STATE AGENCY ACTION REPORT

ON APPLICATION FOR CERTIFICATE OF NEED

A. PROJECT IDENTIFICATION

1. Applicant/CON Action Number

Arc Hospice of Florida, LLC/CON #10735
100 Challenger Road, Suite 105
Ridgefield Park, New Jersey 07660

Authorized Representative: David Glick
Chief Executive Officer
(917) 647-1536

2. Service District/Subdistrict

Service Area (SA) 3A – Alachua, Bradford, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Levy, Putnam, Suwannee, and Union Counties

B. PUBLIC HEARING

A public hearing was not held or requested.

Letters of Support

Arc Hospice of Florida, LLC (CON application #10735) submitted 88 letters of support and includes excerpts throughout the application. Approximately 69 of these were form letters with resident signatures. Three video testimonials and their transcripts were also submitted. The applicant's letters include:

Skilled Nursing Facilities:

- Elliot J. Williams, MSHA, NHA, Administrator, Parklands Care Center
- Truvette Lennear, Administrator, Terrace Healthcare & Rehabilitation Center
- Hemi Clough, Administrator, Williston Care Center
- Bryce King, NHA, Executive Director, Park Meadows Health and Rehabilitation Center

Physicians/Nurses:

- Ajaypal Gill, D.O., Physician
- Alfonso Mortmer, M.D., Physician
- John F. Brandt, M.D., Family Medicine, Gainesville
- Tuesday May R.N., Director of Clinical Services, Concierge Care, Home Health serving SA 3A

Government/Leaders:

- Brian N. Lamb, Sheriff, Lafayette County
- Charles S. Chestnut IV, Commissioner Alachua County Board of County Commissioners
- John M. Meeks, Levy County Commissioner
- Julio Fuentes, President Florida State Hispanic Chamber of Commerce

Clergy:

- Karl Anderson, Senior Pastor, Upper Room Ministries, Executive Officer of Communications, Alachua County Christian Pastors Association
- Pearlie Shelton, Pastor/Upper Room Ministries, Church of God in Christ
- Dr. Marie Herring, Senior Pastor, DaySpring Baptist Church
- Margaret C. Dennison, Senior Pastor, Compassionate Outreach Ministries
- Alvieta Robinson, Director, Widows Wing Ministry - Gainesville
- Elder Malcolm Dixon, Lead Pastor, Vision Ministries Inc.

The applicant used excerpts of its support letters throughout the application. Common themes in the excerpts include:

- Rural areas are underserved and Arc Hospice of Florida, LLC (Arc) will have "outreach to" rural area constituents and the African American community
- Arc will enhance the SA's hospice care "by forging strong partnerships with local organizations and promoting workforce diversity"
- Arc's commitment "to invest in staff and resources to ensure that patients can receive high-quality hospice care in their homes"
- SA 3A's existing providers have "fallen short" of addressing the needs of underserved populations
- Arc's commitment to provide high quality bereavement services
- Arc Hospice has specialty programs "focusing on dementia, CHF, and COPD and their Arc of Life wishes program".

The reviewer was unable to verify that Alfonso Mortmer, MD, is licensed in SA 3A or in the state using Florida Department of Health website.[1] The application also included one unverifiable support letter whose signature was illegible, but was titled "MD." Another letter with an illegible signature was indicated to be from a registered nurse with Brooks Rehabilitation Home Health.

Letters of Opposition:

SA 3A's four licensed hospice programs submitted letters of opposition to Arc Hospice of Florida, LLC, CON application #10735. All provide reasons with supporting data in opposition to the project. They cite the Agency published zero need on February 3, 2023 for a new hospice program to serve SA 3A. They note that HPH Hospice has been in operation in the SA for less than two years. Rule 59C-1.0355 (4) (b) Florida Administrative Code states "Regardless of numeric need shown under the formula …, the Agency shall not normally approve a new Hospice program for the SA unless each Hospice program serving the area has been licensed and operational for at least two years as of three weeks prior to the publication of the Fixed Need Pool."

HPH Hospice states that it "opposes Arc's application because there is no need" for another provider in the SA, the "new hospice would not expand access to hospice services" but "would primarily and unnecessarily serve to exhaust already limited resources within 3A". The Agency's Fixed Need Pool (FNP) negative projected need numbers the current and previous two batches are provided and HPH concludes that "the FNP effectively predicts that all persons who elect hospice will be served by an existing provider, demonstrating that the four existing SA 3A hospice providers are well serving the SA 3A population". HPH Hospice concludes that Arc Hospice cannot overcome the No Need Determination unless it demonstrates the existence of "special circumstances" as described in Rule 59C-1.0355(4)(d), Florida Administrative Code.

HPH Hospice notes that SA 3A hospices collectively served 4,583 hospice patients in 2022. However, HPH did not serve its first patient and become operational until the third quarter of 2021. HPH therefore contends that even if the Fixed Need Pool were "1" instead of "0", Arc's CON application should be denied. HPH states that the SA 3A market was marred by the Covid-19 pandemic which limited its contacts with patients and providers, and limited its ability to recruit and retain staff, therefore, especially under these circumstances, application of the two year rule is warranted.

[1] https://mqa-internet.doh.state.fl.us/MQASearchServices/HealthCareProviders/PractitionerProfileSearch

HPH Hospice contends that recruiting and retaining qualified staff in SA 3A is already challenging as the SA encompasses such a large geographic area much of which is rural. Further, the number of potential, qualified staff who reside in SA 3A is low, and those who are candidates for positions that serve patients in their homes face the prospect of having to in some cases travel two hours or more to reach the more rural areas. Examples of the time needed to recruit positions to serve SA 3A residents include the following:

- RN, Care Coordinator (with bonus): 124 days
- RN Field Nurse (two position): 189 and 154 days, respectively
- Part time physician: 132 days
- Chaplain: 231 days
- Professional Relations Representative (two positions): 117 and 527 days, respectively
- RN Care Coordinator: 102 days
- CNA Hospice Aide: 181 days

HPH assures that it is fulfilling the commitments it made in its application for its SA 3A certificate of need by establishing strong community linkages and making substantial contributions to the community and provides a list of these. HPH includes letters discussing Chapters Health donations and HPH's support of their programs from:

- Jeffrey Lee, Director, ElderCare of Alachua County, Inc
- Katina Mustipher, Chief Executive Officer, Elder Options, Gainesville
- David Huckabee, Executive Director, Lifestyle Enrichment Center – Columbia County Senior Services, Lake City
- Matt Pearson, Executive Director, Suwannee River Economic Council, Inc., Live Oak

HPH Hospice concludes that SA 3A residents who need hospice services are well served by the four existing hospice providers and that there is no need for a fifth provider and adds that an introduction of a fifth provider prior to HPH being operational for a full two years is inconsistent with Rule 59C-1.3055(4), Florida Administrative Code, and will serve only to exacerbate existing staffing shortages within the SA.

North Central Florida Hospice, Inc. d/b/a Haven Hospice cites the negative FNP numbers, HPH being in operation for less than two years and contends that SA 3A is well-served by the existing providers. Haven indicates its analysis of January-September 2022 Medicare data shows SA 3A Hispanic residents access care at a greater rate than the statewide average (54 percent vs. 50 percent statewide) and the SA's African American population is consistent with the state average (40 percent vs. 41 percent statewide). Further, CY 2021 Medicare data shows SA 3A residents out-migrated for hospice care at rate of 8.6 percent compared to the statewide average of 9.7 percent.

Haven Hospice states its leadership spoke with health care providers in the community to confirm whether its analysis of the data and Haven's experience in SA 3A and the SA providers contacted confirmed that the existing hospices "are doing a good job" of providing services to patients and none were aware of any populations that are underserved. Haven includes two letters indicating that the existing providers are doing a great job serving SA 3A residents were from:

- Daniel M. Duncanson, M.D., C.P.E. the Chief Executive Officer, SIMED Health, LLC
- Rebecca Catalanotto, MHS, Executive Director, The Village at Gainesville

Haven states that "Based on the data and Haven Hospice's day-to-day experience of providing hospice services in SA 3A, all terminally ill populations are being served and patients are not having to seek hospice services outside the district". Haven concludes that "the market dynamics in SA 3A do not support or justify any special circumstances that warrant approval of (Arc's) application".

Community Hospice of Northeast Florida, Inc. notes that the specifics of the applicant's arguments related to the need for a new hospice program were not available. However, its opposition to the proposed new program "is based upon several basic and clear health planning principles:

1. There is no calculated need for an additional hospice program, so the applicant must bear the heavy burden of demonstrating "special circumstances" to win approval;
2. An existing provider, HPH Hospice, has not yet been operational for at least two years, so a new applicant should not normally be approved;
3. There are no identifiable populations or counties not being served in SA 3A; and
4. Approval of an additional provider would only exacerbate nurse and nurse assistant shortages."

Community states that SA "3A is in the midst of the same nurse and nursing shortages as the rest of the state" and cites national and state data in support of this statement. Further, that Certified Nurse Assistants, and even non-clinical staff are also in short supply, adding that "even hospice physicians are more difficult to place". Community states that Medicare claims data for January – September 2022, indicates that 96.1 percent of SA 3A and 96.8 percent of all Florida hospice patients received routine care. 3.4 percent of SA 3A patients received general inpatient and continuous care compared to the states' 2.9 percent.

Community Hospice concludes that SA 3A is well-served by the four existing providers of hospice care, the states' need methodology correctly predicted no need for an additional provider, there are no statistics that indicate a serious level of under-service that would require the introduction of a fifth hospice provider to SA 3A. Further, approval of a new provider when HPH has not yet been operational for two years is not normally permitted under the Agency's rules, and there are no special circumstances that might justify the approval of Arc Hospice's CON #10735 application.

VITAS Healthcare Corporation of Florida notes its SA 3A patient census has been trending upward; VITAS having the second highest number of SA 3A admissions in CY 2022. VITAS contends that the existing providers' hospice models of care are varied, ensure the continuity of care, and provide the community with a good choice of hospice providers. Further, CY 2021 Medicare Claims data shows outmigration of only 8.6 percent of the average daily census (ADC) of hospice patients from the most populated county in the SA. Overall, only 8.9 percent of the ADC of hospice patients leave the SA for hospice care. VITAS indicates that Medicare Claims data provided by Community Hospice of Northeast Florida, Inc. show 3A's outmigration is trending down in 2022.

VITAS community support letters and denial of Arc Hospice or a new SA 3A hospice service include:

- Mohammad Taqi, MD, FACP, Live Oak (Suwannee County)
- Maliq Naqi, MD, Live Oak
- Joseph Stankus, ARNP, Stankus Family Care, High Springs (Alachua County)
- Colby Box, LPN, CDP, Director of Nursing, Hunters Crossing Place Memory Care, an Assisted Living Facility in Alachua County
- Shannon Cross, Life Enrichment Coordinator, Magnolia Ridge Rehab, a nursing home in Alachua County

Support for VITAS:

- Fred Stover, Executive Director, HarborChase of Gainesville, Assisted Living Facility
- Dr. Caris Barlatier, DNP, APRN, FNP-C, with Plaza Health and Rehab, a nursing home in Alachua County
- Brigette Coleman LCSW, and Nina Powell, LCSW - Oncology Social Workers - UF Health Shands, Gainesville
- Teresa Barr, ARNP, High Springs – Private nurse practitioner serving several ALFs
- Risa Clayton, APRN, FNP-C, Tri-County Internal Medicine and Family Practice, a rural health clinic in Trenton (Gilchrist Co.)

VITAS also cites clinician staffing shortages across the United States and states this has been an issue for all health care providers, adding that a hospice provider in an already saturated SA will strain the existing providers and make it very difficult for the new provider to staff its operations. VITAS includes a quote from Mohammad Taqi, MD, FACP, stating that *"Adding another provider could harm the community, particularly with health care staffing issues impacting Florida. Because there is no need for another provider in this area, adding another one could negatively impact the four existing providers."*

VITAS concludes that the existing providers "provide a high level of hospice services to all hospice-eligible patients in Subdistrict 3A, regardless of their ability to pay, race, ethnicity, sexual orientation or diagnosis. The four existing providers are unique, and together they provide this community with all levels of care. There is no need for an additional hospice program in 3A as there is no terminally ill population or county not currently being served by the four existing providers."

C. PROJECT SUMMARY

Arc Hospice of Florida, LLC (CON application #10735), also referenced as Arc Hospice, Arc or the applicant, is a for-profit, development stage Florida Limited Liability Company established on February 21, 2023. In the absence of published need, Arc proposes to establish a new hospice service in SA 3A.

Arc states that its parent company, American Hospice Systems (AHS) owns and operates Arcturus Hospice and Palliative Care in Norcross, Georgia. The AHS corporate team will be deeply involved in every detail of daily operations and has over 75 years of health care management experience, primarily in the hospice space with significant hospice start-up experience and has successfully completed over 50 hospice surveys. Bibliographies of the individuals who will oversee the development of Arc Hospice are included in the application's Exhibit A.

Arc anticipates the issuance of license and initiation of service in January of 2024.

Total project cost is $416,000. Projected costs include equipment, project development, and start-up costs.

Pursuant to project approval, Arc Hospice of Florida, LLC offers the following Schedule C conditions:

General

- Arc Hospice will seek accreditation with the Community Health Accreditation Partner (CHAP) group within 18 months of initial licensure, demonstrating its commitment to delivering the highest standards of care to patients and their families.

- Arc Hospice will commit to conduct an annual Bereavement Symposium to provide local clergy and other professionals with resources to support those in grief.

Proposed Measure: This will be measured by annual reporting of the Symposium date and attendance to AHCA.

- Arc Hospice also proposes to provide annual funding of $20,000 towards the Arc of Life program designated for the end of life wishes for Arc Hospice patients and their families beginning in the second year of operations.

Proposed Measure: This will be measured by reporting the expenditures of the funds to AHCA.

Ethnic and Racial

- Cultural Connections outreach and education program - Arc Hospice commits $5,000 annually for a period of five years for hosting quarterly community educational programs specifically for the Hispanic and African American communities.

Proposed Measure: This will be measured by reporting the expenditures of the funds to AHCA.

- Arc Hospice will have in place a Cultural Liaison position, a key team member who is appointed to take the lead on minority outreach initiatives. This individual will be responsible for helping to identify, develop and implement strategies and plans to bridge cultural differences.

Proposed Measure: This will be measured by reports presented to AHCA detailing the position is filled and the progress of the development of annual initiatives.

Education

- Arc Hospice also commits to developing a formalized internship program with a local educational institution specifically to provide internship opportunities within Arc hospice for Hispanic and African American communities. This program will be supplemented with a $5,000 annual funding commitment for, at a minimum, the first five years of operation.

- Arc Hospice is committed to providing internship opportunities to qualified students in nursing, gerontology, social work, music therapy, and pastoral counseling training programs within the hospice SA. This program will be supplemented with a $5,000 annual funding commitment for, at a minimum, the first five years of operation.

Proposed Measure: This will be measured by reporting the expenditures of the funds to AHCA.

- Arc Hospice is committed to supporting and sponsoring hospice and palliative care certifications for its skilled nursing staff (CNA, LPN, RN, and APN). This program will be supplemented with a $5,000 annual funding commitment for, at a minimum, the first five years of operation.

Proposed Measure: This will be measured by reporting the expenditures of the funds to AHCA.

Transportation

- Arc Hospice will allocate $5,000 per year for three years to fund family transportation needs to facilitate visits to hospice patients where transportation is a barrier in SA 3A. Specific attention will be directed to rural communities.

Proposed Measure: This will be measured by reports presented to AHCA detailing the progress of the development of the program. The reports will be annual until the program development is completed.

- Arc Hospice will commit to the purchase of a van and hiring of a driver, offering transportation to and from medical appointments, support groups, and other hospice related activities.

Proposed Measure: This will be measured by reports presented to AHCA detailing the purchase of the vehicle and the progress of the development of the program- The reports will be annual until the program development is completed.

Hospice programs are required by federal and state law to provide services to everyone requesting them and therefore the Agency would not place conditions on a program to provide legally required services such as palliative radiation and chemotherapy and care to the indigent and charity patients.

Should a project be approved, the applicant's proposed conditions would be reported in the annual condition compliance report as required by Rule 59C-1.013(3), Florida Administrative Code. The proposed conditions are as stated. However, Section 408.043(3) Florida Statutes states that "Accreditation by any private organization may not be a requirement for the issuance or maintenance of a certificate of need under ss. 408.031-408.045, Florida Statutes." Also, any conditions proposed that are required hospice services would not require condition compliance reports.

Section 400.606(5), Florida Statutes states that "The agency may deny a license to an applicant that fails to meet any condition for the provision of hospice care or services imposed by the agency on a certificate of need by final agency action, unless the applicant can demonstrate that good cause exists for the applicant's failure to meet such condition." 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 criteria in Chapter 59C-1, 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 Chapter 59C-1, 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, consultant Sarah Zimmerman analyzed the application in its entirety with consultation from financial analyst Derron Hillman of the Bureau of Central Services who evaluated the financial data.

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, Florida Statutes, applicable rules of the State of Florida, and Chapter 59C-1, 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 49, Number 23 of the Florida Administrative Register, dated February 3, 2023, the Agency indicated zero net need for a new hospice in SA 3A (Alachua, Bradford, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Levy, Putnam, Suwannee, and Union Counties) for the July 2024 hospice planning horizon. Arc is applying to establish a hospice program in the absence of published numeric need and contends not normal circumstances merit the approval of the project. SA 3A hospice admissions are shown in the table below:

SA 3A Admissions
CY 2022

Hospice	Admissions
Community Hospice of Northeast Florida	640
Haven Hospice	3,227
HPH Hospice	45
Vitas Healthcare Corporation of Florida	671
Total	**4,583**

Source: Agency for Health Care Administration Florida Need Projections for Hospice Programs, February 3, 2023.

