liabilities	\$ 252,682,000	\$ 222,241,000
Total Liabilities	\$ 651,950,000	\$ 579,032,000
Net Assets	\$ 91,122,000	\$ 111,331,000
Total Revenues	\$ 1,053,680,000	\$ 1,008,461,000
Excess of Revenues Over Expenses	\$ (18,066,000)	\$ (21,038,000)
Cash Flow from Operations	\$ 13,232,000	\$ 20,233,000
Short-Term Analysis		
Current Ratio (CA/CL)	0.7	0.7
Cash Flow to Current Liabilities (CFO/CL)	5.24%	9.10%
Long-Term Analysis		
Long-Term Debt to Net Assets (TL-CL/NA)	438.2%	320.5%
Total Margin (ER/TR)	-1.71%	-2.09%
Measure of Available Funding		
Working Capital	(\$78,371,000)	(\$75,510,000)

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

Capital Requirements and Funding:

The applicant indicates one project on Schedule 2 for CON application #10622 (this project) totaling \$29,400,148.

The applicant states on Schedule 3 that 80 percent of the funding for this project will come from debt financing, with the remaining funding to come from its operating cash flows.

The applicant also stated that United Health Services, Inc., and its subsidiaries have cash and cash equivalents, which it can draw on to fund any equity component of a project.

Last, the applicant states that PruittHealth has access to an available \$21,500,000 of a \$36,000,000 Capital One line of credit. The applicant

further stated that any funds used from this line of credit to finance any equity requirements, that usage would be treated as an equity investment and not debt, avoiding interest and other financing costs.

The applicant provided a letter from PruittHealth pledging funds and Synovus welcoming the opportunity to work with PruittHealth – St. Johns County, LLC to provide the additional necessary funding.

Conclusion:

Availability of funding is subject to loan approval by Synovus.

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

Analysis applies to all applicants:

The immediate and long-term financial feasibility of the project is tied to expected profitability. The purpose of our analysis for this section is to evaluate the reasonableness of the applicant's profitability projections and, ultimately, whether profitability is achievable for this project. Our analysis includes an evaluation of net revenue per patient day (NRPD), cost per patient day (CPD), nurse staffing ratios, and profitability.

We compared the NRPD, CPD, and profitability to actual operating results from skilled nursing facilities as reported on Medicaid cost reports (2016, 2017, and 2018 cost report years). For our comparison group, we selected skilled nursing facilities with similar Medicaid utilizations to the utilization projected by the applicant on a per patient day basis (PPD). Comparison group data was adjusted for inflation to match the second year projection (inflation factor was based on the New CMS Market Basket Price Index as published in the 2nd Quarter 2019, Health Care Cost Review).

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

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Pinellas CON, LLC (CON application #10620):

	Projections Per Applicant		Comparative Facilities		
	Total	PPD	Highest	Median	Lowest
Net Revenues	15,658,800	400.59	463.20	351.25	279.09
Total Expenses	15,146,200	387.48	695.59	357.86	273.65
Operating Income	512,600	13.11	62.62	1.86	-309.04
Margin	3.27%				
Total Occupancy	89%		0.98	0.92	0.24
Medicaid Occ.	57%		0.66	0.59	0.47
Medicare Occ.	35%		0.39	0.18	0.05

Staffing:

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

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

Conclusion:

This project appears to be financially feasible based on the projections provided by the applicant, assuming financing is available.

Pinellas Palms NH LLC (CON application #10621):

	Projections Per Applicant		Comparative Facilities		
	Total	PPD	Highest	Median	Lowest
Net Revenues	15,225,989	364.92	1125.41	374.88	302.72
Total Expenses	14,952,482	358.37	1148.95	376.00	304.63
Operating Income	273,507	6.56	62.62	0.08	-309.04
Margin	1.80%				
Total Occupancy	95%		0.98	0.92	0.24
Medicaid Occ.	51%		0.61	0.52	0.41
Medicare Occ.	26%		0.50	0.25	0.05

Staffing:

Section 400.23(3)(a)(1), Florida Statutes, specifies a minimum certified nursing assistant staffing of 2.5 hours of direct care per resident per day and a minimum licensed nursing staffing of 1.0 hour of direct resident

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care per resident day. Based on the information provided in Schedule 6, the applicant’s projected staffing meets the licensed nursing staffing requirement.

