

STATE AGENCY ACTION REPORT
ON APPLICATION FOR CERTIFICATE OF NEED

A. PROJECT IDENTIFICATION

1. Applicant/CON Action Number

Okahumpa SNF LLC/CON applications #10737 & #10737P
2071 Flatbush Avenue, Suite 22
Brooklyn, New York 11230

Authorized Representative: Mr. David Katz, General Counsel
TL Management
(718) 705-6878

Sumterlake Operations LLC/CON application #10738
10150 Highland Manor Drive, Suite 300
Tampa, Florida 33610

Authorized Representative: Ms. Tricia Thacker, Chief Executive Officer
Aston Health
(813) 558-6600

2. Service District/Subdistrict

District 3/Subdistrict 3-7 (Lake and Sumter Counties)

B. PUBLIC HEARING

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

Letters of Support

Okahumpa SNF LLC (CON application #10737) has 19 letters of support, many citing Millennial Healthcare Services. Quotes cited in the application are provided below.

Sandi Moore, *President/CEO, Leesburg Area Chamber of Commerce*
“Our Chamber of Commerce recognizes the significant need for expanded healthcare facilities and services in the Lake and Sumter County area. The proposed SNF will play a crucial role in meeting the growing demands of our

aging population and providing essential long-term care services to individuals in need.”

Lowell Clark, MD, CMD Clark Health, Bushnell, Fl -*“I have personally worked with the administration and staff at several Millennial Healthcare facilities and have found them to be not only professional but compassionate in their care for each patient. They offer quality care to all.”*

Ashley Simmons, Administrator & Division Vice President of Clinical Outcomes UF Health Leesburg - *“Our hospital has experienced first-hand the challenges of providing long-term care to patients who require skilled nursing care and rehabilitation services... the facility will provide a much-needed resources for patients who require long-term care services, ensuring that they receive the highest quality of care possible.”*

Dolly McCranie, RN and Chief Nursing Officer, Tri-County Caregiver Resource Center, Sumter County -*“We firmly believe that a SNF specialized in Alzheimer's care would fill a significant gap in our local healthcare system, meeting the pressing need for comprehensive, person-centered care for individuals affected by this devastating disease.”*

“As a support group focused on Alzheimer's disease, we witness first-hand the profound impact it has on individuals and their families. We understand the critical need for specialized care and resources tailored to the unique challenges presented by this devastating neurodegenerative condition. Therefore, we wholeheartedly endorse the establishment of a skilled nursing facility in Lake and Sumter County, equipped to meet the complex needs of individuals affected by Alzheimer's disease.”

“A SNF dedicated to Alzheimer's care would provide a safe, compassionate, and supportive environment for individuals living with the disease...By providing a secure, and nurturing setting, the SNF would greatly alleviate the burden on caregivers and provide peace of mind knowing their loved ones are receiving the highest level of care.”

Elmer Y. Arcenal, MT. (ASCP), MBA, CEO, Florida HomeCare Specialists
“As a trusted home care provider in this region, we understand first-hand the evolving needs of individuals who require varying levels of care and support... we recognize that there are instances where a higher level of medical attention and comprehensive nursing care is necessary. The construction of a SNF will bridge this gap and ensure that patients in our community have access to the appropriate level of care throughout their healthcare journey.”

Sumterlake Operations LLC (CON application #10738) provided 17 letters of support in the application's Attachment 4. None were quoted in the application, other than a family member of a former patient, complementing the care provided.

C. PROJECT SUMMARY

Okahumpa SNF LLC (CON application #10737), referred as the applicant or Okahumpa proposes to construct a new 150-bed community nursing home in Lake County, within Subdistrict 3-7. Okahumpa also seeks a partial 147-bed facility in accordance with Rule 59C-1.008(5), Florida Administrative Code. The 150-bed project will be accomplished by using Subdistrict 3-7's published need of 116-beds; aggregating 31 of the 53 beds from Subdistrict 3-4's bed need and delicensing three beds at Terraces of Lake Worth Care Center, a Subdistrict 9-4 (Palm Beach County) nursing home. The partial project does not include delicensing the Subdistrict 9-4 beds.