SA 3A Admissions
CYs 2020 and 2021 Total Admissions

SA 3A	Admissions
CY 2020	4,644
CY 2021	3,928
Total	**8,572**

Source: Agency for Health Care Administration Florida Need Projections for Hospice Programs, February 2021, 2022.

Arc argues that with its years of experience and a proven track record in providing quality hospice care, it is well positioned to bring its expertise and resources to the residents of SA 3A. Further, it has a wealth of resources that it will leverage to ensure a successful expansion into Florida along with having developed relationships throughout the continuum of care in SA 3A, particularly in the senior living space and is best suited to meet the needs identified by both the data and Arc's knowledge gained from meeting with members of the community.

Figure 5 (CON application #10735, page 33) includes a map of Florida hospice SA's with 3A circled. The applicant notes that SA 3A is geographically large and all counties except Alachua are considered rural. Arc contends the SA's size "makes it difficult to provide timely hospice care in the patients home and to provide hospice services to patients and families without having to leave their communities or travel long distances to receive these services".

Figure 6 (CON application #10735, page 34) depicts the SA's total population growth by county from 2023 to 2028. SA 3A's population increases by approximately 25,000 residents, four percent compared to the State's six percent. Arc notes that Alachua County is projected to grow by approximately four percent and Hamilton and Lafayette (the SA's smallest counties) by approximately nine percent each.

Figure 7 (CON application #10735, page 34) depicts the SA's 65 and over population to support Arc's argument that the large and growing population base of elderly residents (65 and over) will continue to be a key component in the need for additional end-of-life care resources, including hospice care. Arc notes that the elderly resident population will increase by approximately 14 percent annually to over 138,233 by 2028 and is consistent with the statewide average. Hamilton, Union, Lafayette, and Alachua Counties have the highest percentage growth over the period. Arc assures that it will prioritize community outreach and education and provide specialized services for common issues faced by elderly patients, such as mobility issues, dementia, and chronic health conditions.

Figure 8 (CON application #10735, page 35) shows SA 3A hospice CY 2022 admissions by provider in the FNP categories, total and percentage of admissions. Arc's Figure 9 (CON application #10735, page 36) shows

the FNP projections for the July 2024 planning horizon. Arc notes that all four 3A providers serve other SAs with Haven Hospice having inpatient beds at three facilities located in the following counties: Alachua (30 beds in Gainesville), Putnam (18 beds in Palatka), and Columbia (16 beds in Lake City).

Arc also addresses HPH Hospice failing to achieve the start-up date condition and utilization projections set forth in their application. Arc contends that HPH does not sufficiently serve a need for hospice services in SA 3A, since no admissions are accounted for in 2021. HPH Hospice projected 170 admissions in year one and 340 admissions in year two. However, HPH had only 45 admissions in CY 2022, and Arc argues that "HPH's services to this SA are so extremely limited they are practically non-existent, despite having a license for over two years."

The reviewer notes that HPH Hospice did not admit its first (2) patients until the 3rd quarter of 2021 and had six 4th quarter 2021 admissions.[2] HPH Hospice's opposition letter provided the rationale for the slow start up. HPH Hospice has been in operation less than two years prior to the batching cycle start date.

b. Approval Under Special Circumstances. In the absence of numeric need shown under the formula in paragraph (4)(a), the applicant must demonstrate that circumstances exist to justify the approval of a new hospice. Chapter 59C-1.0355(4)(d), Florida Administrative Code. Evidence submitted by the applicant must document one or more of the following:

1. That a specific terminally ill population is not being served.
2. That a county or counties within the SA of a licensed program are not being served.

Arc contends that:

- SA 3A has a lower penetration rate for patients discharged to hospice compared to Florida and other hospice SAs in the state, indicating a disparity.
- Within SA 3A, counties outside of Alachua County have a notably lower penetration rate for patients discharged to hospice, indicating a disparity.

[2] Source: Florida Need Projections for Hospice Programs for the July 2023 planning horizon published February 4, 2022. HPH's 2021 admissions were inadvertently left out of the August 5, 2022 publication.

In support of the specific terminally ill population not being served, Arc contends:

- Analysis of SA 3A using state-wide ratios shows that a high volume of the non-cancer, age 65 and older segment did not receive hospice services, demonstrating a notable gap in care for this patient population.
- Due to access challenges, some patients needing hospice services must receive care outside of the home setting; rather, patients must receive care at an inpatient hospice unit.
- Arc has identified underserved sub-population groups, including:
  - Care for patients with the following disease categories:
    - Heart Disease
    - Cancer
    - Chronic Lower Respiratory Disease
    - Cerebrovascular Disease
    - Chronic Liver Disease and Cirrhosis
    - Dementia/Alzheimer's Disease
  - Care for ethnic and race population cohorts such as Hispanics and African Americans
  - Care for the veteran population
  - Care for residents of rural communities

Arc's "additional points to consider" include:

- Arc Hospice is an experienced provider with existing resources.
- Arc emphasizes the importance of the continuum of care, has existing relationships with certain nursing homes in the area, and is currently developing relationships with local health care providers throughout the SA, including additional nursing homes and hospitals, for hospice patients.
- Arc is prepared to extend its extensive complement of services and specialty programs to SA 3A.
- Arc has developed disease-specific programs to meet the unique needs of patients, including those with advanced heart disease, cancer, pulmonary disease, and dementia/Alzheimer's disease.
- Arc is prepared to implement its Rural Care Program in SA 3A, a specialized program that focuses on providing in-home services to patients in rural communities and is served by rural care coordinators.
- Arc will extend its Cultural Connections outreach and education program to SA 3A which includes cultural liaisons who are responsible for helping identify, develop, and implement strategies and plans to bridge cultural differences.
- Arc will seek CHAP accreditation within 18 months of initial licensure, demonstrating its commitment to delivering the highest standards of care to patients and their families.
- Arc will respond to all referrals within one hour and expedite admission to hospice within two hours.

- Arc will provide triage coverage 24 hours a day, seven days a week and physical visits to assess hospice eligibility of patients and admissions regardless of ability to pay.
- Arc will focus on continuing to build community relationships through local hiring, education and communication utilizing partnerships with community leaders and pastors, and the Arc of Life Program (a program to create memorable moments for patients and their families).

Arc concludes that its response supports the need under special (not normal) circumstances for an additional hospice service and that it is willing to invest in community employment, education, and care. Further, it will increase the penetration rates of hospice services in general and to the identified communities most in need of hospice and will improve the availability of accessible hospice services to those patients most in need.

The Agency's CY 2021 Hospital Discharge Database and Florida Department of Health, Bureau of Vital Statistics are utilized in Figures 10 and 11 (CON application #10735 pages 38 and 39) to present and alternative to the Agency's FNP calculations. Arc states that there were 2,222 (Figure 10) or 2,219 (Figure 11) CY 2021 hospital discharges referred to hospice for patients originating from counties in SA 3A, and when compared to hospice admissions hospital discharges represent only 2.7 percent of total discharges". The applicant's figures 10 and 11 actually compare acute care discharges referred to hospice and SA 3A resident deaths. Regardless, Arc continues that the penetration rates were calculated for SA 3A using 2021 acute care discharges referred to hospice and 2021 resident deaths; the hospice penetration rate for SA 3A is .270, which is approximately 13 percent lower than Florida's hospice penetration rate of .310. Arc contends this shows SA 3A has a low hospice penetration rate compared to the states' SAs with SA 3A's being fourth lowest and approximately 31 percent lower than SA 7B with the highest penetration rate.

Arc contends that its analysis and its first-hand knowledge gained from interacting with the community shows a demand for additional SA hospice services. The applicant assures that its 3A presence will increase penetration rates and demand for hospice services, thus increasing overall hospice usage. Arc excerpts from Truvette Lennear the Administrator for Terrace Health and Rehab, noting the challenges with existing hospice services in the area including delays in admission to hospice, integration between hospice and residential facilities such as skilled nursing and assisted living facilities, educational support, and existing hospice provider staffing shortages.

Arc uses the Report to the Congress: Medicare Payment Policy, MedPAC and the Report to the Congress: Medicare Payment Policy, in Figures 12 and 13 on page 41 to support the claim of need in SA 3A in that rural hospices continue to decrease while urban hospices continue to increase meaning that the usage of hospice remains much higher in urban areas. Arc notes than one in five individuals in the 65-plus age cohort live in rural areas and that this disparity is increased given that this age cohort has a higher need for hospice services. An article presented in the American Journal of Hospice & Palliative Medicine, *Providing Hospice Care in Rural Areas: Challenges and Strategies*, is cited that shows rural areas continue to use hospice care less compared to their urban counterparts, bringing into question access to hospice care.

Arc argues that SA 3A experiences the disparity in rural access to hospice services with many of the areas outside the Gainesville metropolitan area and the other 10 counties in SA 3A being rural with total populations ranging from approximately 8,000 - 74,000. The applicant includes excerpts from sample letters of support describing the disparity of access to hospice services within the rural counties, which it contends demonstrate the need for Arc Hospice to serve these patients via programs it has tailored for the SA. The contributors of the excerpts that support the need for hospice in its rural area include:

- Brian N. Lamb, Sheriff Lafayette County
- Julio Fuentes, President Florida State Hispanic Chamber of Commerce
- John F. Brandt, MDB Family Medicine Gainesville, Florida
- Pastor Karl Anderson, Senior Pastor Upper Room Ministries, Executive Officer of Communications, Alachua County Christian Pastors Association
- Marcella Mullins, resident

Arc uses HealthPivots DataLab and the Agency's Florida Hospice Need Projections for Hospice Programs and Population Projections and Estimates for July 2023, published February 2022 in Figures 14 and 15 on page 44 to illustrate the disparity residents of SA 3A have in access to and utilization of hospice service based on county of residence which was also reflected in information that was gathered from community residents. Arc notes that Medicare data is available by county and that this shows the deaths, hospice patient admissions, and the penetration rate (P-Rate) for hospice services for counties within SA 3A. Arc specifically notes that:

- In 2021, there were 8,217 deaths and 4,644 hospice patients in SA 3A, resulting in a P-Rate of 0.565 for the SA.
- Alachua County had a P-Rate of 0.688 in 2021, which is approximately 22 percent higher than the SA's P-Rate.

- The remaining 10 counties combined had a P-Rate of 0.513, which is approximately 25 percent lower than Alachua and nine percent lower than the entire SA.
- Alachua County has the highest P-Rate at 0.688 while P-Rates for the remaining 10 counties range from as low as .0290 in Lafayette County, which is approximately 58 percent lower than Alachua's rate, to 0.624 in Gilchrist County, which is almost 10 percent lower than Alachua's rate.
- In addition to Lafayette County, Union, Hamilton, and Levy have particularly low penetration rates in comparison to both Alachua County and the entire SA.

Arc confirms that it has a plan and strategy to limit this disparity and serve the more rural counties of 3A to improve hospice access and reduce the population which is currently not being served and provide the services tailored to serve specific groups within these populations such as Hispanics, African Americans, those with need for disease specific programs, education, and bereavement services. This plan includes initially establishing a physical presence in Alachua County from which it will serve not only Alachua County but will be equipped and staffed to serve more rural parts of the SAs before adding a second office as needed in Lafayette, Union, Hamilton, or Levy Counties. The reviewer notes that Arc does not contend that Alachua County is an underserved area.

Arc describes itself as "experienced in serving areas with predominantly rural populations and focuses on hiring and retaining employees that live in the same areas as patients." The applicant informs that it has developed specialized strategies to overcome geographic, logistical, and accessibility challenges inherent in these areas. Further, its Rural Care Program focuses on providing in-home services to patients in rural communities, referring to Exhibit F for the policy related to this program and listing that the program will include the following:

- Target hiring of staff living in rural communities, when possible.
- Specialized training for staff to address the unique challenges of these areas.
- Regular community assessments to identify the needs and preferences of rural populations.
- Expanded transportation services for patients and family members.
- Collaboration with local community organizations and faith-based groups to facilitate referrals, share resources, provide education on hospice to these organizations and their constituents.
- Outreach and education campaigns in rural areas to raise awareness about the benefits of hospice and encourage early referrals for in-home services, primarily through participation in community health fairs, education events, or other meetings (such as Sunday soup kitchens after services).

- Development of a robust recruiting campaign to attract staff from rural areas. Strategies include:
    - Host job fairs
    - Offer incentives including flexible scheduling and travel differential and
    - Advertise jobs with local organizations including churches, nursing schools, and other health training programs, participation in local job fairs.

Arc discusses its Rural Care Program's Rural Care Coordinators, Rural Community Advisory Board and Staff training on pages 45 – 47 and refers to further information in Exhibits B and F. Rural Care Coordinators will be hired to be responsible for overseeing care provision in rural areas, ensuring timely access to services, and coordinating with local health care providers and community resources. These coordinators will:

- work with the hospice team to develop and implement care plans that address the unique needs and challenges of patients living in remote or isolated areas and act as a liaison between the hospice team, patients, families, and community resources.
- be responsible for participating in interdisciplinary team meetings and providing updates, collaborating with other agencies and organizations to improve access to care for rural patients, assisting with the coordination of medical equipment, medications, and supplies needed for patient care, connecting patients and families with local community resources and services, and facilitating communication between patients, families, and community resources.
- interface with members of the Rural Community Advisory Board.
- help keep Arc Hospice accountable to the goals laid out in this application.

Arc assures that it will invite local leaders from religious and health care constituencies in rural communities to sit on its Rural Community Advisory Board to assist them in developing operational strategies and tactics to address the disparity in hospice care between urban and rural environments. The board will consist of six to 10 members and meet quarterly.

Specialized training that the Arc staff will receive include:

- Cultural Competency: This emphasizes cultural sensitivity and awareness, as rural communities may have distinct cultural practices, beliefs, and values related to end-of-life care. It includes understanding and respecting local customs, traditions, and communication styles.

- Telehealth and Remote Care: This will focus on the effective use of telehealth and remote care technologies, enabling hospice team members to provide support via phone, video calls, and other remote communication methods when necessary.
- Collaboration with local health care providers: Training will include strategies for effective communication with these local partners.
- Transportation and Logistics: Training will include coordinating medical supplies, patient transportation, and home visits.
- Emergency Preparedness and Response: Due to geographical isolation, rural hospice care teams may need to be self-sufficient in emergencies. Training will encompass emergency preparedness and response, including basic life support and crisis management.
- Mental Health and Social Support: Rural patients may face unique stressors, such as isolation or limited social support. Training will address strategies for providing support specific to those unique stressors as well as connecting patients with available resources.

Arc contends that through its 'Best Practice and Policies' it can effectively address the needs of patients in rural communities noting that it has expertise in response times, communication plans, disaster plans, and follow-ups and offers them below. Some highlights include:

- Technology integration (i.e., remote patient monitoring, electronic health record, video conferencing and GPS)
- Emergency preparedness
- Clear communication protocols for responding to patients and family concerns 24 hours a day
- After-Hours Support/Triage requiring that calls must be returned within 15 minutes of receipt
- Response time standards regarding the expectations for staff response to patient/family phone calls, both during and after normal business hours
- Call prioritization, a crucial process that determines the urgency of each incoming call and assigns it to the appropriate staff member for handling. The call prioritization process typically involves several steps:
    - Initial Triage: the first person to answer the call, often a receptionist or on-call nurse, will collect basic information about the patient and the reason for the call.
    - Categorization: based on the information collected during the initial triage, the call will be assigned a priority level.
    - Assignment: the call will then be routed to the appropriate staff member based on the priority level and the staff member's expertise.
    - Follow-up: After the call has been handled, the staff member will document the details of the call and any actions taken in the patient's electronic medical record. They may also follow up with the patient or family.

- A team of on-call nurses for backup support to respond to patient and family needs outside of regular business hours. During each on-call shift, there will be a minimum of two nurses assigned: one as primary and one as backup so that if one nurse is addressing a patient or family need, there is another available to address any additional calls. Arc will establish a team of management staff to serve as administrator on call to be available to assist the on-call nursing team with any nonclinical issues or concerns.
- Continuous quality improvement.
- Flexible staffing model that focuses on adaptability, embracing new technologies, fostering professional development, and promoting work-life balance to create a sustainable workforce.
- Community-based volunteer programs.
- Tailored care plans.
- Interdisciplinary teams to accommodate rural areas, cultural needs, and provide quality services.
- All admissions can be accomplished typically within two hours of receipt of a referral. For patients that have physician orders and meet admissions criteria, Arc aims to provide service within six hours of receipt of order for every patient.
- Arc Hospice coordinates and pays for patient transport. Transport is arranged by Arc Social Workers for non-emergent transport to the setting of care. Communication for transport begins as a part of the discharge planning process with hospital or facility case managers.
- Through Arc Hospice's technology with Palliative Pharmacy Solutions (PPS), a web-based mobile pharmacy solution, medications can be ordered, reconciled, and placed prior to discharge from facility. With this technology, appropriate medications and dosages are in the home prior to patient's arrival home or shortly after admission for patients who do not require transfer. Arc prioritizes the well-being of patients and will supply a comfort pack containing necessary medications in a secure lock box upon the patient's admission. This pack ensures that patients and their caregivers have immediate access to prescribed medications, thereby minimizing discomfort and reducing anxiety. Arc will establish contracts with both a Pharmacy Benefit Manager and local pharmacies that offer 24/7 on-call service to guarantee timely delivery of required medications, fostering a seamless process for patients and their families.
- Durable Medical Equipment partners can quickly provide needed supplies and car stock is maintained in employee vehicles to reduce long distance needs and from the main office.