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

Conclusion:

This project appears to be financially feasible based on the projections provided by the applicant, assuming financing is available.

PruittHealth – Pinellas County, LLC (CON application #10622):

	Projections Per Applicant		Comparative Facilities		
	Total	PPD	Highest	Median	Lowest
Net Revenues	15,808,709	378.89	490.20	317.28	264.41
Total Expenses	13,978,190	335.02	674.68	326.96	257.56
Operating Income	1,830,519	43.87	43.00	-1.99	-299.75
Margin	11.58%				
Total Occupancy	95%		0.99	0.92	0.24
Medicaid Occ.	67%		0.76	0.68	0.57
Medicare Occ.	31%		0.34	0.14	0.01

Staffing:

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

The projected NRPD and CPD fall within the group range and are considered reasonable. Net operating income of \$43.87 PPD falls slightly higher than the group highest level of \$43.00 PPD. Therefore, the overall profitability may be slightly overstated. The total cost appears to include at least the minimum staffing required.

Conclusion:

This project appears to be financially feasible based on the projections provided by the applicant, assuming financing is available.

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

Analysis – applies to all applicants:

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

Conclusion:

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

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

CON applications #10620, #10621 and #10622: The applicants have submitted all information and documentation necessary to demonstrate compliance with the architectural review criteria. The cost estimate for the proposed projects provided in Schedule 9, Table A and the project completion forecast provided in Schedule 10 appear to be reasonable. A review of the architectural plans, narratives and other supporting documents did not reveal any deficiencies that are likely to have a significant impact on either construction costs or the proposed completion schedule.

The plans submitted with 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

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determine complete compliance with all applicable codes and standards. The final responsibility for facility compliance ultimately rests with the applicant owner. Approval from the Agency for Health Care Administration’s Office of Plans and Construction is required before the commencement of any construction.

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

The reviewer notes the five-year Medicaid occupancy for Subdistrict 5-2, District 5 and the State of Florida in the following table:

**Medicaid Patient Days and Occupancy in Pinellas County, District 5 and State of Florida
12-Month Periods Ending June 30**

Medicaid Patient Days					
Region	2015	2016	2017	2018	2019
Pinellas County	1,625,922	1,637,256	1,609,709	1,591,926	1,655,165
District 5	2,005,464	2,018,900	1,985,889	1,984,159	2,054,536
Florida	15,875,092	16,097,612	16,077,665	15,962,594	16,282,260
Medicaid Occupancy					
Region	2015	2016	2017	2018	2019
Pinellas County	64.90%	65.29%	65.24%	65.48%	67.42%
District 5	63.64%	64.09%	63.75%	64.59%	66.35%
Florida	61.88%	62.73%	63.34%	63.23%	64.90%

Source: Florida Nursing Home Bed Need Projections by District and Subdistrict, October 2015 - 2019 Batching Cycles

Pinellas CON, LLC (CON application #10620) is a developmental stage, for-profit Florida entity and therefore does not have a historical record to analyze for this application.

PCL states that charity care does not occur in nursing homes as persons whose assets are insufficient to cover the costs qualify for Medicaid. The applicant refers the reviewer to its bad debt deductions of \$130,100 in year one and \$229,300 in year two. The applicant expects 22,510 total patient days in year one and 39,089 patient days in year two. Medicaid patient days are projected to be 50.23 and 57.00 percent of year one and two total annual patient days, respectively. Private and other days are projected to be 17.82 percent of year one and 8.00 percent of year two patient days. The “private and other days” in the applicant’s Table 9-1 in its response to this criteria are stated to be self-pay in its Schedule 7.

The applicant does not condition approval of the proposal to a minimum provision of Medicaid/Medicaid HMO or charity care, pursuant to this proposal.

Pinellas Palms NH LLC (CON application #10621) is a developmental stage for-profit Florida entity and therefore does not have a historical record to analyze for this application.

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The applicant documents that its parent company, Greystone, has a long history of participation in Medicaid and providing skilled nursing services to the Medicaid population through its affiliates. The applicant indicates it will enhance programmatic accessibility for Medicaid LTC enrollees. PPN states that charity care does not exist in nursing homes as persons who spend down assets qualify for Medicaid.