Okahumpa states it will contract with Millennial Healthcare Services, a management company which manages 15 central Florida nursing homes including four in Subdistrict 3-7.

The 150-bed facility will have 66 private and 42 semi-private rooms. The 147-bed partial project will have 67 private and 40 semi-private rooms. Both proposals include 102,703 gross square feet (GSF) of new construction, \$31,288,000 in construction cost and total project cost of \$44,636,100. Total project cost includes building, equipment, project development, financing, and start-up costs.

The applicant expects issuance of license in January of 2026 and initiation of service in January of 2026.

Okahumpa SNF LLC proposes the following conditions to the application's approval:

- 1. The facility will apply for Joint Commission Accreditation by the second year of operations.**

Measurement of the condition includes a copy of the application and/or providing proof of accreditation.

- 2. The facility will establish the following Centers of Excellence, specialized programs to promote optimal health and quality of life and reduce hospitalizations:**
 - o Cardiac Center of Excellence Program**
 - o Infectious Disease Management Center of Excellence Program**
 - o Memory Enhanced Unit Center of Excellence Program**
 - o Orthopedic Center of Excellence Program**
 - o Respiratory Center of Excellence Program**
 - o Stroke Center of Excellence Program**
 - o Wound Care Center of Excellence Program**

Measurement of the condition includes a print-out of the **FloridaHealthFinder** profile page for the facility identifying available programs and services as well as company policies and literature regarding such programs available to residents.

- 3. The facility will include the following programs and design features to enhance care.**
- o **20-Bed Memory Care Unit**
 - o **4 Bariatric Rooms**
 - o **On-Site Dialysis**

Measurement of the condition includes a print-out of the **FloridaHealthFinder** profile page for the facility identifying available programs and services and/or providing company policies and literature regarding such programs available to residents, as well as identifying the specialty spaces on a facility floorplan.

- 4. The facility will partner with the following colleges and universities to promote career development in the nursing field, serving as a training location:**
- o **Lake Technical College**
 - o **Taylor College**
 - o **Lake-Sumter State College**

Measurement of the condition includes a copy of the agreement with the institution and number of persons participating in the training/ internships annually.

Sumterlake Operations LLC (CON application #10738), also referenced as Sumterlake or the applicant, proposes to establish a new 116-bed community nursing home with 40 private and 38 semi-private rooms, to be known as Azalea Park Health and Rehabilitation Center in Sumter County, in response to the 116-bed need projection for Subdistrict 3-7.

Sumterlake states that it will receive consulting services from Aston Health during the initial startup phase and for ongoing operations, but Aston Health will have no ownership interest in the facility. Further, Aston Health provides similar consulting services to 41 skilled nursing facilities and three assisted living facilities in Florida.¹ Aston Health's services include:

- Rehabilitation program development
- Admissions and discharge planning
- Making recommendations for new and existing service contracts and required maintenance
- Best practices for maintaining office records

¹ The application's page 19 included more detail of Aston Health's services and Attachment 2 included a copy of Aston's consulting services agreement.

- Consulting on legal proceedings
- Billing and collection services
- Processing insurance claims
- Obtaining and maintaining licenses
- Establishing IT Infrastructure Services
- Marketing and branding services
- Payroll and benefit administration
- Advising on current policies and procedures and industry best practices
- Electronic Medical Records (EMR) support

The 116-bed facility includes 82,093 GSF of new construction. The construction cost is \$26,680,225. Total project cost, which includes building, equipment, project development, financing and start-up costs is \$39,904,236.

The applicant expects issuance of license in January of 2026 and initiation of service in February of 2026.