Arc offers how it will address the barriers of care in SA 3A:

- Arc will deploy efforts to improve communications between providers and patients, and between facilities and hospice

providers and health care facilities. Communication gaps between providers and patients can lead to suboptimal outcomes, specifically providers feeling uncomfortable talking to patients and caregivers about death and dying. To overcome this barrier, health care providers can participate in specialized training to improve their communication skills and approach to discussing end-of-life care. Arc can offer resources to support providers in having these difficult conversations and promoting hospice care as a valuable option for patients and their families.

- Cultural values and preferences often are not addressed in the care approach. Arc will provide culturally sensitive care by ensuring its staff are adequately trained in diversity and multicultural awareness.
- Inadequate knowledge of services. Arc will implement comprehensive community outreach programs to educate the public about the benefits and availability of hospice care.
- Poorly structured system not integrated within primary care settings. Arc will collaborate with primary care providers and work to establish clear lines of communication to ensure that patients receive the appropriate care they need.

Arc Hospice notes that it has conducted outreach, research and interviews of key stakeholder and leaders in these underserved communities and met with over 50 community leaders, pastors and community members in cities and towns such as:

- Mike New, City Manager, City of Newberry
- Jordan Marlowe, Mayor, City of Newberry
- Chuck Chestnut, County Commissioner, Alachua
- Bryan Williams, Commissioner, City of High Springs
- Pastor Karl Anderson, Gainesville
- Bishop Adrian Weeks, Alachua
- Over 30 Ministers in the Ministerial Alliance, Alachua
- Pastor Gerard Duncan, Gainesville
- John Meeks, Commissioner, Levy County
- Ken Cornell, County Commissioner, Alachua
- Marihelen Wheeler, County Commissioner, Alachua
- Eric Godet, President, Chamber of Commerce, Gainesville
- Bryan Thomas, Director of Planning and Economic Development, Newberry
- Julio Fuentes, President of the Florida State Hispanic Chamber of Commerce.
- Sheriffs from the following counties: Lafayette, Hamilton, Suwannee, Columbia, Union, Bradford, Putnam, Alachua, Gilchrist, Dixie, and Levy

Arc Hospice offers that it has identified and developed a plan and programs to increase access to these underserved communities, including the following:

1. Raising knowledge and awareness of hospice care and its benefits is the first step in expanding outreach. Strategies to increase awareness include:
   - Educational campaigns: Arc will collaborate with community organizations to develop educational campaigns that target the groups within the communities (for example, churches within the African American communities). These campaigns will address misconceptions and emphasize the benefits of hospice care.
   - Community engagement: Arc will participate in community events, health fairs, and religious gatherings to build relationships and promote services.
   - Provider knowledge: Arc will educate area health care providers, including primary care physicians, about the benefits of hospice care and how Arc can best serve their patients in need. As part of this education, seminars such as "Death, Dying, and Bereavement," "Hospice 101," and "Hospice Eligibility Requirements." will be offered to help providers more effectively communicate with their patients regarding hospice topics.

2. Reducing Disparities - To address disparities in hospice utilization, Arc will improve accessibility of hospice by engaging with those most in need of hospice by having a visible presence in these communities. In addition to offering education in the community, the hospice's presence in underserved areas will be expanded by establishing a workforce of people who live in and reflect the communities served. Arc will develop a robust recruiting campaign to attract staff from rural areas and cultural groups that reflect these areas. Strategies include:
   - Host and participate in job fairs
   - Offer incentives including flexible scheduling and travel differential
   - Advertise open positions with local organizations including churches, nursing schools, and other health training programs that will identify quality staff to provide hospice services.

3. Arc states it has already begun to establish partnerships with key community stakeholders to help build trust and credibility within the groups most in need of improved access to hospice services in the community. These relationships will serve as the foundation for the Rural Community Advisory Board. By meeting with these

organizations in developing this application, Arc is ready to quickly mobilize to improve access by leveraging its partnerships with:

- Faith-based organizations: Churches, mosques, and other religious institutions play a vital role in the lives of many individuals. Arc will collaborate with faith-based organizations to provide education, support, and hospice care services.
- Community organizations: Arc will partner with local community organizations, such as chambers of commerce, professional groups, and diversity councils to engage with the community and promote services.

4. Providing culturally sensitive care addressing the unique needs of the groups within the community, such as Hispanic and African American populations. Arc will:
   - Train staff: All staff will participate in and complete cultural competency training to better understand and respect the cultural beliefs, values, and practices of the community groups (for example, African Americans and Hispanics).
   - Diversify staff: Hiring a diverse workforce that includes professionals within the community groups that will create a more inclusive environment and improve the overall quality of care.
   - Cultural liaisons: Arc will employ a team of cultural liaisons whose role will be to provide cultural competency support and guidance to staff, patients, and families. The cultural Liaisons help to bridge the gap between Arc Hospice's care providers and the patient's culture, beliefs, values, and traditions. The Cultural liaisons' role is to facilitate communication, understanding, and trust between the patient's culture and the hospice team. These individuals may provide training, education, and resources to staff, as well as advocate for the patient's cultural needs. Cultural liaisons may provide cultural support to the patient and their family, such as language translation or help with navigating cultural differences.
   - Arc commits to developing a formalized internship program with a local educational institution specifically to provide internship opportunities within Arc Hospice for Hispanic and African American communities. This program will be supplemented with a $5,000 annual funding commitment for, at a minimum, the first five years of operation.

Arc reiterates that the hospice penetration rates and the rural status of 10 counties indicate a disparity within SA 3A and demonstrates a special circumstance for a new hospice. Further, it repeats its plan "to initially establish a physical presence in Alachua County then add a second office as needed in Putnam or Levy Counties".

Six tables on pages 50 – 53 of the application use data from the Agency's Florida Hospice Need Projections for Hospice Programs and the Florida Department of Health, Bureau of Vital Statistics to support Arc's argument that hospice service for the non-cancer, age 65 and older SA 3A patients did not receive hospice services at a rate consistent with the statewide average. Arc asserts this deficiency will continue to increase in the future as the population grows and resident deaths increase and ensures that it is prepared to serve the needs of these non-cancer patients.

Arc Hospice uses various data from Florida AHCA Database; Florida Department of Health, Bureau of Vital Statistics (Figure 22, page 54) and a study "Expect the Best: How to Get the Most Out of Your Hospice Care" and a survey by the Kaiser Family Foundation (Exhibit D) to support its argument that there is a disparity of access to hospice services within the rural counties, particularly hospice service in the home setting.

Arc notes that all SA 3A hospice providers serve patients in other SAs with Haven Hospice having 64 inpatient beds. Arc states that SA 3A has approximately 18 percent of resident deaths discharged to inpatient hospice versus approximately nine percent to home hospice and that the difference of approximately 110 percent, inpatient hospice was the preferred option, which would indicate an under-usage of the hospice benefit. Arc shares that residents and practitioners indicated in its market assessment that the availability of hospice service in home settings was limited or non-existent for those residents who live in the more rural areas of the SA outside of metropolitan Gainesville. The reviewer notes Arc references the "Expect the Best" hospice study which indicates that only 20 percent of Americans die at home, compared to the 18 percent of hospital hospice referrals to inpatient hospice. It is also interesting that the applicant does not present state and hospice service area data in this response.

Excerpts from sample letters of support describe the challenges faced with patients receiving home hospice care, demonstrating the need for a hospice such as Arc Hospice to serve these patients and notes that these are included in Exhibit C. The contributors of the excerpts include:

- Pastor Margaret C. Dennison, Senior Pastor, Compassionate Outreach Ministries
- Alvieta Robinson, Director, Widows Wing Ministry Gainesville

- Charles S. Chestnut, IV, Commissioner, Alachua County Board of County Commissioners
- Elder Malcolm Dixon, Lead Pastor, Vision Ministries Inc.
- Pastor Karl Anderson, Senior Pastor, Upper Room Ministries, Executive Officer of Communications, Alachua County Christian Pastors Association
- Rev. Dr. Marie Herring, Senior Pastor, DaySpring Baptist Church

Arc produces the following key steps that will be taken to combat the challenges of providing appropriate levels of service for in-home hospice care that will be implemented using a range of strategies and resources to ensure comprehensive, patient-centered care:

1. Comprehensive assessments - to identify the specific resources and services required to meet the patient's needs at home.
2. Coordination of care - each patient's care plan is tailored to their individual needs to manage symptoms and reduces the likelihood they will need to be moved to an institutional setting.
3. Training and support for family caregivers - educating caregivers on symptom management, medication administration, and emotional support techniques, as well as connecting them to resources and respite services to help reduce caregiver stress.
4. Technology - includes remote monitoring, virtual consultations, symptom management guidance, and regular check-ins with the care team.
5. Occupational and physical therapy referrals made if appropriate.
6. Specialized equipment and supplies: Ensuring access to necessary medical equipment enables patients to receive the appropriate level of care in the comfort of their homes.
7. 24/7 availability on-call support system provides immediate assistance and guidance in managing emergencies or addressing concerns.
8. Community partnerships with local organizations and support groups may include volunteer organizations, respite care providers, and caregiver support groups.
9. Continuous quality improvement - regularly evaluating and improving care delivery models by gathering feedback from patients and families and implementing evidence-based practices.
10. Emphasis on hiring in rural communities - Arc will advertise in rural communities and seek local caregivers. Arc will work directly with community leaders to identify individuals who will be positive employees. Arc will institute thoughtful reimbursement programs to incentivize local care and therefore remove this barrier to home-based hospice.

Arc addresses in detail the underserved population groups including those with advanced heart disease, cancer, chronic lower respiratory disease, cerebrovascular disease, chronic liver disease and cirrhosis, and dementia/Alzheimer's disease. Arc confirms that it has experience with implementing protocols it will implement in SA 3A, which include consulting with cardiac experts and training hospice providers to care for these populations. Further, Arc will provide the patient with the best quality of life, comfort measures, and ensure the patient is safe and pain-free. Each patient is assessed, and Arc will implement protocols that have been developed and will consult with experts in hospice care to provide services as needed to reduce emergency department visits and hospital readmissions.

Arc's cardiac care team is led by a hospice physician and includes hospice nurses who are specially trained in the heart failure disease process and advanced in-home treatments for symptom management. Its hospice therapists and certified home health aides are trained to preemptively identify subtle changes in a patient's physical condition that could lead to symptom exacerbations or patient hospitalizations.

Services provided by the interdisciplinary team include but are not limited to the following:

- Individualized care plans developed and implemented by trained clinical staff specializing in cardiac disease.
- Communication between the interdisciplinary team, primary care physician, patient, and caregiver.
- Collaboration with the primary cardiologist and/or primary care physician and the hospice physician to treat heart failure symptoms expeditiously, using current evidence-based practice guidelines.
- Management of symptoms including administering and monitoring use of medication such as diuretics and inotropes.
- 24/7 availability for medical crisis symptoms and management.
- Patient and caregiver education.
- Trained spiritual and emotional support.
- Bereavement support.

Arc states it targets patients who are in late stages of disease and in need of hospice care, aiming to reduce crisis situations and improve symptom management. Arc reiterates that it has already begun to develop relationships with SA 3A cardiologists, family physicians, and hospitals to increase awareness and educate them about the benefits of hospice care for patients with advanced cardiac disease and contends it will be well equipped to rapidly grow these relationships upon licensure.

The applicant notes heart disease was the among the top leading causes of death in SA 3A in 2021 with approximately 1,300 deaths. The table below shows the top 10 causes of death for SA residents in CY 2021:

Rank	Cause of Death	Deaths	Percent of Total
1	Malignant Neoplasm (Cancer)	1,480	18.0%
2	Other Causes of Death	1,365	16.6%
3	Heart Diseases	1,316	16.0%
4	COVID-19	1,263	15.4%
5	Unintentional Injury	507	6.2%
6	Chronic Lower Respiratory Diseases	435	5.3%
7	Cerebrovascular Diseases	373	4.5%
8	Diabetes Mellitus	243	3.0%
9	Chronic Liver Disease and Cirrhosis	129	
10	Alzheimer's Disease	125	1.5%
Total, Top 10 Causes of Death for SA 3A County Residents		**7,236**	**88.1%**
Other		981	11.9%
Total		**8,217**	**100.0%**

Source: CON application #10735, Figure 23, page 50, from Florida Department of Health, Bureau of Vital Statistics.

Arc contends that the SA 3A deaths due to heart disease are growing at a faster rate than Florida as a whole. Arc's Figures 25-27 use Agency and the Florida Department of Health, Bureau of Vital Statistics data to show SA 3A deaths from heart disease grew by approximately seven percent between 2016 – 2019, compared to Florida's 6.6 percent. Arc shows that CY 2021 AHCA hospital discharge data shows 203 cardiovascular disease discharges of the total 2,222 or 2,219 discharged to hospice, at about nine percent and this is approximately an 11 percent decrease from CY 2019.

Arc states that the volume of patients with end stage heart disease decreased by approximately 16 percent between 2019-2021 and the number of patients discharged to hospice decreased at a rate double that (approximately 32 percent). Arc contends that many eligible patients did not receive hospice care and that it has identified the gap in end-of-life care for SA 3A residents suffering from cardiac disease through community needs assessments and statistical data.

Arc Hospice states that it:

- Stresses education for both cancer and other disease-specific processes.
- Provides patient referral sources, including physicians, with the tools and materials needed to determine when it is appropriate to admit both cancer and non-cancer patients to hospice.
- Is dedicated to educating health care professionals, families, and patients about hospice, ensuring that they are a part of a well-informed team delivering quality care.

- Believes in ongoing involvement with physicians, clinical staff, and other health care professionals, including face-to-face interactions and education for those seeking to provide care for patients facing end-of-life.
- Has already begun to develop relationships with SA 3A specialists, family physicians, and hospitals to increase awareness and education about the benefits of hospice care for patients with heart failure, chronic lower respiratory disease, dementia/Alzheimer's, and neurological diseases.
- Will be well equipped to rapidly grow these relationships and provide access to these services upon licensure.

Arc discusses the Arc Hospice Cancer Program, Arc Hospice Pulmonary and Respiratory Program, Arc Hospice Pulmonary and Respiratory Program and other disease programs in detail. The need for disease-specific care of other diseases is address with Arc stating that cancer was the top cause of death in SA 3A in 2021 resulting in almost 1,500 deaths. Chronic lower respiratory disease, cerebrovascular disease, chronic liver disease, and Alzheimer's disease are also in the top 10 causes for death in the SA.

Arc notes that 322 patients with pulmonary disease were discharged to hospice, or approximately 15 percent of the 2,222 patients discharged to hospice in 2021 and SA 3A pulmonary disease patients discharged to hospice is approximately 20 percent lower than other diseases discharged to hospice. Further, while the volume of patients with pulmonary disease increased by approximately 22 percent between 2019-2021, the number discharged to hospice was approximately 25 percent lower, which Arc says is surprising considering that SA 3A has a notable number of deaths from chronic lower respiratory disease. Arc argues that the same is true for cerebrovascular deaths in that 109 patients with ischemic stroke and nonspecific cerebrovascular disorders were discharged to hospice, or approximately 16 percent of the 2,222 patients discharged to hospice in 2021 or approximately 20 percent lower than other diseases discharged to hospice.

Chronic liver disease and cirrhosis are discussed and Arc indicates that only 61 such SA 3A patients were discharged to hospice, which is only seven percent of the total discharges for liver disorder patients. Arc reports Alzheimer's disease is the 10th leading cause of death for SA 3A residents with Florida projected to experience the ninth highest percent increase in the prevalence of individuals aged 65 and older with Alzheimer's compared to other states. Further, from 2020 to 2025, this number is projected to increase from 580,000 - 720,000, which is a 24.1 percent increase. Florida has the second highest prevalence of individuals aged 65 plus. Arc offers excerpts of its letters of support for

its disease-specific care from Bryce King, NHA, Executive Director, Park Meadows Health and Rehabilitation Center, Elder Malcolm Dixon Lead Pastor, Vision Ministries Inc. and Ajaypal Gill, D.O.

Arc next addresses the communication and cultural needs of Hispanic populations stating it will have bilingual employees who are specially trained to collaborate with patients to develop unique care plans by incorporating cultural and other needs of the patient and family. Spanish speaking, trained volunteers will assist with communication needs, as well as a dedicated 1-800 language line for more specialized communications such as medical descriptions, disease processes and medications. Spanish language marketing materials for ease of use among Spanish speaking communities will also be provided.

Arc states it will expand outreach and improve access for the African American community and has conducted outreach, research and interviews of key stakeholder and leaders in these underserved communities, gathering insights regarding health care and the specific disparities in hospice care that exist through in-person meetings with over 50 community leaders, pastors and community members as discussed previously. Arc Hospice repeats the strategy it developed to increase access to these underserved communities. Examples of outreach activities that Arc has found effective for the African American communities that it will use in SA 3A include:

- Attending support groups and presentations in religious settings in the African American community
- Developing relationships with community leaders who can assist with education and bridge barriers to care
- Discussing grief and loss topics and the importance of advanced directives throughout the communities served.
- Partner with African American churches to offer panels to discuss hospice and palliative care.
- Collaborate with community organizations to develop educational campaigns that target churches within the African American communities to address misconceptions and emphasize the benefits of hospice care.
- Participate in community events, health fairs, and religious gatherings to build relationships and promote services.