The applicant's Table 9-2 provided in response to this criteria shows PNN projects 25,131 year one and 41,724 year two patient days ending June 30, 2023 and June 30, 2024, respectively. Medicaid and self-pay represent 51.31 percent and 8.34 percent of year one and 50.88 percent and 5.26 percent of year-two total annual patient days, respectively.

PruittHealth – Pinellas, LLC (CON application #10622) is a developmental stage for-profit Florida entity and therefore does not have a historical record to analyze for this application. The applicant states that its parent company has a long history of participation in Medicaid and providing skilled nursing services to the Medicaid population through its affiliates. The applicant will enhance programmatic accessibility for Medicaid LTC enrollees. PHP indicates a focus on access to Medicaid LTC for its vulnerable and indigent populations. PHP provided a history of PruittHealth's provision of care to these individuals and stated it would meet the intent of the access criteria. However, a direct statement as to the projected percentage was not provided.

The reviewer compiled CON application #10622's Schedule 7 data to account for Medicaid and self-pay days for year-one and for year-two. Medicaid as a percent of total annual patient days is projected to 62.74 percent in year one and 66.67 percent in year two ending June 30, 2022 and June 30, 2023. Self-pay is projected to 4.37 percent of year one and 1.75 percent of year two's total annual patient days. However, the reviewer notes the applicant's Schedule 10 indicates initiation of service is projected to be September 2022, so these projections may be for year-end September 2023 and 2024.

CON application #10622's Schedule 7 does not condition any Medicaid total annual patient days or percentage or any charity care total annual patient days or percentage, pursuant to this proposal.

F. SUMMARY

Pinellas CON, LLC (CON application #10620) is a newly formed, development stage, for-profit Florida entity that proposes to construct a new 120-bed (100 percent all private rooms, 50 percent handicapped accessible) community SNF in Subdistrict 5-2.

The applicant states “an area of interest” to locate the project in Zip Code 33770 (Largo/Belleair Bluffs area) but does not propose to condition to a specific location. The planned proposal is indicated to be similar in function, style and technology to the affiliate SNFs of Michael Bleich, the authorized representative. Mr. Michael Bleich, PCL’s authorized representative, is stated to be a “Member, Director or Officer” of 24 Florida SNFs and the applicant self-reports a list of these SNFs in Tab 5, Page 5-2 of CON application #10620.

The total project cost is \$29,453,100. The project includes 101,481 GSF of new construction. The total construction cost is \$21,000,000. The project cost includes land, building, equipment, project development, financing and start-up costs.

The applicant stipulates approval of the proposal to the following Schedule C Conditions.

1. All 120 beds will be housed in private/single-occupancy rooms
2. Establish a 20-Bed Respiratory Unit
3. Establish a 20-Bed Dialysis Unit
4. Establish a 20-Bed Cardiac Rehabilitation Unit

Pinellas Palms NH LLC (CON application #10621) is a newly formed, development stage, for-profit Florida entity that proposes to construct a new 120-bed (56 rooms are private/single-occupancy rooms – four of these private rooms will be bariatric suites) community SNF in Subdistrict 5-2.

The applicant indicates a precise project location: adjacent to, and developed in coordination with American House Senior Living Campus – St. Petersburg; whose address is 1101 66th Street North, St. Petersburg, Florida 33701. The planned facility is to be similar in function, style and technology to the affiliate SNF – Kendall Lakes Health and Rehabilitation, Miami, Florida 33185.

The ultimate parent is Greystone, which was established in Tampa, Florida in 2001. Greystone is a subsidiary of Greystone & CO Holdings II, LLC, and is the parent company of 28 licensed Florida SNF’s with 3,359 beds. Greystone will provide all administrative related services to PPN.

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The total project cost is \$30,851,267. The project includes 93,900 GSF of new construction. The total construction cost is \$23,475,000. The project cost includes land, building, equipment, project development, financing and start-up costs.