Sumterlake Operations LLC (Azalea Park Health and Rehabilitation) proposes the following conditions to the application's approval:

Clinical Programs

- 1. Cardiac Rehabilitation Program** - Azalea Park conditions this application on providing the Cardiac Rehabilitation Program. Cardiac and circulatory system disease was the most common diagnostic category among Subdistrict 3-7 residents discharged from hospital to SNF in 2021. Azalea Park will provide a comprehensive, medically supervised recovery program, specifically designed for patients with heart disease. A specialized cardiac rehab program is designed around the patient's condition and needs. The Cardiac Rehabilitation Program has a progressive exercise regimen combined with education on a heart healthy lifestyle and medication management. This program is described in more detail beginning on page 10 of Schedule B. Azalea Park will provide these programs in a 20-bed cardiac unit. Having cardiac care patients grouped together in a unit will allow nurses and other team members to develop specialty expertise and ensure these patients have centralized access to the clinical services they require. Azalea Park will demonstrate conformance with this criteria by providing a copy of the training materials, a list of all staff who attend the Cardiac Rehabilitation Program training, their positions, and the date of the training as part of its annual compliance report.
- 2. Orthopedic Rehabilitation Program** - Azalea Park conditions this application on providing the Orthopedic Rehabilitation Program described beginning on page 12 of Schedule B. Diseases of the

musculoskeletal system were the second most common category of Subdistrict 3-7 residents discharged from hospital to skilled nursing in 2021. The Orthopedic Rehabilitation Program helps residents regain physical function quickly and effectively. It is a therapeutic approach to correct musculoskeletal limitations and alleviate pain from trauma, illness, or surgery. The program includes care from a physical therapist, occupational therapist, doctors, nurses, and certified nursing assistants. Azalea Park will demonstrate conformance with this criteria by providing a copy of the training materials, a list of all staff who attend the orthopedic rehabilitation program training, their positions, and the date of the training as part of its annual compliance report.

- 3. Respiratory Disease Program and Unit** - Azalea Park conditions this application on providing the Respiratory Disease Program described beginning on page 12 of Schedule B. Over 11 percent of Subdistrict 3-7 residents discharged to SNF from a hospital had a respiratory diagnosis in 2021. The Respiratory Disease Program specializes in pulmonary disease management and respiratory care. The program provides treatment of complex respiratory disorders with tailored care plans based on each patient's specific conditions. Azalea Park will provide this program in a sixteen-bed respiratory unit. Having respiratory care patients grouped together in a unit will allow nurses and other team members to develop specialty expertise and ensure these patients have centralized access to the clinical services they require. Azalea Park will demonstrate conformance with this criteria by providing a copy of the training materials, a list of all staff who attend the respiratory disease program training, their positions, and the date of the training as part of its annual compliance report.
- 4. Kidney Failure Program** - Azalea Park conditions this application on providing the Kidney Failure Program described beginning on page 11 of Schedule B. Nine percent of Subdistrict 3-7 residents discharged to SNF from a hospital had a kidney or urinary tract diagnosis in 2021. Kidney Failure Program nurses will design individual care plans for residents with chronic renal failure, including monitoring and managing fluid and electrolyte imbalances, preventing complications such as infection and hypertension, dietary counseling, and promoting self-care and compliance to treatment regimens to delay the progression of the disease and improve the quality of life for the resident. Azalea Park will demonstrate conformance with this criteria by providing a copy of the training materials, a list of all staff who attend the Kidney Failure Program training, their positions, and the date of the training as part of its annual compliance report.
- 5. Four-Bed Bariatric Unit** - Azalea Park conditions this application on having a four-bed bariatric unit in its facility. 36 percent of Lake County and 34 percent of Sumter County adults are obese. These

patients would benefit from specialized clinical care and may need specially designed rooms and furnishings. Azalea Park will demonstrate conformance with this criteria by providing occupancy data on the four-bed unit as part of its annual compliance report.

- 6. Stroke Rehabilitation** - Azalea Park conditions this application on providing the Stroke Rehabilitation Program described beginning on page 13 of Schedule B. Cerebrovascular disease, including stroke, is a common cause of discharge to an SNF and the third leading cause of death in Lake County and fourth leading cause of death in Sumter County for residents 65+. Azalea Park will demonstrate conformance with this criteria by providing a copy of the training materials, a list of all staff who attend the Stroke Rehabilitation Program training, their positions, and the date of the training as part of its annual compliance report.
- 7. Long-Term Care Beds** - Azalea Park conditions this application on having a 30-bed long-term care unit at its facility. This unit will ensure that patients who require long-term care will have access to the facility, and will balance the need for short-term rehabilitation services with the long-term care needs in the subdistrict. Azalea Park will demonstrate conformance with this criteria by providing occupancy data on the 30-bed unit as part of its annual compliance report.