Arc Hospice will address the barriers and disparity through a program that stresses:

- Education to the community and hospice staff,
- Early and ongoing engagement of the minority community,
- Specialty hospice programs and training, and
- Developing partnerships with area leaders to assist with:
    - Recruiting in rural areas, for instance through collaborating on job fairs.

- Training of potential employees from rural areas.
- Ongoing communication regarding hospice and the care continuum with area leaders.

To enhance access to and utilization among Hispanic and African American populations in the SA, Arc Hospice's Cultural Connections outreach and education program will include:

- A comprehensive multi-cultural awareness education program for staff to ensure that they are properly informed and trained in the needs of the Hispanic population.
- Community education regarding Arc Hospice and culturally sensitive approaches.
- A designated Cultural Liaison will regularly meet with hospice appropriate patients, assess clients and families to identify any cultural needs and help ensure the provision of individualized, culturally sensitive care for our patients and their families.
- Establish a network of bilingual volunteers to provide emotional and spiritual support to clients and families.
- Provide culturally relevant information and education to clients and families about end-of-life care and advance planning.
- Monitor and evaluate services to ensure that they are meeting the needs of the Hispanic and African American populations.
- Engage patients, where appropriate, through the Palliative Care Program.

Arc commits to developing a formalized internship program with a local educational institution specifically to provide internship opportunities for Hispanic and African American communities. This program will be supplemented with a $5,000 annual funding commitment for, at a minimum, the first five years of operation. Arc also commits $5,000 annually for a period of five years for hosting quarterly community educational programs specifically for the Hispanic and African American communities.

Arc restates it will implement disease specific clinical programs and its Arc of Life Program to bring experiences beyond the Medicare benefit. Culture specific programs to be initiated upon licensure will include virtual reality training for all hospice staff for diversity and inclusion, integrative interpreter solutions, and a diversely focused volunteer program with a unique focus on onboarding multi-cultural volunteers that reflect the local community. Arc assures that it strives to hire a diverse workforce to meet the needs of all patients that includes educational opportunities are offered to staff to answer unique cultural differences that need to be understood to prevent service failures.

With respect to the specific care for the Hispanic community, Arc discusses the barriers often met with this population and uses data from the Agency and the Office of Economic & Demographic Research, Florida Legislature to reveal that SA 3A has approximately 72,000 Hispanic residents, and approximately 6,300 are aged 65 and over. Approximately 12 percent of SA 3A's population and approximately five percent of the age 65 and older population is Hispanic. Arc Hospice notes that only 66 Hispanic patients were discharged to hospice, or approximately three percent of the 2,222 acute care discharges, despite Hispanics accounting for approximately five percent of all discharges in 2021. SA 3A's non-Hispanic cohort accounted for approximately 91 percent of all discharges and approximately 93 percent of patients discharged to hospice. An excerpt from Julio Fuentes, President, Florida State Hispanic Chamber of Commerce's confirming the support of need for Arc Hospice in developing hospice programs for the Hispanic patient population is provided.

Arc Hospice uses Agency data to show almost 120,000 Black/other residents in SA 3A, with approximately 15,000 aged 65 and over. Arc states the concentration of Black/other residents is comparable to the state of Florida for both the age cohort and the total population. Almost 20 percent of the SA population and 12 percent of 3A's age 65 and over population is Black/other. Arc shows that only 276 Black or African American patients were discharged to hospice, or approximately 12 percent of the 2,222 patients in 2021. Arc argues that despite accounting for approximately 20 percent of all discharges in 2021, fewer Black or African American patients were discharged to hospice compared to the White cohort which accounted for approximately 73 percent of all discharges and 81 percent of patients discharged to hospice. Excerpts from sample letters cited in support of need for developing hospice programs for this patient population and the need for cultural liaisons were from:

- Pastor Margaret C. Dennison, Senior Pastor, Compassionate Outreach Ministries
- Alvieta Robinson, Director, Widows Wing Ministry — Gainesville
- Charles S. Chestnut, IV, Commissioner Alachua County Board of County Commissioners
- Brenda James Holmes, resident
- Pastor Karl Anderson, Senior Pastor, Upper Room Ministries, Executive Officer of Communications, Alachua County Christian Pastors Association
- Rev. Dr. Marie Herring, Senior Pastor, DaySpring Baptist Church

Arc concludes that the identified gap in access to care, including hospice care, for the Hispanic and African American residents of SA 3A is apparent and that it is prepared to bridge the gap and have a positive impact hospice care for these underserved patient population.

The veteran population is discussed and Arc states it will develop a specialized veteran's program in SA 3A and collaborate with area veterans' organizations. Arc's interdisciplinary teams will be trained to recognize and understand the needs of their veteran patients, including:

- The impact of military service on a veteran and family.
- Trauma responses, including fear, anxiety, and guilt at the end-of-life.
- Military culture and experiences.
- The importance of making veterans feel safe, affirmed, and supported.

These programs/services include:

- Military service recognition ceremonies
- Companion care
- The We Honor Veterans program - a program of the National Hospice and Palliative Care Organization ("NHPCO") in collaboration with the Department of Veterans Affairs ("VA") and will achieve Level 4 certification within the first two years of operation and Level 5 as soon as practicable.
- A Veteran-to-Veteran Volunteer Program that pairs trained veteran volunteers with hospice patients who also have military experience.
- Military service recognition - veteran volunteers take part in pinning ceremonies and other activities for Veterans Day and other recognition events.

Arc contends there is an inherent need for many palliative care and hospice resources to be able to provide care and support for SA 3A veterans and their families/caregivers and that its specialized veteran's programs will ensure that the ongoing needs of the veterans are met. U.S. Census Bureau and U.S. Department of Veterans Affairs data indicates that in 2023 there are approximately 46,000 SA 3A residents who are veterans. Approximately 23,000 are 65 years or older, which is approximately three percent of the state's total. Arc shares that SA 3A's veteran population is projected to decline from 2023 to 2028, likely due to a variety of factors, including the aging veteran population ultimately increasing deaths. The 2020 United States Department of Veterans Affairs Veteran Population Projection Model shows that in 2023, veterans aged 65 and older in SA 3A account for approximately 51 percent of the total veteran population. Arc concludes that SA 3A's increasingly aging veteran population will result in increased need for hospice.

Arc Hospice explains that it provides alternatives to admission and solutions or optimal outcomes with its needs-driven and patient-centered approach in which each patient encounters a centralized admission that may also involve the family, physicians, case management, health plan, and community partners. Arc assures that it will guide the patient to the

appropriate transition of care, including hospice, palliative care, long term care, skilled nursing facilities, assisted living facilities, rehabilitation hospitals, or home health and addresses patient physical, emotional, social, and spiritual needs of the patient which involve:

- addressing patients' physical needs by making the patient as comfortable as possible. Any person that is in physical pain will not focus on any other aspect of their life because the pain will be the focus of all their attention.
- Once the pain and symptoms are controlled, Arc can begin providing enhanced value to the patient and family by addressing their emotional needs such as fears associated with a terminal illness.
- the social needs of patients which include feelings of not being part of society any more or wanting to see children or friends. Socially the patient may want to accomplish certain tasks or "bucket list" items, or address unmet emotional needs, before dying. Hospice can assist patients in trying to fulfill these needs.
- Arc states that patients' spiritual needs are not always associated with a religious aspect. Sometimes the spiritual needs have a religious focus, other times patients have life reflections, and it is a time for the patient to leave a part of themselves to family, friends, and community, and be remembered for their own life's legacy.

Arc cites Agency data shows that SA 3A has 27 nursing homes with 3,169 licensed beds, with approximately 40 percent located in Alachua County. Dixie, Hamilton, and Lafayette Counties have the lowest numbers of licensed beds (approximately two percent each) while Union County does not have any licensed beds. Arc notes that nursing home residents enroll in hospice while continuing to receive the same services from the nursing home, such as meals, bathing, and staff support. Arc will provide specialized attention to improving the collaboration and communication between facility caregivers and patients located in these facilities noting that, this was found to need improvement.

Arc indicates it collaborates with nursing home staff to provide quality care and services to residents/patients and their families:

- Communication: should be regular, clear, and timely. Arc works to establish clear lines of communication and maintain open channels with the nursing home care team.
- Care Plan: A comprehensive hospice care plan is established with input from the physician, nurse, social worker, cultural liaison, spiritual coordinator, and patient. The care plan is updated as necessary to reflect the changing needs of the patient and family. Nursing facility staff members are invited to attend and participate in the hospice interdisciplinary team meetings when the needs of a patient residing in the nursing facility will be discussed. Hospice

staff members attend nursing facility care planning meetings for hospice patients.

- Arc recognizes that consistent staffing is crucial for effective collaboration between hospice providers and nursing home staff. Arc contends that its representatives were advised of inconsistency in and lack of staffing from existing hospice providers. Arc will ensure consistent staff is assigned to the nursing home to provide continuity of care and that the nursing home staff will know team members and their roles to ensure optimal collaboration and communication.
- When surveying SA 3A, input from the community indicated that bereavement services were non-existent in certain areas or for various groups. Hospice bereavement services are offered to nursing facility staff and residents on an ongoing basis. Arc offers a range of counseling services to support patients and their families throughout the end-of-life process. These services may include individual counseling, family counseling, grief counseling, spiritual counseling, and bereavement support.
- Arc Hospice offers a specialized program for caring for patients with Alzheimer's disease and other forms of dementia and supports patients and families through a consistent and systematic approach known as the BUILD model:
    - Build — Build a foundation of trust and respect with the patient and caregivers.
    - Understand — Understand what the family/prescriber knows about patient's current condition, including medication use (when and how the medications work and when no longer beneficial to use medications).
    - Inform — Inform patients and caregivers about evidence-based information regarding disease state and medications.
    - Listen — Listen to family's or prescriber's goals and expectations for the patient.
    - Develop — Develop a collaborative plan of care with the interdisciplinary team.
- Education and Training: Arc Hospice's support extends to the facility's staff who care for the resident/patient daily. Members of the team have expertise in many areas associated with end-of-life and will be available to share with facility staff. Examples of education topics available include:
    - Medicare and the Hospice Benefit
    - Pain Management
    - Advance Directives
    - Grief and Loss
    - Symptom Management
    - Dementia Care

- Mutual Respect: Arc's team members will respect the expertise of the nursing home staff and work together to provide the best possible care to the resident/patient.
- Joint Admission and Discharge Planning: The admission process begins when a referral is made by the physician, hospital, nursing home, patient, or patient's family/friend. Once the patient's admission to hospice care is approved, Arc will meet with the patient and family to discuss the hospice benefit and complete admission forms.

Arc confirms that if a patient elects to discontinue hospice services, Arc works with the care facility staff to discuss the reason and timing of discharge as well as all discharge plans (for example, durable medical equipment, medications, family communication). Arc states it offers the following advantages to the nursing home operation:

- Partnering with Arc Hospice will give nursing homes access to Arc's extensive network of contacts at all levels, including the organization's CEO, VP of clinical services, and others.
- Availability of staff and/or volunteers to sit with residents if one-on-one care is needed.
- Provision of medications and supplies related to the hospice diagnosis.
- Reduction in hospital admissions and readmissions.
- Expertise in pain and symptom management.
- Arc's hospice physician is available to consult with the resident's physician as needed.
- Arc's hospice certified home health aides provide activities of daily living care.
- Arc assumes major responsibility for the psychosocial needs of the resident/patient and family as related to the terminal diagnosis.
- Arc assists the nursing home with maintaining compliance with regulatory requirements such as notification of changes and maintaining a collaborative care plan.

Arc provides the following excerpt from Elliot J. Williams, MSHA, NHA, the Administrator for Parklands Care Center:
"…I am familiar with the Arc Hospice Chief Executive Officer and other members of the corporate team and am confident in the exceptional level of care and dedication they provide to their patients. They have a long history of providing best in class hospice services to the community, including a variety of in-home services, palliative care, and other forms of end-of-life care. In particular, they have a long and successful track record in partnering with nursing facilities on the cate continuum. If approved, I am willing to contract with Arc Hospice of Florida to provide general inpatient beds at our long-term care facilities in the Gainesville metropolitan area. I believe that this is a great opportunity for patients in the community as well as their families…"

Arc references a study titled *The Effects of Hospice on Hospitalizations of Nursing Home Residents* published in the Journal of American Medical Directors Association and mentions a report from The National Hospice and Palliative Care Organization (NHPCO) published a report entitled, "Hospital-Hospice Partnerships in Palliative Care: Creating a Continuum of Service" that is presented in Exhibit D. Arc states that it will develop relationships with the 11 area hospitals (2,106 licensed beds). There are no letters of support from the hospital administrators. Arc notes that the majority of licensed beds are in Alachua County (approximately 83 percent) and that approximately 2.7 percent of acute care patients originating from the SA 3A counties are discharged to hospice, with a higher percentage of patients seeking medical hospice care within the hospital (approximately 1.8 percent) versus home hospice care (approximately 0.9 percent).

Arc assures that it will establish and initiate a comprehensive palliative care program in SA 3A, bringing an integration of palliative and hospice care, which it argues is especially important in hospitals to ensure palliative care is provided to patients. The goal of palliative care is the management of the physical, psychological, social, spiritual, and practical needs of patients and their loved ones. The palliative care team may include a physician, nurse, social worker, pharmacist, spiritual counselor, and other appropriate disciplines to provide comprehensive, compassionate care. The palliative care team identifies and targets the high-need and high-risk patient population, before-during-and-after a medical crisis, and is involved in post-acute care transitions to the right site of care, from chronic illness through leading to end-of-life care. Patients who are candidates to receive palliative care include those with chronic, long-term, or advanced conditions and all hospice patients receive palliative care.

Arc contends that its relationships with health care providers including area hospitals will bring the potential for a powerful integration of high acuity palliative and hospice care. Further, it will work closely with area hospitals to educate clinicians and staff about hospice and palliative care, promoting the integration of hospital and hospice services to raise awareness of hospice for palliative care patients. Arc states that integrating hospice into the continuum of care will provide numerous benefits including:

- Improved understanding about the resources available for physicians, staff, patients, and families. Education and information about hospice care will broaden the continuum of care, enhancing the tools available to physicians and clinicians to enhance the patient's quality of life. Incorporating hospice services with hospital and skilled nursing care provides enhanced educational opportunities for physicians, nurses, patients and

other caregivers, increases the acceptance and utilization of hospice and decreases the fragmentation of health care while easing the transition process for hospice patients and caregivers. Arc Hospice's expertise will assist the hospitals and nursing homes in interdisciplinary team management and staff can be closely involved with the care planning process, easing the process for hospice patients and caregivers.

- Facilitate and improve access to quality hospice services, including high acuity patients. Including hospice in the continuum of care results in high quality care for the patient from the time of diagnosis throughout the course of the illness. Because of Arc's affiliation with other health care entities (such as hospitals and skilled nursing facilities) there will likely be increased awareness of hospice as an option and maximization of the resources available, particularly with residents who do not have cancer and access to hospice services is expedited and enhanced, easing the transition process for hospice patients and caregivers.
- Adding hospice services to the continuum of care with individualized care plans will increase patient and family satisfaction.
- Research studies over the years have consistently found that patients with life limiting illnesses as well as their families benefit from access to hospice services. From a cost of care perspective, studies also support significant cost savings associated with the proper use of the hospice benefit:
    - According to a 2007 Duke University Study published in Social Sciences & Medicine, hospice care reduced Medicare program expenditures during the last year of life by an average of $2,309 per hospital patient.
    - According to a 2020 study by Trella Health, a health care data analytics firm, patients who receive hospice earlier saved an average of $14,000 in health care costs during the last three months of life compared to those who were admitted for a mid-term stay. Further, patients who did not have hospice care were 10 times more likely to be admitted to the hospital and amassed over $27,000 more in health care costs than patients who received an early hospice referral.
    - According to "Hospice Use, Hospitalization, and Medicare Spending at the End of Life" published in 2016 and 2018 in The Journals of Gerontology, spending could drop as much as $5,000 for patients in hospice care.

Arc asserts that it strives to provide access to hospice care for the terminally ill at a time when it becomes the most therapeutic option for the patient and that its staff will work to educate patients, families, physicians, and others about hospice as a compassionate alternative to

care in a hospital or nursing home. Further, Arc caregivers and discharge planners recognize the need to place patients in the most appropriate level along the continuum of care.

Arc bereavement services are summarized:

- Bereavement groups, which are designed for patients' families, are also open to the public to provide an opportunity to work through the grief process as well as receive tools and resources for healing. Arc offers one-on-one counseling available for those that need extra help with the grief process. Arc will ensure that survivors have quality resources to address grief and loss. Arc's community assessment, which entailed meeting with over 50 SA 3A community leaders, indicates a need for enhanced access to bereavement services, particularly in the rural areas.

Arc states that its quality, responsive, comprehensive programs, and services along with the education of other patient referral sources such as social workers, hospital discharge planners, assisted living facility staff, and nursing home staff regarding the benefits of hospice care is important. Arc plans to initiate a comprehensive and ongoing education program providing information and ease of access targeting these sources as well as physician and nurses. This program will be multi-faceted, community-specific and designed to build on existing communication and education programs that already exist in SA 3A and will focus on the specific needs of patient referral sources.

Arc restates its commitment to providing internship opportunities to qualified students in nursing, gerontology, social work, music therapy, and pastoral counseling training programs within the hospice SA adding that its program will be supplemented with a $5,000 annual funding commitment for, at a minimum, the first five years of operation. Support for both cancer and non-cancer diagnoses, providing patient referral sources, including physicians, with the tools and materials needed to determine when it is appropriate to admit patients to hospice is restated.