The applicant conditions approval of the proposal to the following Schedule C Conditions:

1. Locate adjacent to and developed in coordination with American House Senior Living Campus – St. Petersburg whose address is 1101 66th Street North, St. Petersburg, Florida 33701.
2. The facility will include 56 private resident rooms, including four private bariatric rooms.
3. Seek The Joint Commission Gold Seal National Quality Approval within the first year of operation.
4. Provide specialized programs designed to enhance patient well-being, reduce recovery times and reduce re-hospitalizations, including:
 - a. Rapid Recovery Unit with specialized orthopedic, cardiac and stroke rehab programs
 - b. RN/LPN licensed staff 24 hours a day, 365 days a year
 - c. Comprehensive PT, OT and SLP treatment available seven days a week
 - d. ADL - "safe to home" program
 - e. Advanced wound care programs
 - f. Pain management programs
 - g. Fall reduction programs
 - h. Coordination with Greystone Home Health for seamless return to home transitions

PruittHealth – Pinellas County, LLC (CON application #10622) is a newly formed, development stage, for-profit Florida entity that proposes to construct a new 120-bed (100 percent all private rooms, 100 percent handicapped accessible) community SNF in Subdistrict 5-2.

The applicant indicates it will locate the facility in the Largo/Clearwater area but does not propose to condition to a specific location. However, the planned proposal is indicated to be similar in function, style and technology to the affiliate SNFs - PruittHealth - Panama City and PruittHealth - Fleming Island.

The ultimate parent is UHS, which is the parent to more than 100 long-term SNFs and ALFs. PruittHealth will provide all administrative related services to PHP. PruittHealth was formed in 1969, in the State of Georgia, and currently operates SNFs in the following states: Florida, Georgia, North Carolina and South Carolina. Specific to Florida, PruittHealth currently operates three Florida SNFs.

CON Action Numbers: 10620, 10621 & 10622

The total project cost is \$29,400,148. The project includes 111,608 GSF of new construction. The total construction cost is \$17,857,280. The project cost includes land, building, equipment, project development, financing and start-up costs.

The applicant conditions approval of the proposal to the following Schedule C Conditions:

1. Pinellas County, Subdistrict 5-2, Florida
2. All 120 patient beds will be in private patient rooms.
3. All patient bathrooms will be handicap accessible.
4. Facility will feature a 16-bed Alzheimer's disease secure unit.
5. Incorporate four bariatric rooms/beds into the facility design.
6. Seek Joint Commission accreditation or accreditation from some other similarly recognized accrediting body.
7. Implement a program designed to reduce hospital re-admissions; the current program utilized by PruittHealth affiliated facilities is *INTERACT* 3.0. The program to be implemented will be this program or other similarly designed program based on the most recent quality driven program PruittHealth determines to be available at the time of implementation.
8. Participate in an organization-wide Quality Assurance / Performance Improvement initiative that entail quarterly visits in regard to clinical, operational, pharmaceutical and reimbursement areas by corporate consultants to ensure compliance with all local, state and federal laws.
9. Provide the It's Never 2 Late ® (iN2L) computer system to residents of the Alzheimer's unit as a tool to empower and engage seniors, specifically those with dementia. Each resident can have his or her individual page on the system, which displays their favorite personal options: music, games, photos and videos, even websites, at their fingertips.
10. Have at least one Certified Dementia Practitioner on staff on the Alzheimer's unit per shift.
11. Implement Electronic Records (EMR) at the facility, and include Smart Charting or other similar bedside patient charting tool.
12. Implement Resident Safety Technology including Call Guard and WanderGuard into the facility.
13. Implement Clinical Kiosks in appropriate locations throughout the facility.
14. Assure all staff maintains ongoing training and continuing education credits utilizing Pruitt University and at no cost to the employees.
15. Participate in a company-wide Annual Quality Report to demonstrate transparency in operations and make this Quality Report available to the public.

CON Action Numbers: 10620, 10621 & 10622

16. Adopt the PruittHealth patient model of care including the applicable PerfectPath Programs appropriate for this facility and described in the CON Application and Supporting Documents.
17. Implement PointRight Technology (or a future similar technology) in the ongoing operations.
18. In addition to complying with Florida Emergency Management Plans and Operations Center as required by the State of Florida, the Applicant will adopt PruittHealth's policies related to natural disasters and hurricanes will implement the PruittHealth Hurricane Response Plan and be an active participant in PruittHealth's Central Command Center when severe weather events arise.

Need

In Volume 45, Number 149 of the Florida Administrative Register, dated October 4, 2019, need for 266 community nursing home beds was published in the fixed pool for Subdistrict 5-2 for the July 2022 Planning Horizon.

Subdistrict 5-2 has 7,679 licensed and 57 approved community nursing home beds. During the 12-month period ending on June 30, 2019 Subdistrict 5-2 experienced 87.59 percent utilization at 69 existing community nursing homes.