Improving Quality and Patient Experience

- 8. Joint Commission Accreditation** - Azalea Park conditions this application on being accredited by The Joint Commission. Azalea Park will demonstrate conformance with this condition by submitting proof of accreditation as part of the annual compliance report.
- 9. Guardian Angel Program** - Azalea Park conditions this application on implementing the Guardian Angel program at its facility. This program ensures the facility's leadership team completes rounds on all patients at least twice a week. Each leadership team member is assigned specific rooms and patients to check on to make sure their needs are being met to their satisfaction. This also provides leadership with the opportunity to address and correct any patient concerns promptly. Azalea Park will demonstrate conformance with this criteria by submitting the names of the leadership team members who perform the Guardian Angel rounds as part of its annual compliance report.
- 10. Concierge Program** - Azalea Park conditions this application on offering its Concierge and Admissions Nurse Program. The Concierge Program assigns a qualified certified nursing assistant (CNA) as a concierge for a new patient. The concierge works collaboratively with the admissions nurse to ensure all patients are seen promptly, and that

each patient has what they need upon admission and during the first several days of their stay. This program is discussed in detail in Schedule B on pages 47 and 76. Azalea Park will demonstrate conformance with this criteria by submitting the names of the certified nursing assistants who serve as concierges as part of its annual compliance report.

- 11. PointClickCare** - Azalea Park conditions this application on using PointClickCare as its electronic health record (EHR) software. PointClickCare has a Skilled Nursing Core Platform and additional functionality that allows clinicians to securely store, share, access and evaluate patients' health information. A detailed description of the PointClickCare functionality that will be used at Azalea Park begins on page 16 of Schedule B. While the Applicant expects to use PointClickCare, if a better EHR system emerges, Azalea Park may change EHR vendors. Azalea Park will demonstrate conformance with this criteria by submitting the name and an overview of the features of the EHR system as part of its annual compliance report.

Improving Staff Experience and Culture

- 12. Cultural Ambassador Program** - Azalea Park conditions this application on employing the Cultural Ambassador Program developed by Aston Health. These ambassadors will nurture a culture of people, passion, and promise. Azalea Park's carefully chosen team members will be responsible for instilling this culture in new staff. The Cultural Ambassador Program is discussed in more detail beginning on page 23 of Schedule B. Azalea Park will demonstrate conformance with this criteria by submitting the name and title/position of each Azalea Park employee who serves as a cultural ambassador as part of its annual compliance report.

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. Section 408.043 (4) Florida Statutes states that "Accreditation by any private organization may not be a requirement for the issuance or maintenance of a certificate of need under ss. 408.031-408.045, Florida Statutes." The Agency will not impose conditions on already mandated reporting requirements.

Issuance of a CON is required prior to licensure of the project. The review of a CON application and ultimate approval or denial of a proposed project is based upon the applicable statutory criteria in the Health Facility and Services Development Act (408.031-408.045, Florida Statutes) and applicable rule criteria within Chapters 59C-1 and 59C-2, Florida Administrative Code. An

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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.

CON#	# of Beds	GSF	Project Cost(\$)	Cost/Bed (\$)
CON application #10737 (Okahumpa)	150	102,703	\$44,636,100	\$224,383
CON application #10737P (Okahumpa)	147	102,703	\$44,636,100	\$228,962
CON application #10738 (Sumterlake)	116	82,093	\$39,904,236	\$248,442

Source: Schedules 1 and 9, CON application numbers 10737, 10737P & 10738

D. REVIEW PROCEDURE

The evaluation process is structured by the certificate of need review criteria found in Section 408.035, Florida Statutes. 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 assessing the responses provided in the application, and independent information gathered by the reviewer.