Arc states that it offers continuing education for internal staff that encourages and provides opportunities to enhance job skills, share knowledge and promote understanding of the hospice industry. All Arc staff members are encouraged (through cost reimbursement and in most cases salary adjustment) to establish and maintain all available hospice related credentialing and that it is committed to supporting and sponsoring hospice and palliative care certifications for its skilled nursing staff (CNA, LPN, RN, and APN). Arc Hospice confirms that this program will be supplemented with a $5,000 annual funding commitment for, at a minimum, the first five years of operation.

Arc states that it encourages staff to maintain ongoing memberships in any and all types of hospice organizations and to participate in continuing education courses that further ensure high quality services are provided to all patients and their families. Arc will provide initial orientation, onboarding, continuing education, and in-service training to its staff via a variety of methods. Relias Learning - an online education program includes:

- Providing in-house education, workshops, and seminars, coaching and mentoring, and certification programs.
- Supports its ability to deliver better outcomes by maintaining consistency throughout the education process to all hospice staff.
- Is a key component of its staff training plan for orientation, annual education, ad hoc education, state education requirements, and other ongoing education.
- The learning management system employs analytics and assessments to reveal specific gaps in clinical, regulatory, and consumer satisfaction areas. It allows Arc to create comprehensive standardized training for the entire team and to customize additional training to each individual team member in a personalized and engaging learning atmosphere.

Arc states its staff training consists of orientation courses and annual mandatory training based on job descriptions to comply with State and Accreditation standards, Medicare guidelines, and company policy. Further, Arc encourages integration of information systems noting that it will provide resources including electronic medical records (EMRs) to assure its continuum of care is seamless from the clinical perspective, eliminates duplication, avoids omission, and provides baseline data on health status and functionality to guide care. EMRs will address both administrative and clinical needs and result in improved care quality, increased employee satisfaction and financial benefits to:

- Decrease expenditures through cost avoidance, such as reduction in hospital admission reductions due to better care management and increased quality and efficiency in care documentation.
- Improve program oversight through more complete and uniform care documentation, which will be immediately available in real time and accessible remotely.
- Identify and monitor best practices throughout the program.

Management and staff benefits from an EMR system include:

- Immediate access to the patients' records.
- Improved administrative oversight through more efficient monitoring of patients' changing condition and a proactive response to patients' problems.
- Improved quality, consistency, and accuracy of documentation.
- Improved staff satisfaction and retention.
- Easier work processes.

- Ability to track and trend quality data and complete quality audits in a timely manner.

Arc will implement the Palliative Pharmacy Solutions (PPS) Pharmacy Benefits Management (PBM), a web-based mobile pharmacy application in which medications can be ordered, reconciled, and placed prior to discharge from facility, and appropriate medications and dosages are in the home prior to the patient's arrival home. Arc will supply a comfort pack containing necessary medications in a secure lock box upon the patient's admission to hospice care to ensure that patients and their caregivers have immediate access to prescribed medications, thereby minimizing discomfort and reducing anxiety. Further, Arc will establish contracts with both a Pharmacy Benefit Manager and local pharmacies that offer 24/7 on-call service for timely delivery of required medications, fostering a seamless process for patients and their families. The applicant states that it will utilize and leverage these technologies and management systems to improve care in SA 3A's more rural areas and that its relationships and involvement with area health care facilities and education for health care organizations and providers will provide a high level of integration. Arc argues it will reduce the hospice access disparity it contends is problematic for SA 3A.

Arc states it strives to achieve its mission to provide compassionate, high-quality end-of-life care to those who are facing life limiting illnesses and to support their families with dignity, respect and understanding. Arc goals include:

- To provide comprehensive, best in class end-of-life care that meets the physical, emotional, and spiritual needs of patients and their families.
- Increase access to culturally competent care for Black/African American and Hispanic communities.
- To create an environment of respect and caring that honors the wishes of the patient and their family.
- To provide education and resources to families on the physical and emotional aspects of end-of-life care.
- To collaborate with other health care providers to ensure the best possible care for our patients, families, and community.
- To offer support and advocacy for those who are facing life-limiting illnesses.

Arc proposes to deliver the highest level of quality care to patients at the end of their life and their loved ones and to cultivate the following core values:

- Quality Care: Arc believes in total commitment towards quality of care for all constituencies: patients, families, and community.
- Compassion: Compassionate Care values human dignity and is at the very heart of what Arc Hospice does and why Arc Hospice

exists. Doing the right thing for the right reason differentiates Arc Hospice from all other providers.

- Competence: Competent Care is the first essential step to providing Compassionate Care. It is Arc Hospice's leading edge and is cost competitive with any other credible provider.
- Community support is Arc Hospice's ultimate edge in providing Compassionate Care. It enables Arc Hospice to constructively enlist the collaborative support of volunteers and other community entities, creating the capacity to meet community needs.
- Creativity is tapping the brilliance within individuals and the community to generate ideas that will continually improve compassionate care in the face of all that might challenge it.

Arc Hospice states that its Community Benefits for Approval include:

- Reducing the hospice access disparities that exist within SA 3A:
  - Using Agency and HealthPivots DataLab in Figures 45 and 46 on pages 98 and 99 to show that:
    - In 2021, there were 8,217 deaths and 4,644 hospice patients in SA 3A, resulting in a P-Rate of 0.565 for the SA.
    - Alachua County, an urban county and the most populous county in SA 3A, had a P-Rate of 0.688 in 2021, or 22 percent higher than the SA's P-Rate.
    - The SA's 10 rural counties combined had a P-Rate of 0.513, which is approximately 25 percent lower than Alachua and nine percent lower than the entire SA.
    - These 10 counties total populations range from approximately 8,000 - 74,000.
  - Arc contends that the data demonstrates that the 10 rural counties do not have appropriate access to hospice services and are going unserved.
  - Alachua County has the highest P-Rate at 0.688 while P-Rates for the remaining 10 counties range from as low as .0290 in Lafayette County, which is approximately 58 percent lower than Alachua's rate, to 0.624 in Gilchrist County, which is almost 10 percent lower than Alachua's rate. Lafayette, Union, Hamilton, and Levy Counties have particularly low penetration rates in comparison to both Alachua County and the entire SA.

Arc Hospice reiterates that it has a plan and strategy to accomplish reducing this disparity and serving the more rural counties of 3A to improve hospice access and reduce the population which is currently not being served. This includes:

- Improved understanding about the resources available for physicians, staff, patients, and facilities. Topics that may be included are:

- Discussions with health care professionals, patients, and families about hospice may include the following topics, depending on the existing knowledge and need of the individual:
  - Death, Dying, and Bereavement - This includes offering an overview of the dying process, including physical signs and symptoms common in the process of dying as well as stages of grief and how they differ between patients and caregivers. Approaches to assisting patients, families, and children in coping with grief and mourning are described. A review of the bereavement benefit associated with hospice both during the life and after death is discussed.
  - Hospice 101 - This includes a brief history of hospice development in the United States. The types of care and venues as well as the benefits of hospice versus curative care are also reviewed. Service offerings for both the patient and caregivers would be discussed, including an overview of the composition of the hospice interdisciplinary team.
  - Hospice Eligibility Requirements - This includes a review of Medicare admission eligibility criteria and conditions of participation for each hospice level of care. A review of clinical criteria to determine the appropriateness for referrals for patients with a variety of life-ending diagnoses including but not limited to HIV/AIDS, neurological diseases/ALS/multiple sclerosis, cardiac, Alzheimer's, lung disease, end stage diseases, stroke/coma. Case studies are helpful to illustrate how to determine the best venue and level of care for the patient.
  - Hospice Service Expectations and Reimbursement - This includes a review of services provided and how the reimbursement process works.
  - Advance Care Planning - This includes advance directives, living wills, and health care power of attorney, to help patients and families make informed decisions about end-of-life care.
  - Pain Management - This includes best practices and strategies for effective pain management at the end-of-life, including pharmacological and non-pharmacological approaches.
  - Symptom Management - This includes techniques and interventions for managing common symptoms and discomforts experienced by hospice patients, such as shortness of breath, nausea, and anxiety.

- Caregiver Support - This includes tips and strategies for caregivers providing care to hospice patients, addressing self-care, stress management, and practical caregiving skills.

Arc states its palliative care program includes the following:

1. Education and Awareness: Arc's palliative care program will educate the community on the benefits of palliative care.
2. Partnerships: Arc's palliative care program will collaborate with local health care providers, social service agencies, and other community organizations.
3. Volunteer Engagement: Arc's palliative care program will engage community volunteers who are interested in supporting patients and families at all levels of life-limiting illness.
4. Community Outreach: Arc's palliative care program will engage in a range of initiatives, including providing education and resources to local health providers and community organizations, hosting support groups and workshops, and social media campaigns that help educate the public about hospice care and the benefits of palliative care.

The applicant includes excerpts from letters of support expressing the need for a hospice provider such as Arc Hospice to provide hospice education to the SA. Contributors of these excerpts include:

- Residents - Alicia Dickerson and Virginia Green
- Pastor Karl Anderson, Senior Pastor, Upper Room Ministries Executive Officer of Communications, Alachua County Christian Pastors Association
- Pearlie Shelton, Pastor/Upper Room Ministries, Church of God in Christ
- Truvette Lennear, Administrator, Terrace Health, and Rehab

- Service Intensity Add On Program -Arc discusses this throughout the application.

- Enhance patient and family satisfaction. Arc states that it is dedicated to providing the highest quality of care and focusing on the patient, offering individualized care plans from the time of admission throughout the course of illness to increase patient and family satisfaction. Arc Hospice has identified the following as key strategies for enhancing patient and family satisfaction and will offer these strategies in SA 3A:
    1. Development of a patient-centered approach: Implement care plans tailored to individual patients, considering their medical, emotional, and spiritual needs.
    2. Facilitate open, honest, and empathetic communication between the hospice team, patients, and their families. Offer

educational resources to help them understand the hospice care process, including what to expect and how to manage symptoms and pain.

3. Maintain a competent and compassionate staff: Ensure that all staff members are well-trained and have the necessary skills to provide quality care. Foster a culture of empathy, compassion, and support among team members.
4. Provide comprehensive pain and symptom management. Implement appropriate interventions to ensure optimal comfort and quality of life.
5. Offer psychosocial and spiritual support: Provide counseling services, support groups, and resources to address the emotional and spiritual needs of patients and their families.
6. Involve families in care decisions: Encourage open communication and involve families in the decision-making process regarding the patient's care plan.
7. Ensure continuity of care: Coordinate with other health care providers to ensure a seamless transition into hospice care.
8. Implement a feedback system: Collect feedback from patients and their families and use this information to identify areas for improvement and implement changes to enhance satisfaction.
9. Provide bereavement support: Offer grief counseling and support services to family members following the death of their loved one to help them cope with their loss and adjust to their new reality.
10. Continuously evaluate and improve: Regularly review and assess the care team's performance and quality of care. Implement quality improvement initiatives and staff training programs to ensure the highest level of patient and family satisfaction.

- Ability to Enhance Access to Transportation. Arc Hospice states that transportation challenges can be an obstacle to receiving appropriate medical care including residents with chronic and advanced illness and their families, particularly for rural counties. Arc assures that it will partner with local transportation providers and community organizations to facilitate reliable and cost-effective transportation options for hospice patients and their families. Further, it will allocate $5,000 per year for three years to fund family transportation needs and will commit to the purchase of a van and hiring of a driver, offering transportation to and from medical appointments, support groups, and other hospice-related activities.

- Enhance access to hospice and palliative care for the patient population with mental illnesses. Arc contends that failing to

diagnose and treat mental health illness prevents "quality dying" in hospice. Arc will collaborate with area mental health providers to ensure mental health patients in need of hospice and palliative care are able to appropriately access the needed services. Arc professionals, including nurses, social workers, and other interdisciplinary team members, will conduct an initial assessment and the team will develop an individualized care plan that addresses the patient's specific mental health needs based on the assessment and ongoing evaluation. Arc shares that its hospice team assures that it will continually review and adjust the patient's mental health care plan, adapting interventions and support services as needed to ensure the patient's well-being is effectively maintained throughout their hospice experience.

Arc Hospice shares that its research of the community revealed a lack of bereavement services in rural areas and will dedicate significant efforts to bridging this gap. Bereavement support is discussed and Arc elaborates that its efforts will include:

- Individual counseling is often provided to patients who are experiencing anxiety, depression, or other emotional distress related to their illness. Members of the social services team will work with the patient to identify coping strategies and provide emotional support. Initial and ongoing social services assessments help identify the unique needs of patients who have experienced trauma and to develop an individualized plan of care to help the patient cope with emotional and psychological effects of traumatic experiences.
- Family counseling is designed to help family members cope with the challenges of caring for a terminally ill loved one in order to promote effective communication, promote conflict management, and encourage working through issues related to grief and loss.
- Grief counseling is offered to the patients' families after the patient has passed away. Members of the interdisciplinary team help the bereaved cope with the complex emotions that come with grief, providing support and guidance through the grieving process, and offer strategies for moving forward. In addition to grief counseling, the bereavement program includes:
    - Education and support: Education about the grieving process and access to resources such as books, pamphlets, and support groups.
    - Spiritual and religious support can be provided through Arc Hospice's chaplaincy services and partnerships and referrals to local faith-based resources.
    - Arc Hospice offers memorial services or events to honor the memory of the patient who has passed and provide

opportunities for loved ones to connect with others who are grieving; and
- Arc provides ongoing support through follow-up phone calls or visits for 13 months after the patient passes.
- Bereavement services will be coordinated not simply by local administration, but with a regional clinical executive, to ensure compliance.

Arc includes excerpts from sample letters of support from Ajaypal Gill, D.O., and Bonnie Simmons, an area resident describing a need for enhanced access to bereavement services noting that these are included in Exhibit C. Arc states trained chaplains and spiritual care providers will provide information about the availability of spiritual care services and make services available or Arc Hospice will connect with the patient's personal community clergy, if the patient desires, to facilitate personal visits or religious services. The Arc team of spiritual care professionals will develop individualized plans based on assessment of the patients' religious, spiritual, and existential concerns and integrate this into the hospice care plan, adding that as part of the spiritual counseling, the following is also offered:

- Religious services: If the patient or their family members have a religious affiliation, Arc Hospice's chaplains will arrange for religious services or visits from religious leaders of their faith. Arc Hospice has already developed relationships with religious leaders in the SA which will allow Arc Hospice to provide these services rapidly after licensure.
- Spiritual reading materials: Arc Hospice's spiritual care professionals will offer spiritual reading materials such as religious texts, inspirational stories, or other spiritual books to the patient and their family members.
- Music therapy can be a powerful spiritual tool for some patients and their families. Arc Hospice's spiritual care team will work with Arc Hospice's music therapist to arrange for music therapy sessions or provide music recording that align with the patient's spiritual beliefs and preferences. This will be part of the patient's care plan.
- Memorial services: After a patient passes away, Arc Hospice's chaplains will work with the social services/bereavement team to arrange for a memorial service to honor the patient's life and provide closure to their family members. This service includes spiritual elements based on the wishes of the patient and family members. In addition to Arc Hospice's staff, Arc Hospice has already developed relationships with religious and spiritual leaders in the SA which will allow Arc Hospice to provide these services rapidly after licensure.
- Bereavement support will be provided to the family members after the patient passes away. Arc Hospice will directly focus on those

more rural areas where demand for bereavement services has already been expressed by the community. Arc Hospice will leverage the relationships it has already built in those communities to rapidly make these services available after licensure.

- Outreach: Particularly within the African American community, there is a deep connection to the faith community - The church is often seen as an indispensable source of information and can serve as a critical foundation of support during times of crisis. Together with the team of cultural liaisons, the spiritual care professionals at Arc Hospice continue building the partnerships it has already begun to establish with community clergy and provide culturally sensitive education on topics related to end-of-life care. As previously stated, Arc Hospice will also host an annual Bereavement Symposium to provide local clergy and other professionals with resources to support those in grief. All of these efforts will be reviewed (either before or after implementation, as appropriate) with the Rural Community Advisory Board.
- Supporting patients and families as they work through experiences and feelings such as life review; sadness, anxiety, depression, fear, or loss; and family conflicts.

Arc Hospice states that it provides a range of palliative arts programs and complementary therapies to support patients and their families that are designed to provide comfort, provide relaxation, and offer nonpharmacological interventions for pain management using trained, skilled team members and/or volunteers provide the following:

- Music therapy involves the use of music to promote relaxation and reduce anxiety and pain. A music therapist works with patients to create personalized playlists, sing songs, or play instruments.
- Pet therapy involves bringing animals, such as dogs or cats, to visit with patients. Pet therapy can help reduce stress and promote relaxation and may also provide a source of comfort and companionship.
- Massage therapy involves using touch to promote relaxation and reduce anxiety and pain. A massage therapist may provide gentle touch or massage to help patients feel more comfortable.
- Storytelling involves sharing stories or personal experiences as a way to promote connection and meaning-making. Patients work with an Arc Hospice team member to share their own stories or listen to stories that are meaningful to them. These stories will enable Arc Hospice to implement its Arc of Life Program for patients and families.
- Air aromatherapy is a therapeutic program using essential oils extracted from plants that have health benefits, including relief from anxiety and depression, improved quality of life (particularly for people with chronic health conditions), make needle sticks less

painful for people receiving dialysis and improve sleep for people who are hospitalized.
- Relaxation techniques: These techniques involve deep breathing exercises, progressive muscle relaxation, and visualization that can help patients manage stress, anxiety, and pain.
- Art therapy: Engaging in creative activities, such as drawing, painting, or crafting, can offer emotional expression, stress relief, and a sense of accomplishment for patients. Reiki and energy healing: This type of therapy uses gentle, non-invasive techniques that aim to balance the body's energy and promote relaxation, helping patients cope with pain, stress, and anxiety.
- Mindfulness and meditation: Guided meditation and mindfulness practices can help patients develop greater awareness of their thoughts and feelings, promoting relaxation and reducing anxiety.
- Gentle exercise and stretching: Light physical activity such as tai chi, yoga, or simple stretching can help maintain flexibility, reduce pain, and improve overall well-being.