Pinellas CON LLC (CON application #10620) states the following factors supporting the proposed project:

- Historical occupancy rates of existing providers
- Historical hospital discharges to nursing homes by service line
- High MCD and MS-DRG incidence of the following diseases requiring specialized programming and accommodations:
 - Cardiac – 20-bed unit
 - Kidney – 20-bed unit
 - Pulmonary – 20-bed unit
- Limited access to nursing home beds for Medicaid long-term care population (particularly in private rooms)
- The growing 65+ population who are the most likely users of nursing home services
- Access to Occupational & Speech therapy
- PT offered on-site
- Amenities:
 - Beauty/barber services
 - Counseling services
 - Recreational activities programming
 - Religious services
 - Volunteer services

CON Action Numbers: 10620, 10621 & 10622

- Rapid Recovery Unit to quickly respond to patient needs with better health outcomes
- Changes in the payor system to increase rates of LTC provided to the Medicaid population
- Commitment to the use of technology for resident care and monitoring through the *Abaqis Providigm* – Quality Management System
- The applicant will apply its knowledge of this market and expand upon existing relationships to effectively respond to the unique needs of the market
- Letters of support in favor of the proposal

Other need justification factors that PCL presents as reasons to approve the project include:

- 100 percent private rooms and the first all-private nursing facility in Pinellas County
- 50 percent handicap accessible rooms
- 57.0 percent of patient days to Medicaid long-term care enrollees in the second year
- State of the art physical and occupational therapy equipment
- Programs to reduce hospital readmissions – *Abaqis Providigm*
- Quality initiatives that have proven to have a demonstrable effect on the level of care provided from both a startup and a long-term perspective

Pinellas Palms NH LLC (CON application #10621) states the following factors supporting the proposed project:

- The project provides a continuum of care by locating on a senior living campus that includes independent residential apartments, assisted living and assisted memory care
- The project site is already properly zoned, conducive to timely development
- Greystone's knowledge of the planning area and established relationships within the medical community assure a robust referral base and fosters agreements for contracted services
- Greystone's presence and reputation foster quality care and successful operations, allowing the new facility to quickly fill and maintain a high census
- The project supports affiliates, produces operating efficiencies and provides Greystone employees with more career opportunities through the addition of jobs
- The project fulfills facility-specific demand of Greystone affiliates (four SNFs with 363 beds) within the area that average over 93 percent occupancy compared to the subdistrict's 87 percent.
- Prevarian Senior Living - developer and owner of American House St. Petersburg confirms Greystone Health has worked with them since the initial planning to have skilled nursing be a part of the AHSP

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campus and we reserved a portion of the campus property for a new SNF.

- The American House campus will resort-style amenities and services that include a swimming pool, theater, spa, salon, massage services, fitness center and other features.
- The 120-bed SNF will have 56 private rooms
- The applicant provides population analysis, SNF utilization for the areas within five and 10 miles of the location and Pinellas County
- Historical hospital discharges to nursing homes by service line
- The project increases access to disease-specific programming and accommodations
- Pinellas County is the most densely populated county in Florida with 3,323.12 persons per square mile. It is home to 930,141 residents, of which 232,142 or 25 percent are age 65+
- 65+ population cohort in Pinellas County increases over the next five years at a rate of 2.1 percent per year
- The applicant will apply its knowledge of this market and expand upon existing Greystone relationships to effectively respond to the unique needs of the market
- Letters of support in favor of the proposal

Other need justification factors that Greystone presents as reasons to approve the project include:

- Four bariatric private/single-occupancy rooms
- State of the art rehab suite
- Programs to reduce hospital readmissions that have already been successfully introduced in other Greystone facilities
- Extensive volunteer services
- Focus on community living within a continuum of health care options
- Quality initiatives that have proven to have a demonstrable effect on the level of care provided from both a startup and a long-term perspective

PruittHealth – Pinellas County, LLC (CON application #10622) states the following factors supporting the proposed project:

- Historical occupancy rates of existing providers
- Historical hospital discharges to nursing homes by service line
- High incidence of Alzheimer’s and obesity requiring specialized programming and accommodations:
 - Alzheimer’s/dementia – 16-bed secure unit
 - Bariatric – four-bed unit
- Limited access to nursing home beds for Medicaid long-term care population (particularly in private rooms)
- The growing 65+ cohort who are the most likely users of nursing home services
- Changes in payors and the payor system