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

Section 59C-1.010(3)(b), Florida Administrative Code, allows no application amendment information subsequent to the application being deemed complete. The burden of proof to entitlement of a certificate rests with the applicant. As such, the applicant is responsible for the representations in the application. This is attested to as part of the application in the Certification of the applicant.

As part of the fact-finding, the consultant, Sarah Zimmerman, analyzed the application with consultation from Financial Analyst Derron Hillman of the Bureau of Central Services, who evaluated the financial data, and Scott Waltz of the Office of Plans and Construction, who reviewed the application for conformance with the architectural criteria.

E. CONFORMITY OF PROJECT WITH REVIEW CRITERIA

The following indicate the level of conformity of the proposed project with the criteria and application content requirements found in Florida Statutes, Sections 408.035, and 408.037; applicable rules of the State of Florida, Chapter 59C-1 and 59C-2 and 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 63 of the Florida Administrative Register dated March 31, 2023, published a fixed need pool (FNP) of 116 community nursing home Subdistrict 3-7 for the January 2026 planning horizon. After publication of the FNP, there were no exemption requests or expedited CON applications to increase the subdistrict's community nursing home bed count. There is an exemption (E#230002) approved on June 29, 2023, to add 15 community nursing home beds at Freedom Pointe Healthcare Center (Sumter County) via transfer of 15 community nursing home beds from Lake Port Square Health Center (Lake County).

As of February 10, 2023, Subdistrict 3-7 had 2,057 licensed and 40 CON approved community nursing home beds. The 40 approved beds pending licensure are at The Lakes of Clermont and Rehabilitation Center in Lake County. During the six months ending December 31, 2022, Subdistrict 3-7 experienced 89.08 percent occupancy at 19 existing community nursing home beds. Subdistrict 3-7 community nursing homes reported 87.81 percent occupancy during CY 2022. See the following table for CY 2022.

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**Subdistrict 3-7 (Lake & Sumter Counties)
Community Nursing Home Utilization CY 2022**

Facilities	Beds	Bed Days	Patient Days	Total Occupancy
Lake County				
AdventHealth Care Center Waterman	120	43,800	41,464	94.67%
Avante at Leesburg, Inc.	116	42,340	36,360	85.88%
Avante at Mt. Dora, Inc.	116	42,340	35,808	84.57%
Bayview Center	120	43,800	40,416	92.27%
Bedrock Rehabilitation and Nursing Center at Lake Eustis	90	32,850	24,337	74.09%
Clermont Health and Rehabilitation Center	182	66,430	63,759	95.98%
Lady Lake Specialty Care Center	145	52,925	51,156	96.66%
Lake Port Square Health Center	85	31,025	24,867	80.15%
Lakes of Clermont Health and Rehabilitation Center, The	80	29,200	27,309	93.52%
Lakeview Terrace Rehabilitation and Health Care Center	20	7,300	4,779	65.47%
North Campus Rehabilitation and Nursing Center	90	32,850	30,388	92.51%
Ruleme Center	138	50,370	39,185	77.79%
South Campus Care Center and Rehab	120	43,800	41,822	95.48%
The Edgewater at Waterman Village	120	43,800	30,127	68.78%
Villages Rehabilitation and Nursing Center, The	120	43,800	38,960	88.95%
Lake County Total	1,662	606,630	530,737	85.78%
Sumter County				
Buffalo Crossings Healthcare & Rehabilitation Center	120	43,800	37,435	85.47%
Cypress Care Center and Rehab	180	65,700	60,497	92.08%
Freedom Pointe Healthcare Center	35	12,775	12,775	100.00%
Osprey Point Nursing Center	60	21,900	17,869	81.59%
Sumter County Total	395	144,175	128,576	89.79%
Subdistrict 7 Total	2,057	750,805	659,313	87.81%

Source: Florida Nursing Home Bed Need Projections by District and Subdistrict published March 31, 2023.

Projected population growth, both numerically and by percentage, is provided in the following tables.