Arc argues that including these additional hospice services in the continuum of care is simply good patient care that will decrease the fragmentation of health care and improve comprehensiveness and continuity, resulting in high quality care maximizing the use of health care resources in a cost-effective manner that is beneficial to the patient. Arc's program will consist of a large multi-disciplinary team to assist the patient and their loved ones in addressing the physical, emotional, and spiritual needs of patients and caregivers and that the care provided will reflect a patient-centered approach, and that services are delivered in an exceptional manner, with a focus on care processes and patient experience. Exhibit B's sample job descriptions of team members include:

- Physician - Patients designate a physician to manage their care while participating in a hospice program.
- Hospice Aide - Hospice aides assist with personal care and light housekeeping services.
- Spiritual Caregiver - Hospice spiritual caregivers assist in identifying spiritual concerns and the connection with a community of faith.
- Hospice Medical Director - The medical director oversees the treatment by the hospice team, coordinates with the attending physician, and is available for consultation.
- Social Workers - Hospice social workers offer emotional support, bereavement services, counseling, arrange for necessary transportation, and community resource support services.
- Hospice Nurse - Hospice nurses coordinate the individualized plan of care, provide specialized hospice care services, and patient/family teaching.

- Volunteer - Volunteers are special people who make a significant contribution in caring for and supporting hospice patients and families. As an integral member of the hospice team, volunteers are responsible for supplementing, temporarily substituting, and strengthening (but never replacing) the caregiver or family's duties and roles. Under the supervision of the coordinator of volunteer services, trained volunteers offer direct and indirect help to patients in a manner that ensures comfort and dignity and enriches the quality of life. Hospice volunteers can also provide specialized services such as massage, music, or art therapy.
- Bereavement Counselor - Bereavement counselors support the patient, family, and caregivers throughout the dying process, and offer follow-up grief education and support.
- Other Therapists and Counselors - Dietitians counsel patients and families about nutritional issues. Physical, occupational, speech, respiratory, and other allied therapists provide care according to the individualized plan of care.
- If appropriate, patients and families will be connected to rural care coordinators and cultural liaisons to ensure that they are optimally connected to local and spiritual support services.

Arc Hospice states that it plans to offer a wide range of services to patients and their families, including the following:

- Nursing and medical social work services are available seven days a week, 24 hours a day. Arc Hospice will ensure that its patients receive a minimum of two RN visits per week, provided this is acceptable to the Interdisciplinary Team, patient, and family.
- Hospice aides deliver bedside personal care available daily. Arc Hospice will ensure that its patients receive home health aide visits at a minimum of three and up to seven days per week, provided this is acceptable to the interdisciplinary team, patient, and family.
- Pain and symptom management in the home or inpatient setting.
- Coordination of care if hospitalization for pain and symptom management is necessary.
- Medical social services to help families with emotional support and financial, legal, or social resources.
- Counseling and emotional support for both patients and family members.
- Nutritional guidance and physical, speech, and occupational therapies.
- Alternative therapy programs such as palliative arts and music therapy.
- Provision of medical equipment, supplies, and medications related to the terminal illness.
- Trained volunteers who are specially selected to provide respite, companionship, transportation, supportive visiting, homemaking, sharing of special talents, and bereavement support.

- Bereavement services for families for up to 13 months after the loved one has died. The bereavement program serves its hospice families as well as a significant number of other (non-hospice) participants present in the community.

The applicant reiterates its programs and adds:

- Medical Equipment - In order to ensure that patients get quality Durable Medical Equipment (DME), Arc Hospice works with DME vendors to make sure patients get the best quality and service, ensuring a streamlined ordering process and equipment is appropriately delivered to patients. Patients and families can feel at ease knowing that they only need to deal with one company for all aspects of care.
- Volunteers – Assisting patients with life reminiscence activities such as journaling, scrapbooking, or video and audio recordings.
    - Dementia Program, a program with specially trained volunteers to assist patients with cognitive decline. Volunteers can become recognized through the National Council of Certified Dementia Practitioners (NCCDP) distinct certification training. Arc Hospice recruits volunteers who demonstrate interest in participating in this training to receive the certified dementia volunteer certification.
    - Administrative volunteers assist with a variety of projects and routine office work.
    - Volunteers who have experienced loss may serve as co-facilitators for grief support groups.
    - Strong corporate volunteer program - Arc Hospice will establish connections with local nonprofits, identify community service projects, and seek mentorship opportunities for Arc Hospice's employees to engage in their local community. This program will help employees to form relationships and gain a better understanding of the issues facing the counties in SA 3A.
- Education - Through their existing hospice programs, Arc Hospice has a comprehensive and ongoing education program that is targeted to providing information and ease of access to residents of the communities served. This program is multi-faceted and designed to build on existing communication and education programs already in existence throughout the communities. Key beneficiaries of the program include physicians and other clinicians as well as individuals involved with community-based elderly programs.
- Arc of Life Program - The hospice team works together to identify these special opportunities to serve patients and develop this unique plan of care during the IDT meetings. Arc Hospice executives have been involved with hundreds of moments; one was featured in the Boston Globe and others on

Harrisburg local news. Past examples include date night to celebrate a special anniversary or birthday, visiting a favorite locale, or a photo or video shoot with family.

- Virtual Reality - The Arc Hospice of Florida Virtual Reality Program will be implemented upon licensure as a way to deliver optimal patient experience during end of life. Non-pharmacological interventions are at the heart of the organization's culture and mission to help with the quality experience of its patients and families. A strong benefit of the virtual reality program is the ability to bring patients to any geographic location including those who wish to visit special areas, particularly those that are multicultural.

Arc Hospice states that received tremendous support from physicians and the community, physicians, employees, local and state elected officials, local businesses, and community residents that attest to the existing and growing need for the proposed project, including the need for hospice services in rural parts of the SA, disease specific programing, access to bereavement services, and culturally sensitive services which do not currently exist in the community. The applicant notes that these letters also indicate the community's willingness to support the proposed service. Supportive excerpts include:

Physicians -

- Ajaypal Gill, D-O., Physician
- Alfonso Mortmer, MD, Physician
- John F. Brandt, MD, Family Medicine, Gainesville, Florida

Administrators –

- Elliot J. Williams, MSHA, NHA, Administrator, Parklands Care Center
- Truvette Lennear, Administrator, Terrace Health and Rehab
- Hemi Clough, Administrator, Williston Care Center
- Bryce King, NHA, Executive Director, Park Meadows Health and Rehabilitation Center

Government/LEO –

- Brian N. Lamb, Sheriff, Lafayette County
- Charles S. Chestnut, IV, Commissioner Alachua County Board of County Commissioners
- Julio Fuentes, President Florida State Hispanic Chamber of Commerce

Clergy –

- Pastor Karl Anderson, Senior Pastor, Upper Room Ministries Executive Officer of Communications, Alachua County Christian Pastors Association
- Rev. Dr. Marie Herring, Senior Pastor, DaySpring Baptist Church
- Pearlie Shelton, Pastor/Upper Room Ministries, Church of God in Christ

- Pastor Margaret C. Dennison, Senior Pastor Compassionate Outreach Ministries
- Alvieta Robinson, Director Widows Wing Ministry - Gainesville
- Elder Malcolm Dixon, Lead Pastor, Vision Ministries Inc.

Nine residents: Bonnie Simmons, Chelsi Burley, Paula Jetstone, Ruth Tucker, Marcella Mullins, Brenda James Holmes, Alicia Dickerson, Horace Garrison and Virginia Green.

Health Care Access Criteria is discussed on the application's pages 124 and 125.

1) **The need that the population served or to be served has for the health or hospice services proposed to be offered or changed, and the extent to which all residents of the district, and in particular low-income persons, racial and ethnic minorities, women, handicapped persons, other underserved groups and the elderly, are likely to have access to those services.**

   Arc Hospice responds that its application seeks to address the entirety of the needs of the terminally ill population regardless of age, race, gender, disability, or income level with specific groups to be served including residents with a life-limiting illness such as HIV/AIDS, cancer, heart diseases, chronic lower respiratory diseases, cerebrovascular disease, chronic liver diseases, and Alzheimer's disease; homeless patients and those low-income patients; as well as specific ethnic and religious groups and Veterans noting that its specific programs for these special populations are discussed in response to the fixed need pool.

2) **The contribution of the proposed service in meeting the health needs of members of such medically underserved groups, particularly those needs identified in the applicable local health plan and state health plan as deserving of priority.**

   Arc Hospice contends its proposal is designed to address the needs of underserved populations who are not served by the existing SA 3A hospice providers and notes that there are SA 3A state or local health plans that identify specialized needs.

3) In determining the extent to which a proposed service will be accessible, the following will be considered:

a) The extent to which medically underserved individuals currently use the applicant's services, as a proportion of the medically underserved population in the applicant's SA(s), and the extent to which medically underserved individuals are expected to use those services, if approved;

Arc Hospice defined that medically underserved groups are typically persons with Medicaid, indigent persons, and others for whom barriers to care exist and that it has a history of providing care to these and Medicare patients and is deeply committed to providing services regardless of payor source. Arc argues that it demonstrates its commitment to providing services to all persons regardless of payer source or diagnosis and that its contribution to the underserved groups has been addressed in the application. Further, financial projection schedules present the payor distribution, including Medicaid and charity care and that it agrees to accept conditions as reflected in Schedule C, to provide a variety of programs and initiatives to remove barriers and improve access to hospice care. Arc assures that it commits to provide access to all patients without regard to ability to pay and will serve patients covered by Medicare, Medicaid, and other third-party programs as well as self-pay and charity patients.

b) The performance of the applicant in meeting any applicable Federal regulations requiring uncompensated care, community service, or access by minorities and handicapped persons to programs receiving Federal financial assistance, including the existence of any civil rights access complaints against the applicant;

Arc states that it will conform to all applicable criteria regarding access and uncompensated care and does not have any civil rights access complaints.

c) The extent to which Medicare, Medicaid, and medically indigent patients are served by the applicant;

Arc states that it has not provided hospice services in Florida, but that its Medicare, Medicaid, and medically indigent patients are all served in Georgia, re-stating that it is deeply committed to providing services regardless of payor source, and that it demonstrates in the application its

commitment to providing services to all persons regardless of payer source or diagnosis. Arc estimates the cost of caring for charity care patients for the first two years of operation to be $9,956 and $26,179, respectively.

d) The extent to which the applicant offers a range of means by which a person will have access to its services. Arc Hospice notes its proposal reflects a range of payors including Medicare, Medicaid, insurance and charity care stating that it has described in depth throughout this application that it will offer an expansive array of programs and services aimed at connecting with the community in a variety of ways prior to the end-of-life and rapidly improving hospice access to those who are currently most underserved.

Arc Hospice presents its argument using HealthPivots, DataLab and Agency data (Figures 47-53, pages 126-130) discussing SA 3A's utilization and its response. Arc notes that the 10 SA 3A counties other than Alachua have a significantly lower hospice penetration rate and utilization and contends this is a "not normal" circumstance that would indicate need for an additional provider outside FNP calculation. The applicant restates its argument for need by identifying the utilization and penetration patterns for each of the 11 SA 3A counties and the projected Arc Hospice utilization. Arc Hospice claims that the data shows that in the 11 counties, over 4,000 Medicare hospice patients were served in 2021 with over a third (36 percent) were Alachua County residents. The applicant provides that the penetration rate, based on the county deaths and patients, ranges from 0.688 in Alachua to 0.290 in Lafayette County adding that all counties other than Alachua have penetration rates that are 42 to 90 percent of the Alachua rate. Arc Hospice contends that even comparing individual counties to the overall SA average rate of 0.565, all but Alachua are lower and that the combined penetration rate for the remaining 10 counties in SA 3A is 0.513.

Arc Hospice asserts that its extensive market assessment, meetings with 3A constituents and the activities it proposes and outlines for the SA, the utilization of the outlying 10 counties is expected to approach Alachua's County's rate and it expects that 1,008 additional hospice patients would be served. Looking at just the five most underserved counties in the SA, Arc contends that 776 additional patients would be served if the P-Rate was at the Alachua County rate and using 90 percent of Alachua's P-rate for the remaining 10 counties results in over 600 additional patients to be served. Arc concludes "many potential hospice patients in SA 3A are going without appropriate hospice care and hospice related services."

Arc Hospice's projected 3A admissions were determined by assuming a portion of the expected additional patients. Arc asserts that with focused

efforts, activities, and relationships in the 10 counties other than Alachua, an increased P-rate is expected and that Arc's market share and resulting utilization is expected to be higher in these counties than Alachua. The applicant assumes its program will achieve market shares of 2.9 and 5.5 percent in 2024 and 2025, resulting in projected volumes of 170 and 320 patients, respectively (see the table below).

	(2024) Year One	(2025) Year Two
Projected 3A Hospice Admissions	5,795	5,840
Arc Hospice 3A Projected Market Share	2.9%	5.5%
Arc Hospice 3A Projected Hospice Admissions	170	320
ALOS	40	55
Pt Days	6,800	17,600
ADC	18.6	48.2

Source: CON application #10735, page 131, Figure 56.

Arc produces the historical market share of the four existing providers, adjusted market shares after Arc's implementation, and projected volumes for all existing providers in Project Years 1-3 and contends that the impact of its program will be proportional to all existing providers. Arc contends the four existing hospices will maintain their existing market share minus the equal distribution of Arc's projected market penetration and there will be minimal impact on existing providers.

Arc Hospice restates that the existing providers are not serving the 10-county area outside of Alachua at a rate that would be expected. Further, the demographic overview reveals a SA with a strong population base and a growing 65-plus population, and Arc is prepared to provide hospice care to this underserved and growing patient population. Arc restates that it is committed and qualified to meet the identified need, adding the proposed program to Arc Hospice's existing hospice program in Georgia is a natural progression for Arc Hospice.

2. Agency Rule Criteria and Preferences

a. Rule 59C-1.0355(4)(e) Preferences for a New Hospice Program. The agency shall give preference to an applicant meeting one or more of the criteria specified in the below listed subparagraphs:

(1) Preference shall be given to an applicant who has a commitment to serve populations with unmet needs.

Arc Hospice summarizes its argument for need in SA 3A noting that further detail is included throughout this application.

1. Demographic Trends and Expected Growth.
2. Access and Availability of Hospice Services.
3. Counties are not being served.

a. SA 3A has a low penetration rate for patients discharged to hospice.
b. Counties within SA 3A outside of Alachua County which are more rural have a lower penetration rate.

4. Terminally ill population not being served.
   a. Gap in services for the non-cancer, elderly cohort.
   b. Lack of access to in-home hospice care.
   c. Underserved sub-population groups:
      - Care for patients with the following disease categories:
        - Heart Disease
        - Cancer
        - Chronic Lower Respiratory Disease
        - Cerebrovascular Disease
        - Chronic Liver Disease and Cirrhosis
        - Dementia/Alzheimer's Disease
      - Care for ethnic and race population cohorts such as Hispanics and African Americans.
      - Care for the Veteran population.
      - Provision of Bereavement Services which it contends are not currently available in parts of the SA.
5. Other Specialized Experience.
   a. Experienced provider with existing resources.
   b. Ability to Enhance the Continuum of Care.
   c. Prepared to extend services to SA 3A.

(2) Preference shall be given to an applicant who proposes to provide the inpatient care component of the hospice program through contractual arrangements with existing health care facilities unless the applicant demonstrates a more cost-efficient alternative.

Arc assures that it will develop relationships with area nursing homes and has established that with the following nursing homes in the Gainesville area: Williston Care Center, Park Meadows, Parklands Care Center, and Terrace Health and Rehabilitation.

The excerpt from administrator for Parklands Care Center, Elliot J. Williams, MSHA, NHA, Administrator, Parklands Care Center, expressing a willingness to provide general inpatient beds at their long-term care facilities in the Gainesville metropolitan area is restated - *"If approved, I am willing to contract with Arc Hospice of Florida to provide general inpatient beds at our long-term care facilities in the Gainesville metropolitan area. I believe that this is a great opportunity for patients in the community as well as their families..."*

The administrators for Terrace Health and Rehab and Williston Care Center offer general letters of support. Bryce King, NHA, Executive Director of Park Meadows Health and Rehabilitation Center states - *"We look forward to a partnership with Arc Hospice and believe that together we can provide the best in end-of-life care for our residents."*

(3) Preference shall be given to an applicant who has a commitment to serve patients who do not have primary caregivers at home; the homeless; and patients with AIDS.

Arc Hospice states that it will not discriminate against anyone seeking its services and has been committed to serving patients who do not have primary caregivers at home, are homeless, and/or have AIDS/HIV. Further, it wants every patient to be able to remain in the least restrictive and most emotionally supportive environment possible, which may be within their own home or with relatives. Patients who have no support at home will receive increased support from the hospice staff and volunteers whenever possible and Arc will develop a plan of care that may include the patient's network of friends, family, neighbors, and other members of the community to help assist them and remain in their home.

Patients that are unable to develop a caregiver network and may not be physically or mentally able to do so will be able to remain at home and receive hospice services or Arc may recommend they enter an assisted living facility, nursing home, or inpatient hospice facility. Arc assures that it plans to enter into contractual agreements with area long-term care facilities to provide inpatient hospice services to residents of SA 3A as well establish relationships with various nursing homes, assisted living facilities, and hospitals within the area. Arc confirms it is committed to providing support for patients 24 hours a day reiterating that approximately 0.5 percent of hospice days are projected to be continuous care days.