CON Action Numbers: 10620, 10621 & 10622

- Commitment to the use of technology for patient care, including PointRight, Smart Charting, Wanderguard, Careguard, medical kiosks, *INTERACT 3.0* and electronic medical records
- The applicant will apply its knowledge of this market and expand upon existing PruittHealth relationships to effectively respond to the unique needs of the market
- Letters of support in favor of the proposal

Other need justification factors that PruittHealth presents as reasons to approve the project include:

- 100 percent private rooms and the first all-private nursing facility in Pinellas County
- 100 percent handicap accessible rooms
- 61 percent of patient days to Medicaid long-term care enrollees in the second year
- State of the art rehab suite
- PruittHealth Premier specially designed plan for PruittHealth residents in SNFs that enables residents to receive more benefits than what is typically covered by FFS plans
- Programs to reduce hospital readmissions that have already been successfully introduced in other PruittHealth facilities
- Quality initiatives that have proven to have a demonstrable effect on the level of care provided from both a startup and a long-term perspective

The Agency has determined that within the context of the criteria specified in Section 408.035 (1), Florida Statutes, and Rule 59C-1.036, Florida Administrative Code, CON applications #10621 and #10622 best satisfies the criteria. The Agency has determined that CON applications #10621 and #10622 have demonstrated the ability to increase access and availability and enhance health care to the residents of the subdistrict with quality operators of SNFs. CON application #10621's project is a partnership with the American House St. Petersburg retirement community.

Quality of Care

Each co-batched applicant demonstrates the ability to provide quality care.

Pinellas CON, LLC (CON application #10620) is a newly-formed entity and therefore does not have a historical record available to document.

CON Action Numbers: 10620, 10621 & 10622

PCL states the project will utilize quality policies and procedures and a quality assurance program based on those of its other sister facilities.

The applicant notes that quality assurance will be provided at the proposed facility through a QAPI, QIS, QMS and QA linked via the *Abaqis* – *Providigm* system).

PCL maintains that Mr. Michael Bleich’s organizational experience and expertise in providing quality skilled nursing services is evidenced by the number of successful programs and quality assurance practices. Mr. Michael Bleich, PCL’s authorized representative, is stated to be a “Member, Director or Officer” of 24 SNFs in Florida, and during the three-year period ended on November 20, 2019 had 114 substantiated complaints in these facilities. We do not know the date(s) Mr. Bleich became a member director or officer in these facilities.

Pinellas Palms NH LLC (CON application #10621) is a newly-formed entity and therefore does not have a historical record available to document.

PPN states it will utilize Greystone’s (the parent) quality policies and procedures and a quality assurance program.

The applicant notes that quality assurance will be provided at the proposed facility through the use of QAPI, PIPs/PDSA projects, *CARE* plans, QA/RM and the Residential Council. The applicant will also use an electronic health record system.

Greystone operates 28 licensed Florida SNF’s with 3,359 beds, and during the three-year period ended on November 20, 2019, had 72 substantiated complaints in these facilities.

PruittHealth – Pinellas County, LLC (CON application #10622) notes that quality assurance will be provided at the proposed facility through a QAPI, PIPs, PDSA projects and a CQI process. The applicant will use MatrixCare® for its electronic health record system.

The applicant cites its parent - PruittHealth’s organizational experience and expertise in providing quality skilled nursing services evidenced by its number of successful programs and its quality assurance practices.

PruittHealth operates three facilities in Florida and during the three-year period ended on November 20, 2019 had 10 substantiated complaints, all at PruittHealth – Santa Rosa, LLC.

Financial Feasibility/Availability of Funds

Pinellas CON, LLC (CON application #10620)

- Funding for the project will depend on the applicant's ability to secure the Synovus loan.
- This project appears to be financially feasible based on the projections provided by the applicant, assuming financing is available

Pinellas Palms NH LLC (CON application #10621)

- Funding for the project will depend on the applicant's ability to secure the SunTrust loan
- This project appears to be financially feasible based on the projections provided by the applicant, assuming financing is available

PruittHealth – Pinellas County, LLC (CON application #10622)

- Availability of funding is subject to loan approval by Synovus
- This project appears to be financially feasible based on the projections provided by the applicant, assuming financing is available

Medicaid/Charity Care

The applicants do not propose Medicaid or charity care conditions.