**Current and Projected Elderly Population Growth Rate
Lake and Sumter Counties, Subdistrict 3-7, District 3 and Florida
January 1, 2023 and January 1, 2026**

Area/ Subdistrict	January 1, 2023 Population			January 1, 2026 Population		
	65-74	75+	65+ Total	65-74	75+	65+ Total
Lake	59,829	52,210	112,039	65,729	57,928	123,657
Sumter	35,333	40,353	75,686	36,715	47,901	84,616
Subdistrict 3-7	95,162	92,563	187,725	102,444	105,829	208,273
District 3	284,204	259,005	543,209	303,781	289,850	593,631
State	2,625,507	2,238,659	4,864,166	2,832,590	2,495,066	5,327,656
Area/ Subdistrict	January 2023 – January 2026 Increase			January 2023 – January 2026 Growth Rate		
	65-74	75+	65+ Total	65-74	75+	65+ Total
Lake	5,900	5,718	11,618	9.86%	10.95%	10.37%
Sumter	1,382	7,548	8,930	3.91%	18.70%	11.80%
Subdistrict 3-7	7,282	13,266	20,548	7.65%	14.33%	10.95%
District 3	19,577	30,845	50,422	6.89%	11.91%	9.28%
State	207,083	256,407	463,490	7.89%	11.45%	9.53%

Source: Florida Population Estimates and Projections by AHCA District 2018-2030, published January 2023.

Okahumpa's 150-bed project is to be accomplished using the 116-bed Subdistrict 3-7 FNP, aggregating 31 beds from Subdistrict 3-4's (53 beds) FNP and delicensing three beds presently located in Palm Beach County. The partial request does not include delicensing the three Subdistrict 9-4 beds. Sumterlake's project uses Subdistrict 3-7's 116-bed FNP.

Okahumpa SNF LLC (CON application #10737) states that the facility will be located in Subdistrict 3-7, which has the greatest need and within Lake County, where the highest concentration of seniors resides. Okahumpa SNF LLC's Exhibit 1 includes a signed notarized letter from Mr. Michael Bleich, authorized representative of Terraces of Lake Worth Care Center (Subdistrict 9-4) agreeing to voluntarily delicense three community nursing home beds at his facility for the project. However, District 9 is not contiguous to District 3, which is necessary for the beds to be relicensed for the project.

The applicant submits a need assessment within the context of the following characteristics which are briefly described within these categories:

- Overview and Location
- Population Demographics and Dynamics
- Availability, Utilization and Quality of Services in the Subdistrict
 - Availability of Beds and Services
 - Nursing Home Utilization
 - Dialysis, Memory Care, and Caring for Bariatric Patients
- Projected Utilization Forecast

Okahumpa's Figure 1-1 of the application includes a graphic and an aerial view of the proposed location located near Okahumpa along US Highway 17, south of Leesburg, Florida. Either project will be a single-story facility including 102,703 gross square feet. The 150-bed proposal will consist of 66 private and 42 semi-private rooms, while the 147-bed proposal will have 67 private and 40 semi-private rooms. The applicant states a 20-bed memory care unit with a secure courtyard, four specially designed bariatric rooms and on-site dialysis is planned and the location is large enough to accommodate an Urgent Care Center to complement the facility and provide an additional resource for the community.

Okahumpa's map (CON application #10737 page 1-6, Figure 1-3) shows the distribution of nursing homes, hospitals and senior population age 65 and over by zip code within a 10, 20, and 30-mile radius of the proposed facility. Okahumpa cites the Florida Population Estimates and Projections 2018-2030, published January 2023, showing Subdistrict 3-7 has a total population of 557,764, of which 417,576 (75 percent) reside in Lake County, and 140,188 (25 percent) reside in Sumter County. Further, those aged 65 and older have a population of 184,972 which represents 33.16 percent of the population, of which 110,160 (60 percent) reside in Lake County and 74,812 (40 percent) reside in Sumter County. Okahumpa provides a table (see below)

to show the January 2023 population age 65 and over for the state, health planning districts, subdistrict 3-7, Lake County and Sumter County.