(4) In the case of proposals for a hospice SA comprised of three or more counties; preference shall be given to an applicant who has a commitment to establish a physical presence in an underserved county or counties.

Arc Hospice responds that SA 3A is comprised of 11 counties, ten of which are considered rural, noting that its initial plan is to establish a physical presence in Alachua County, then add a second office as needed in Putnam or Levy Counties.

SA 3A penetration rates are restated and Arc contends that it is experienced in serving areas with predominantly rural populations and focuses on hiring and retaining employees that live in the same areas as the patients. Further, Arc has expertise in response times, communication plans, disaster plans, and follow-ups with policies in place to best serve all patients, including those in a rural setting.

(5) Preference shall be given to an applicant who proposes to provide services that are not specifically covered by private insurance, Medicaid, or Medicare.

Arc Hospice discusses in detail that it will offer SA 3A complementary therapies, which are beyond the core hospice benefit as summarized below:

- Community-based bereavement services - may include individual counseling, family counseling, grief counseling, spiritual counseling, and bereavement support which also includes education and support, spiritual care, memorial services and events, and follow-up care along with an annual Bereavement Symposium to provide local clergy and other professionals with resources to support those in grief.
- Spiritual Counseling – Arc Hospice employs trained chaplains or spiritual care providers that will provide information about the availability of spiritual care services and make services available through the Arc Hospice program or the patient's own clergy relationships as well as facilitating religious services, spiritual reading materials, music therapy, memorial services, bereavement support, and outreach particularly among the African American community.
- Palliative Arts Program - trained, skilled team members and/or volunteers provide comfort, relaxation, and offer nonpharmacological interventions for pain management which include the following:
    - Music Therapy
    - Pet Therapy
    - Massage Therapy
    - Storytelling
    - Air Aromatherapy
    - Relaxation Techniques
    - Art Therapy
    - Reiki and Energy Healing
    - Mindfulness and Meditation
    - Gentle Exercise and Stretching
- Vigil Program - uses specially trained volunteers to stay at the patient's home or if no volunteers are available, Arc

Hospice staff will hold vigil to ensure no patient dies alone against their wishes.

- Skilled Nursing Facility/Assisted Living Facility Care Collaboration Program – developed by the Arc Hospice executive management that has provided hospice care in over 1,000 skilled nursing facilities and assisted living facilities over their tenure operating hospice companies which includes:
    - Individualized facility on-boarding and roll-out.
    - Regularly scheduled care collaboration meetings to ensure joint care planning between hospice and facility staff.
    - Integration of the Arc of Life program which provides for patient-centered holistic collaboration opportunities between hospice and facility staff.
- We Honor Veterans
- Hospice for Veterans, Homeless, and Indigent
- Arc Bridge: Early Integration Program – an early integration program for patients who have an enhanced hospice benefit through their insurance provider that enables patients to enroll in end-of-life care services earlier than the traditional criteria would permit.

- Service Intensity Add On Program - led by a clinical operator who specializes in consistent nationally recognized averages above 40 percent of increased visits during the last seven days of the patient's life. Further, every Arc Hospice referral has hospice engagement within two hours of receiving 24/7.
    - Certified Nursing Assistant Visits - all patients during their last seven days will receive daily certified nursing assistant visits with no time restriction.
    - Chaplain Visits - all patients will receive daily Chaplain visits with no time restriction during the last seven days of life upon approval of the family/ caregiver and the interdisciplinary team.
    - Nursing Visits - registered nurses will be at the bedside for two visits per day, first thing in the morning and in the evening, during the last seven days of life unless requested otherwise by patient and family and are encouraged to each last a minimum of one hour but do not hold a time restriction.
    - Volunteers - a pool of vigil sitting volunteers are offered to ensure patients do not have to die alone if family and caregivers cannot be present as well as providing companionship and support to the family and caregivers.

Arc's clinical managers and schedulers are trained in depth on how to schedule and educate the hospice team on the importance of how visits are run during the last seven days of life, with staff communication through their backline system, morning and afternoon team calls, interdisciplinary team, and declining and active patient lists as well as all team members being thoroughly trained to recognize end-of-life symptoms, including non-clinical staff. Further, Arc's elite Service Intensity Add On Program is committed to utilizing Medicare benefits to increase quality and patient family outcomes.

Arc also proposes to provide annual funding of $20,000 towards the Arc of Life program designated for the end-of-life wishes for Arc Hospice patients and their families beginning in the second year of operations offering that the proposed program projects a total of over $9,956 and $26,179 in years one and two of patient revenues associated with charity patients.

b. Chapter 59C-1.0355, Florida Administrative Code contains the following general provisions and review criteria to be considered in reviewing hospice programs.

(1) Required Program Description (Rule 59C-1.0355(6), Florida Administrative Code): An applicant for a new hospice program shall provide a detailed program description in its certificate of need application, including:

(a) Proposed staffing, including use of volunteers.

Arc's complete staffing plan for the first two years of operation is included in Schedule 6A and lists the expected staffing plan and staff expenses for the project. 12.80 FTEs in year one and 25.10 FTEs in year two are projected.

Arc states that based on its experience, it anticipates that at least five percent of its hours of care will be provided by hospice volunteers, thus meeting the percent requirement mandated under the Medicare program.

Arc Hospice restates that AHS's corporate team has over 75 years of health care management experience, primarily in hospice and has significant hospice start-up experience, successfully completing over 50 hospice surveys. AHS members will be deeply involved in every detail of daily operations, including recruitment, on-boarding and training of staff. Arc contends Arcturus Hospice offers market-

leading compensation intended to attract and retain high-quality talent.

Arc maintains that it will have the appropriate resources to successfully recruit and accomplish the manpower needs for the project and is skilled and proficient in recruiting for all required personnel categories utilizing a variety of methods and processes. Further, its focus is on attracting and recruiting a topnotch team focused on the teams onboarding, development, and engagement and no unusual difficulties are anticipated in recruiting, developing, training, and retaining required staff.

Arc shares that when surveying the local needs, its representatives were advised of the inconsistency in and lack of staffing from existing hospice providers. Arc will ensure that consistent staff is assigned to a nursing home to provide continuity of care so that nursing home staff will know team members and their roles and ensure optimal collaboration and communication.

Excerpts from letters of support are provided which Arc contends note the challenges in the SA including delays in admission to hospice, integration between hospice and residential facilities such as skilled nursing and assisted living facilities, education and adequate staffing. Arc asserts these demonstrate the need for Arc Hospice to provide its uniquely tailored programs to serve these patients. Truvette Lennear, Administrator - Terrace Health and Rehab states:

"Many of these things I have cited above are due to staffing shortages experienced by current hospice providers. Introducing another choice for hospice care, with special programs designed to meet the unique and ever-changing needs of our residents and family members dealing with Alzheimer's and other forms of dementia, will give those of us caring for seniors a much-needed option for high quality, specialized hospice services."

Hemi Clough, Administrator - Williston Care Center wrote: "*Another challenge we experience with current hospice providers is with their staffing. With the onset of the Covid-19 pandemic we saw some hospice agencies struggle with providing staff in order to offer their pre-Covid level of care, beyond the basic services. This has had a direct impact on the hospice team's ability to provide timely admissions, effective communication, and consistent in-person visits.*

I am encouraged by Arc's commitment to strong collaboration with nursing homes. Their program is designed to build relationships and work together with the nursing home care team. In addition, I believe that Arc Hospice will invest in recruiting efforts and maintaining sufficient staffing levels in order to provide not only the basic hospice services, but enhanced services and programs such as complementary therapies, Veterans programs, and grief support."

Elliot J. Williams, MSHA, NHA with Parklands Care Center wrote: *"I have found that current hospice services in general are not the same as they used to be, prior to the Covid-19 pandemic. The current hospice agencies have scaled back on many of the services that they used to offer. Current care is superficial and only the basic services are offered. Services such as complementary therapies and vigil have been significantly cut back. Care coordination is lacking. I have seen caseloads of hospice case managers at 50+ patients due to staffing issues. Our residents need and deserve better family support and more comprehensive care plans.*

I was impressed with Arc Hospice's investment in recruitment and retention of staff to ensure that they can provide care and services in the patient's home that goes beyond 'just the basics.'… (Arc's)… very specialized programs that demonstrate their knowledge and expertise with caring for the elderly who are facing such diseases as dementia, cardiac, and COPD. Education on risk factors, coping strategies, and symptom management can help residents and family members better understand their condition."

Arc addresses its plan on targeting the staffing need for the rural areas and cultural groups and general program with the following:

- Offering employees incentives including flexible scheduling and travel differential.
- Offering a staffing model that focuses on adaptability, embracing new technologies, fostering professional development, and promoting work-life balance to create a sustainable workforce.
- Working with community leaders to identify individuals who will be positive employees.
- Institute thoughtful reimbursement programs to incentivize local care and therefore remove this barrier to home-based hospice when local employees are not available.

- Salaries and wages were projected based on management's experience and current Alachua market rates.
- Fringe benefits projected at 18 percent of salary and wage expense include FICA, health insurance, life insurance, and disability.
- Improved staff satisfaction and retention from its EMR system.
- Host and participate in job fairs.
- Advertise open positions with local organizations including churches, nursing schools, and other health training programs that will identify quality staff to provide hospice services.
- Have a visible presence particularly in underserved areas and then establish a workforce of people who live in and reflect the communities served.
- Advertise in rural communities and seek caregivers who will be local.
- Offer Educational opportunities to staff to answer unique cultural differences that need to be understood to prevent service failures.
- Support the community's local nursing programs by having students shadow the hospice program nurse case managers, giving them the opportunity experience hospice first-hand as a potential career path in the nursing field, and to witness the benefits and impact a hospice can have on a patient and a community.
- Commits to developing a formalized internship program with a local educational institution specifically to provide internship opportunities within Arc Hospice for Hispanic and African American communities that will be supplemented with a $5,000 annual funding at a minimum for the first five years of operation.
- Rachell Paolucci - Regional Vice President of Clinical Operations will be involved in overseeing the development of the new hospice program.
    - An effective and empathetic leader with results of building teams averaging 95 percent clinical retention, developing quality measures to drive and result in 100 percent CAHPS survey scores, and meeting financial KPI's and objectives.
- Governing Body is responsible that the hospice is staffed and equipped adequately to provide the services it offers to patients whether the services are provided directly by the hospice or under contract and with the administration strives to create a work environment

where problems can be openly addressed, and service improvement ideas are encouraged.

Arc will ensure consistent staff is assigned to nursing homes to provide continuity of care, noting that consistent staffing ensures that the nursing home staff will know team members and their roles while ensuring optimal collaboration and communication.

All services will be delivered by trained interdisciplinary team members comprised of nurses, physicians, social workers, chaplains, hospice aides and volunteers.

Arc confirms that staffing will include a medical director and an administrative director. The administrative director will oversee the SA 3A hospice program and all administrative operations involved in running the program with support by the assistant director of operations. Further, its 3A program will benefit from its existing hospice program in Georgia as well as affiliate programs. Arc's Exhibit F includes samples of policies and procedures the SA 3A program will use.

Arc contends that it will have the appropriate resources to successfully recruit and accomplish the manpower needs for the project with its skilled and proficient recruiting, developing, training, and retaining required staff. Further, Arc will support the community's local nursing programs by having students shadow the hospice program nurse case managers, giving them the opportunity experience hospice first-hand as a potential career path in the nursing field, and to witness the benefits and impact a hospice can have on a patient and a community. Volunteers will:

- Undergo a comprehensive training program designed to prepare them for their role in hospice.
- Be trained to provide respite, companionship, transportation, supportive visiting, homemaking, sharing of special talents, and bereavement support.
- Perform office work such as filing, copying, and collating as well as preparing various information and patient assessment packets used by the care team.
- Participate in fundraising activities and will be supervised by a designated staff member.
- Arc's volunteer service will be integrated with the community and utilize Arc's extensive experience in recruiting and utilizing community volunteer resources.
- Arc recruits volunteers who demonstrate interest in participating in training through the National Council of

Certified Dementia Practitioners (NCCDP) to receive the certified dementia volunteer certification.

(b) Expected sources of patient referrals.

Arc states patient referrals will come from a variety of sources, including:

- Physicians
- Nursing Homes
- Assisted Living Facilities
- Hospitals
- Home Health Agencies
- Families and Friends
- Patient Self-Referral
- Insurers
- Faith Communities
- Community Social Services Organizations
- Other Services/Programs Affiliated with Arc Hospice

(c) Projected number of admissions, by payer type, including Medicare, Medicaid, private insurance, self-pay and indigent care patients for the first two years of operation.

Projected Admissions by Payor

Payor	Year One	Year Two
Medicare	2	3
Medicaid	6	11
Commercial	158	298
Self-Pay	4	8
Total	170	320

Source: CON application #10735, page 158, Figure 59.

(d) Projected number of admissions, by type of terminal illness, for the first two years of operation.

Projected Admissions by Type of Terminal Illness

	Year One	Year Two
Cancer Under 65	12	23
Cancer 65+	36	68
Non-Cancer Under 65	12	22
Non-Cancer 65+	110	207
Total Admissions	**170**	**320**

Source: CON application #10735, page 158, Figure 60.

(e) Projected number of admissions, by two age groups, under 65 and 65 or older, for the first two years of operation.

Projected Admissions by Age Cohort

	Year One	Year Two
Under 65	9	16
65+	162	304
Total Hospice Admissions	**170**	**320**

Source: CON application #10735, page 158, Figure 61.

(f) Identification of the services that will be provided directly by hospice staff, and volunteers and those that will be provided through contractual arrangements.

Arc Hospice notes that its staff directly delivers:

- Care/Case Management
- Hospice Home Care
- Bereavement Services
- Respite Services
- After Hours Nursing Triage Services
- Nursing Services
- Social Services
- Dietary Counseling
- Spiritual Counseling/Chaplains
- Veterans Services
- Patient Intake: Evaluation, Plan of Care
- Evening and Weekend Care
- Infusion
- Pharmacy
- DME/Medical Supplies
- Physician Services/Medical Director
- Patient and Family Education/Support
- Volunteer Services
- Hospice Inpatient Care
- Quality Measurement and Reporting
- Infection Control
- Integrative Therapies
- Professional/Community Outreach and Education
- Patient/Family Surveys
- Palliative Care (non-Certificate of Need service)
    - Hospital-Based
    - Community-Based

AHS's extensive array of administrative functions, all provided in-house, include:

- Billing and Collections
- Finance
- Human Resources
- Staffing, Recruitment
- Education/Training

- Information Technology
- Risk Management
- Managed Care Contracting
- Marketing and Public Relations
- Legal Services
- Compliance
- Real Estate/Leasing
- Purchasing/Procurement
- Contract Administration
- Maintenance
- Reporting/Decision Support
- Medical Records
- Governance Support
- Licensure/Accreditation
- Website Management
- Advocacy/Public Policy
- Policies and Procedures

(g) Proposed arrangements for providing inpatient care.

Arc states intent to have contractual arrangements with SA 3A hospital and nursing home facilities for inpatient and respite needs. The applicant contends that it has established working relationships with nursing homes in the Gainesville area and cites Williston Care Center, Park Meadows, Parklands Care Center, and Terrace Health and Rehabilitation. Parklands Care Center's administrator's letter expressing a willingness to provide general inpatient beds is referenced. Arc's Schedule 5 indicates that 1.5 percent of its patient days will be for inpatient services.

(h) Proposed number of inpatient beds that will be located in a freestanding inpatient facility, in hospitals, and in nursing homes.

Arc states that this is not applicable as it will contract with existing health care facilities for inpatient beds when needed.

(i) Circumstances under which a patient would be admitted to an inpatient bed.

Arc states that inpatient hospice care is for short-term care to manage symptoms that cannot be adequately managed at home. The interdisciplinary will evaluate patients at this level of care to determine continued need for inpatient care. Arc also notes inpatient care is appropriate temporarily for emergency situations when the patients' caregiver is unable

to provide needed patient skilled nursing care. Arc concludes that it will continue to build on the relationships (excerpts again cited) it has already established in the SA to develop inpatient options for patients.

(j) Provisions for serving persons without primary caregivers at home.

Arc assures that its interdisciplinary team will help each patient without a caregiver develop a plan of care that may include the patient's network of friends, family, neighbors, and other members of the community to help assist them and remain in their homes. When a patient is unable to develop a caregiver network or is not be physically or mentally able to remain at home and receive hospice services, Arc may recommend that the patient enter an assisted living facility, nursing home, or inpatient hospice facility, with Arc hospice staff and volunteers continuing to provide hospice care. Arc concludes that it will work to establish relationships with various nursing homes, assisted living facilities, and hospitals.

(k) Arrangements for the provision of bereavement services.

Arc reiterates much of its previous responses, adding that it offers a range of counseling services to support patients and their families throughout the end-of-life process. The applicant states that it will be mindful of the challenges the rural areas face and the importance of creative ways to offer them to the smaller population in that rural setting. Arc will provide ongoing support to the family members through follow-up phone calls or visits for 13 months after the patient passes.

(k) Proposed community education activities concerning hospice programs.