Pinellas CON, LLC (CON application #10620) projects Medicaid will account for 50.2 percent and 57.0 percent of year one and two annual patient days, respectively. **Pinellas Palms NH LLC (CON application #10621)** projects Medicaid will account for 51.31 percent and 50.88 percent of year one and two annual patient days, respectively.

PruittHealth – Pinellas County, LLC (CON application #10622) projects Medicaid will account for 62.7 percent and 66.7 percent of year one and two annual patient days, respectively.

Architectural

CON applications #10620 #10621 and #10622:

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

G. RECOMMENDATION

Approve CON #10621 to establish a new 120-bed community nursing home in District 5, Subdistrict 2, Pinellas County. The total project is \$24,866,125. The project involves 93,900 GSF of new construction and construction cost of \$23,475,000.

CONDITIONS:

1. Locate adjacent to and developed in coordination with American House Senior Living Campus – St. Petersburg whose address is 1101 66th Street North, St. Petersburg, Florida 33701.
2. The facility will include 56 private resident rooms, including four private bariatric rooms.
3. Seek The Joint Commission Gold Seal National Quality Approval within the first year of operation.
4. Provide specialized programs designed to enhance patient well-being, reduce recovery times and reduce re-hospitalizations, including:
 - o Rapid Recovery Unit with specialized orthopedic, cardiac and stroke rehab programs
 - o RN/LPN licensed staff 24 hours a day, 365 days a year
 - o Comprehensive PT, OT and SLP treatment available 7 days a week
 - o ADL - "safe to home" program
 - o Advanced wound care programs
 - o Pain management programs
 - o Fall reduction programs
 - o Coordination with Greystone Home Health for seamless return to home transitions

Approve CON #10622 to establish a new 120-bed community nursing home in District 5, Subdistrict 2, Pinellas County. The total project is \$29,400,148. The project involves 111,608 GSF of new construction and construction cost of \$17,857,280.

CONDITIONS:

1. Pinellas County, Subdistrict 5-2, Florida
2. All 120 patient beds will be in private patient rooms.
3. All patient bathrooms will be handicap accessible.
4. Facility will feature a 16-bed Alzheimer's disease secure unit
5. Incorporate four bariatric rooms/beds into the facility design
6. Seek Joint Commission accreditation or accreditation from some other similarly recognized accrediting body.

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7. Implement a program designed to reduce hospital re-admissions; the current program utilized by PruittHealth affiliated facilities is *INTERACT* 3.0. The program to be implemented will be this program or other similarly designed program based on the most recent quality driven program PruittHealth determines to be available at the time of implementation.
8. Participate in an organization-wide Quality Assurance / Performance Improvement initiative that entail quarterly visits in regard to clinical, operational, pharmaceutical and reimbursement areas by corporate consultants to ensure compliance with all local, state and federal laws.
9. Provide the It's Never 2 Late ® (iN2L) computer system to residents of the Alzheimer's unit as a tool to empower and engage seniors, specifically those with dementia. Each resident can have his or her individual page on the system, which displays their favorite personal options: music, games, photos and videos, even websites, at their fingertips.
10. Have at least one Certified Dementia Practitioner on staff on the Alzheimer's unit per shift.
11. Implement Electronic Medical Records (EMR) at the facility, and include Smart Charting or other similar bedside patient charting tool.
12. Implement Resident Safety Technology including Call Guard and WanderGuard into the facility.
13. Implement Clinical Kiosks in appropriate locations throughout the facility.
14. Assure all staff maintains ongoing training and continuing education credits utilizing Pruitt University and at no cost to the employees.
15. Participate in a company-wide Annual Quality Report to demonstrate transparency in operations and make this Quality Report available to the public.
16. Adopt the PruittHealth patient model of care including the applicable PerfectPath Programs appropriate for this facility and described in the CON Application and Supporting Documents.
17. Implement PointRight Technology (or a future similar technology) in the ongoing operations
18. In addition to complying with Florida Emergency Management Plans and Operations Center as required by the State of Florida, the Applicant will adopt PruittHealth's policies related to natural disasters and hurricanes will implement the PruittHealth Hurricane Response Plan and be an active participant in PruittHealth's Central Command Center when severe weather events arise

Deny CON #10620.

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: _____

James B. McLemore
Operations & Management Consultant Manager
Certificate of Need