**January 2023 Population Age 65 and Over
Health Planning Districts
Lake Sumter Counties, Subdistrict 3-7 & Florida**

District	Total Population	65+ Population	Percent
8	1,947,955	602,140	30.90%
3	1,941,176	543,209	28.00%
5	1,570,275	406,985	25.90%
9	2,248,512	578,277	25.70%
4	2,409,958	487,151	20.20%
6	2,877,089	558,111	19.40%
1	826,804	155,673	18.80%
10	1,981,579	371,517	18.70%
2	756,750	135,960	18.00%
11	2,863,107	513,533	17.90%
7	3,063,991	511,610	16.70%
Florida	22,487,196	4,864,166	21.60%
Lake	422,973	112,039	26.50%
Sumter	142,650	75,686	53.10%
Subdistrict 3-7	565,623	187,725	33.20%

Source: CON application #10737, page 1-7, Table 1-1, from Florida Population Estimates and Projections by AHCA District 2018-2030, published January 2023.

The applicant notes that District 3 has seen the development of several retirement communities over the past two decades, with Subdistrict 3-7 being home to one of the largest in the nation, The Villages, listed by the U.S. Census Bureau as the fastest growing metropolitan area in the country from 2010 to 2020. Okahumpa’s map (Figure 1-3, page 1-8) shows the projected median age of each county in Florida in 2027 with Lake, Marion, and Sumter counties expected to have higher median ages when compared to the state median (43.1). Sumter County has the largest median age in the state in 2022 of 68.2 years, which is expected to increase to 69.1 in 2027, while Lake and Sumter Counties are projected to have a median age of 48.3 and 69.1 by the year 2027, respectively. Okahumpa adds that Lake County increases from 47.5 in 2022 to 48.3 in 2027, along with Marion County at 48.8 and 49.1 for 2022 and 2027, respectively.

Okahumpa next addresses projected population growth in the 64 and under and 65 and over age cohorts from July 2022 to July 2027 for Lake County, Sumter County, Subdistrict 3-7 and Florida overall.

**Lake, Sumter, Subdistrict 3-7 and Florida
Current and Projected Population by Age Cohort
July 2022 – July 2027**

Area	July 2022 Population Estimates			2022 Population Distribution		
	0-64	65+	Total	0-64	65+	Total
Lake	307,416	110,160	417,576	73.62%	26.38%	100.00%
Sumter	65,376	74,812	140,188	46.63%	53.37%	100.00%
3-7 Total	372,792	184,972	557,764	66.84%	33.16%	100.00%
Florida	17,543,389	4,785,789	22,329,178	78.57%	21.43%	100.00%
Area	July 2027 Population Estimates			2027 Population Distribution		
	0-64	65+	Total	0-64	65+	Total
Lake	332,511	130,215	462,726	71.86%	28.14%	100.00%
Sumter	76,039	88,645	164,684	46.17%	53.83%	100.00%
3-7 Total	408,550	218,860	627,410	65.12%	34.88%	100.00%
Florida	18,227,271	5,560,096	23,787,367	76.63%	23.37%	100.00%
Area	Five Year Increase			Five Year Growth Rate		
	0-64	65+	Total	0-64	65+	Total
Lake	25,095	20,055	45,150	8.16%	18.21%	10.81%
Sumter	10,663	13,833	24,496	16.31%	18.49%	17.47%
3-7 Total	35,758	33,888	69,646	9.59%	18.32%	12.49%
Florida	683,882	774,307	1,458,189	3.90%	16.18%	6.53%

Source: CON application #10737, page 1-10, Table 1-2, from Florida Population Estimates and Projections by AHCA District 2018 to 2030, published January 2023.

Okahumpa notes that as of July 2027 Subdistrict 3-7 will add 33,888 persons at a rate of 18.32 percent aged 65 and older. Okahumpa concludes that the increase in seniors indicates future need for residential and health care services for that cohort.