Arc cites the importance of educating other patient referral sources such as social workers, hospital discharge planners, assisted living facility staff, and nursing home staff regarding the benefits of hospice care. Further, it will initiate a comprehensive and ongoing education program that is targeted to providing information and ease of access with physicians, nurses, and other patient referral sources. Arc restates that it has already begun to develop the relationships in SA 3A, which will allow it to rapidly provide increase access to community education. Arc states that

discussions with health care professionals, patients, and families about hospice may include the following:

- Death, Dying, and Bereavement
- Hospice 101 - This includes a brief history of hospice development in the United States
- Hospice Eligibility Requirements
- Advance Care Planning
- Pain Management
- Symptom Management
- Caregiver Support

Arc Hospice affirms that it supports both cancer and non-cancer diagnoses and will provide patient referral sources, including physicians, with tools and materials needed to determine when it is appropriate to admit cancer and non-cancer patients to hospice.

(m) Fundraising activities.

Arc Hospice states that its SA 3A fundraising activities will be coordinated by Arc and parent company staff. Arc's foundation will raise and manage charitable contributions in support of their mission and various patient and family care services. Funds will be reinvested in the local community through palliative care and residential hospice services, caregiver education and support, community education, family support, and bereavement services. Specific fundraising activities were not addressed in this response.

c. Rule 59-1.0355(8) Florida Administrative Code: Semi-Annual Utilization Reports. Each hospice program shall report utilization information to the Agency or its designee on or before July 20th of each year and January 20th of the following year.

Arc Hospice assures that it will timely file its Semi-Annual Utilization Reports including all the applicable data.

3. Statutory Review Criteria

a. Is need for the project evidenced by the availability, quality of care, accessibility and extent of utilization of existing health care facilities and health services in the applicant's SA?
ss. 408.035 (1) and (2), Florida Statutes.

In Volume 49, Number 23 of the Florida Administrative Register dated February 3, 2023, the Agency published zero net need for a new hospice in SA 3A for the July 2024 hospice planning horizon. Arc is applying to establish a hospice program in the absence of published numeric need

and contends that not normal circumstances merit the approval of their project. SA 3A CY 2022 hospice admissions are shown in the table below.

SA 3A Admissions
CY 2022

Hospice	Admissions
Community Hospice of Northeast Florida	640
Haven Hospice	3,227
HPH Hospice	45
Vitas Healthcare Corporation of Florida	671
Total	**4,583**

Source: Agency for Health Care Administration Florida Need Projections for Hospice Programs, February 3, 2023

SA 3A Admissions
CYs 2020 and 2021 Total Admissions

SA 3A	Admissions
CY 2020	4,644
CY 2021	3,928
Total	**8,572**

Source: Agency for Health Care Administration Florida Need Projections for Hospice Programs, February 2021, 2022

Arc Hospice briefly reiterates its response which is addressed in detail in E.1.b. of this report.

SA 3A has 11 hospitals with 2,130 licensed beds, 27 nursing homes with 3,169 licensed beds, 42 assisted living facilities with 1,824 licensed beds, and 50 home health agencies. Arc presented very little support from these health care providers.

b. Does the applicant have a history of providing quality of care? Has the applicant demonstrated the ability to provide quality care? ss. 408.035(3), Florida Statutes.

Arc Hospice of Florida, LLC restates AHS owns and operates Arcturus Hospice and Palliative Care in Norcross, Georgia. AHS' corporate team has over 75 years of health care management experience, primarily in the hospice space with significant hospice start-up experience and has successfully completed over 50 hospice surveys. Arc restates that its corporate team will be deeply involved in every detail of daily operations, including but not limited to:

- Mission creation and promotion.
- Recruitment, on-boarding, and training of staff.
- Daily operational reviews to ensure policies and standards are met with particular focus on quality, performance improvement, and on-call care.
- Implementation of specialty programming and community education, specifically those developed to meet the needs of the underserved minority populations in Alachua and surrounding counties, including providing cultural liaisons, a Cultural

Connections Program served by cultural liaisons and a Rural Care Program served by rural care coordinators, in addition to disease specific programming.

Arc assures that AHS's Arcturus Hospice provides excellent services for patients and their families, including proven practices and policies and a compassionate understanding of the nature of hospice care as well as providing a full array of hospice services in the outpatient setting, providing care in numerous private homes, skilled nursing facilities, and assisted living facilities in the Metro-Atlanta area. Arc refers to Exhibit A's bios of the individuals overseeing the SA 3A program development.

Arc Hospice assures that Arcturus differentiates itself from the 50-plus hospice companies in its SA by focusing on the following approaches:

- Market-leading compensation intended to attract and retain high-quality talent.
- Admission within two hours of receiving a referral, including nights and weekends.
- "Arc of Life" lasting memory program.
- Specialty dementia program.

Arc assures it is committed to continuous assessment and improvement of the quality and efficiency through its governing body and administration and strives to create a work environment where problems can be openly addressed and service improvement ideas are encouraged. Arc Hospice monitoring includes a review of the following:

- Appropriateness of interdisciplinary team services and level of services provided.
- Appropriateness of patient admission to hospice.
- Regular review of patient length of stay.
- Delays in admission or in the provision of interdisciplinary team services.
- Specific treatment modalities.

Arc describes its QAPI Program as being established in accordance with its mission, core values, and service commitments. Arc systematically evaluates the quality of care rendered to individuals, families, and the community to improve the quality of care provided, and to assure proper utilization of services. QAPI activities are interdisciplinary and that its multifaceted program encompasses an ongoing evaluation of structural, process, and measurable outcome criteria. Further, it is committed to assessing, planning, and implementing care in a manner that improves outcomes and services while respecting the rights of patients, families, and customers. Further, placing emphasis on the hospice's infrastructure is a routine part of operation to improve Arc's quality of care and services. Arc assures that it will make available quality-effective, cost-effective services (within available resources) to individuals, families, and the community, and subscribes to compliance with both

internal and external standards. Arc's QAPI committee will consist of the administrator, director of clinical services, medical director, compliance officer, and representation from both skilled and unskilled disciplines providing services.

Arc's quality management, utilization and peer review program will establish and use written criteria as the basis to evaluate the provision of patient care being based on accepted standards of care and shall include, at a minimum, systematic reviews of:

- Appropriateness of admissions continued stay and discharge.
- Appropriateness of professional services and level of care provided.
- Effectiveness of pain control and symptom relief.
- Patient injuries, such as those related to falls, accidents and restraint use.
- Errors in medication administration, procedures, or practices that compromise patient safety.
- Infection control practices and surveillance data.
- Patient and family complaints and on-call logs.
- Inpatient hospitalizations.
- Staff adherence to the patient's plan of care.
- Appropriateness of treatment.

Arc Hospice assures that through its QAPI activities, Arc provides a mechanism for identification and prioritization of opportunities for problem identification and improvement of care and operations. The QAPI committee will include:

- Monthly meetings to review tracked data and outcomes with monitoring progress of the program and PIPS.
- Chairperson selection of a co-chair to act in the chairperson's absence and assist with the committee's work.
- Committee members will be required to attend regularly scheduled meetings.
- The committee will focus on significant areas of improvement each month and track the progress of performance improvement plans.
- Confidentiality will be maintained.
- No patient specific information will be communicated outside of the QAPI committee.
- The committee will track and analyze adverse patient events.
- Agency staff will be required to attend a quarterly meeting.
- Agency staff will be kept informed of PIPS and involved in the QAPI program, solutions and outcomes.

Further, its QAPI Program:

- Establishes a systematic interdisciplinary mechanism to measure and assess the hospice's ability to provide quality, patient centered care using the elements of performance: appropriateness, dignity and respect, efficiency, effectiveness, timeliness, safety, continuity

and availability of patient care through routine data collection and analysis (such as national trends in patient outcomes, adverse events, internal and external audit results).

- Identifies known, suspected, or potential opportunities to improve patient care processes and outcomes and hospice operations, as well as opportunities for further improvement in currently acceptable performance.
- Establishes ongoing measures that enable the hospice to improve patient care processes and outcomes and hospice operations, as well as opportunities for further improvement in currently acceptable performance.
- Establishes mechanisms to prioritize opportunities for improvement that have the greatest potential impact on patient care outcomes, hospice operations and customer satisfaction.
- Monitors the performance of processes that involve high risk, high volume or problem prone areas of care and services.
- Tracks adverse patient events, analyze their causes and implement preventive actions and mechanisms that include feedback and learning throughout the hospice.
- Take actions aimed at performance improvement and to affect palliative outcomes, patient safety and quality or care.
- Ensures coordination and integration of all performance improvement activities by maintaining a QAPI/Safety Committee as the forum for information exchange, collaboration, prioritization and monitoring.
- Compares performance over time with other sources of information and to similar organizations nationally.
- Identifies on-going education needs required to improve patient care processes and outcomes and hospice operations.
- Assigns personnel and provide time and information systems to support ongoing quality assessment and performance improvement activities.
- Participates as an integral component of the community, working in partnership to continuously improve access to care and the continuity of patient care services and sustains improved performance.

Arc's QAPI Committee shall conduct an ongoing, comprehensive, integrated, self-assessment of the quality and appropriateness of care provided, including services provided under arrangement which includes a system of measures that captures significant outcomes and are used in the care planning and coordination of services and events. These must include at a minimum and as appropriate the following:

a. An analysis of a representative sample of services furnished to clients contained in both active and closed records.
b. An analysis of client complaint and satisfaction survey data.

c. An annual evaluation of the total operation, including services provided under contract or arrangement (evaluation of the need for policy changes, additional training, etc.).

Arc's Exhibit E describes its Data Collection and Analysis:

1. Data collection will be systematic, timely and accurate and will include quality reporting data as well as input from patients, families, staff and other stakeholders.
2. Data analysis will be performed regularly to identify trends, patterns and areas requiring improvement.
3. The QAPI team will review and analyze the data to develop and prioritize improvement initiatives.

Arc's Quality Improvement Projects (QIP) include:

1. QIPs will be initiated based on the data analysis and identified areas for improvement.
2. QIPs will have specific, measurable, achievable, relevant and time-bound (SMART) goals.
3. QAIP team will monitor the progress and effectiveness of QIPs, making necessary adjustments as need.
4. Successful QIPs will be incorporated into the Arc Hospice standard practices and procedures.

Arc shares that it is fully confident in its ability to extend its existing high quality hospice program to SA 3A and refers to its existing policies and procedures included in Exhibits E and F.

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 (4), Florida Statutes.

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

Capital Requirements and Funding:
The applicant indicates on Schedule 2 capital projects totaling $416,000 which includes this project. The applicant indicates on Schedule 3 of its application that funding for the project will be provided by related company financing of $416,000. The applicant provided a development stage audit showing $10,000 in cash and member's equity and no

revenues. The applicant submitted a letter from American Hospice Systems, LLC (Parent) expressing a commitment in providing financing for the cost of the project. The parent submitted a letter from Flagstar Bank showing over $895,059.43 in cash available.

Conclusion:
Funding for this project should be available as needed.

d. What is the immediate and long-term financial feasibility of the proposal? ss. 408.035(6), Florida Statutes.

The immediate and long-term financial feasibility of the project is tied to expected profitability. Profitability for hospice is driven by two factors, volume of patients and length of stay/condition of the patient. A new hospice program in a SA with published need is more likely than not to be financially feasible since patient volume and mix is presumed to be available in sufficient amounts to sustain a new program. The focus of our review will be on the reasonableness of projections, specifically the revenue.

The vast majority of hospice days are paid by Medicare (Medicaid is the next largest payer with similar reimbursement rates). As such, revenue is predictable by day and service type. Schedule 7 includes revenue by service type. We have divided the applicant's projected revenues by the estimated Medicare reimbursement rates for each level of service in year two to estimate the total patient days that would be generated by that level of revenue. The results were then compared to the applicant's estimated number of patient days. Calculated patient days that approximate the applicant's projected patient days are considered reasonable and support the applicant's assumptions of feasibility. Calculated patient days that vary widely from the applicant's projected patient days call into question the applicant's profitability assumptions and feasibility. The results of the calculations are summarized below.

CON 10735	Arc Hospice of Florida, LLC				
Alachua Base Rate Calculation	Wage Component	Wage Index	Adjusted Wage Amount	Unadjusted Component	Payment Rate
Routine Home Care 1-60 days	$134.24	0.8914	$119.66	$69.16	$188.82
Routine Home Care 61+ days	$106.09	0.8914	$94.57	$54.65	$149.22
Continuous Home Care	$1,099.82	0.8914	$980.38	$362.70	$1,343.08
Inpatient Respite	$288.99	0.8914	$257.61	$184.76	$442.37
General Inpatient	$678.36	0.8914	$604.69	$389.92	$994.61

Year Two Comparison	Inflation Factor Year Two	Inflation Adjusted Payment Rate	Schedule 7 Revenue Year 2	Continuous Service Hours Provided	Calculated Patient Days
Routine Home Care 1-60 days	1.118	$211.07	$1,764,280		8,359
Routine Home Care 61+ days	1.118	$166.80	$1,410,087		8,454
Continuous Home Care	1.118	$1,501.32	$99,158	24	66
Inpatient Respite	1.118	$494.49	$44,012		89
General Inpatient	1.118	$1,111.80	$295,705		266
		Total	**$3,613,242**		**17,234**
			Days from Schedule 7		17,600
			Difference		**366**
			Percentage Difference		**2.08%**

As such, the applicant's projected patient days are 2.08 percent or 366 days more than the number of patient days calculated by staff. Operating profits from this project are expected to increase from a net loss of $282,650 in year one to a net profit of $364,144 in year two.

Conclusion:
This project appears to be financially feasible.

e. Will the proposed project foster competition to promote quality and cost-effectiveness? ss. 408.035(7), Florida Statutes.

Strictly, from a financial perspective, the type of price-based competition that would result in increased efficiencies, service, and quality is limited in health care in general and in hospice specifically. 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 hospice, price-based competition is almost non-existent. With the revenue stream essentially fixed on a per patient basis, the available margin to increase quality and offer additional services is limited.

Conclusion:
Strictly, from a financial perspective, this project will not have a material impact on price-based competition.

f. Are the proposed costs and methods of construction reasonable? Do they comply with statutory and rule requirements? ss. 408.035 (8), Florida Statutes

The project does not involve construction so this is not applicable.

g. Does the applicant have a history of providing health services to Medicaid patients and the medically indigent? Does the applicant propose to provide health services to Medicaid patients and the medically indigent? ss. 408.035(9), Florida Statutes.

Hospice programs are required by federal and state law to provide hospice patients with inpatient care when needed (42 Code of Federal Regulations 418.108). Hospice care also must be provided regardless of ability to pay and regardless of age, race, religion, sexual orientation, diagnosis, payer source or financial status.

The applicant's response to this criterion does not address the parent's history of providing care to Medicaid and medically indigent patients. Arc's responses on page 125 of the application include "Arc Hospice has a history of providing care to Medicare, Medicaid and indigent patients…" and "Arc Hospice has not provided hospice services in Florida, but Medicare, Medicaid and medically indigent patients are all served in Georgia.". A specific amount (i.e. patient days, admissions, monetary) of its parent's Georgia hospice service to these patients is not provided.

Schedule 7A indicates Medicaid will be the payer source for 3.5 percent of the project's total annual year one and year two patient days. Notes to this schedule indicate that "Self-pay, which is primarily charity care or uncompensated care, is projected at 1.0 percent of patient days".

F. SUMMARY

Arc Hospice of Florida, LLC (CON application #10735) proposes to establish a new hospice service in SA 3A which encompasses Alachua, Bradford, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Levy, Putnam, Suwannee, and Union Counties.

Total project cost is $416,000. Projected costs include equipment, project development, and start-up costs.

Arc Hospice of Florida, LLC proposes 10 conditions to the project's approval.

Need:
The Agency published zero need for a hospice program in SA 3A. The applicant is applying based on special circumstances. Arc Hospice contends that need to warrant project approval is based on:

- SA 3A has a lower penetration rate for patients discharged to hospice when compared to Florida and other hospice SAs in the state, indicating a disparity.

- Within SA 3A, counties outside of Alachua County have a notably lower penetration rate for patients discharged to hospice, indicating a disparity.
- Analysis of SA 3A using state-wide ratios shows that a high volume of the non-cancer, age 65 and older segment did not receive hospice services, demonstrating a notable gap in care for this patient population.
- Due to access challenges, some patients needing hospice services must receive care outside of the home setting; rather, patients must receive care at an inpatient hospice unit.
- Arc contends underserved sub-population groups include patients with heart disease, cancer, chronic lower respiratory disease, cerebrovascular disease, liver disease and cirrhosis, dementia/Alzheimer's as well as Hispanics and African Americans, veterans, and the residents of rural communities.

The Agency finds that in the absence of numeric need, upon a balanced weighing of the statutory criteria the applicant failed to prove special circumstances that would entitle its CON application to be approved. There are four licensed hospices serving SA 3A. HPH Hospice has been in operation in SA 3A for less than two years as of three weeks prior to the publication of the Fixed Need Pool.

Quality of Care:

- Arc provided a detailed discussion of its ability to provide quality care.
- Arc Hospice of Florida, LLC does not currently operate in Florida.

Financial Feasibility/Availability of Funds:

- Funding for this project should be available as needed.
- This project appears to be financially feasible.
- Strictly, from a financial perspective, this project will not have a material impact on price-based competition.

Medicaid/Indigent/Charity Care:

- Hospice programs are required by law to provide services to all who seek them.
- Arc mentioned AHS' history of providing care to Medicaid and medically needy patients in Georgia.
- Schedule 7A indicates Medicaid will be the payer source for 3.5 percent of the project's total annual year one and year two patient days. Self-pay projected at 1.0 percent of the project's patient days, is stated to consist primarily of charity and uncompensated care.

G. RECOMMENDATION

Deny CON #10735.

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: June 16, 2023

James B. McLemore

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Certificate of Need

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