Okahumpa’s Figure 1-6, page 1-11 shows the projected elderly population age 65 and over by Zip Code for 2027, and Figure 1-7, page 1-12 shows the five-year increase for the aged 65 and older population in Marion, Lake, and Sumter Counties are used to provide a visual representation of availability to nursing homes and acute care hospitals in relation to its potential location of Okahumpa in Lake County. The applicant argues that the area’s continued elderly population growth supports that this facility will be utilized once constructed and its importance to meet future demand.

The applicant’s Table 1-3 lists the Zip Codes within a 20-mile radius of Okahumpa, Florida, along with the projected 2027 age 65 and over populations. Okahumpa indicates that this area captures 82 percent of the Lake and Sumter Counties' projected 2027 age 65 and older population and 70 percent of the total population indicating that this facility will be able to serve both Subdistrict 3-7 counties. Further, the 30-mile radius surrounding Okahumpa captures 99.5 percent of the projected age 65 and older population in Lake and Sumter County Zip Codes for 2027.

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**Age 65 and Over Population
Within a 20-Mile Radius of Okahumpka, Florida
By County and by Zip Code**

Zip Code	Geography Name	County	2022 Pop, Age 65+	2027 Pop, Age 65+	5-Year Increase, 65+	Growth Rate, 65+	2022 Total	2027 Total	5-Year Increase Total	5-Year Growth Rate Total
32195	Weirsdale	Marion	1,358	1,565	207	15.24%	3,727	3,921	194	5.21%
32798	Zellwood	Orange	1,641	1,794	153	9.32%	2,716	2,886	170	6.26%
32159	Lady Lake	Lake	21,601	23,678	2,077	9.62%	33,673	35,554	1,881	5.59%
32726	Eustis	Lake	5,413	6,045	632	11.68%	22,482	23,633	1,151	5.12%
32735	Grand Island	Lake	1,593	1,857	264	16.57%	5,680	6,067	387	6.81%
32757	Mount Dora	Lake	8,134	9,362	1,228	15.10%	29,918	31,643	1,725	5.77%
32778	Tavares	Lake	8,497	9,492	995	11.71%	23,812	25,337	1,525	6.40%
32784	Umatilla	Lake	270	3,494	524	17.64%	13,312	13,995	683	5.13%
34705	Astatula	Lake	858	1,008	150	17.48%	3,305	3,485	180	5.45%
34715	Clermont	Lake	3,745	4,579	834	22.27%	22,211	23,782	1,571	7.07%
34731	Fruitland Park	Lake	3,471	3,908	437	12.59%	11,493	12,088	595	5.18%
34737	Howey in the Hills	Lake	1,152	1,360	208	18.06%	3,241	3,437	196	6.05%
34748	Leesburg	Lake	19,023	21,308	2,285	12.01%	44,076	46,362	2,286	5.19%
34753	Mascotte	Lake	638	786	148	23.20%	5,751	6,175	424	7.37%
34756	Montverde	Lake	817	1,023	206	25.21%	3,750	3,995	245	6.53%
34762	Okahumpka	Lake	350	382	32	9.14%	778	797	19	2.44%
34788	Leesburg	Lake	9,207	10,404	1,197	13.00%	20,844	21,992	1,148	5.51%
34797	Yalaha	Lake	837	976	139	16.61%	1,398	1,501	103	7.37%
32162	The Villages	Sumter	48,813	56,022	7,209	14.77%	58,396	62,342	3,946	6.76%
32163	The Villages	Sumter	12,652	14,638	1,986	15.70%	33,767	36,876	3,109	9.21%
33513	Bushnell	Sumter	6,137	6,638	501	8.16%	13,355	13,646	291	2.18%
33514	Center Hill	Sumter	642	703	61	9.50%	1,634	1,702	68	4.16%
33521	Coleman	Sumter	104	120	16	15.38%	215	228	13	6.05%
33585	Sumterville	Sumter	962	1,085	123	12.79%	2,105	2,227	122	5.80%
33597	Webster	Sumter	3,943	4,425	482	12.22%	9,280	9,728	448	4.83%
34484	Oxford	Sumter	4,844	5,545	701	14.47%	6,866	7,336	470	6.85%
34785	Wildwood	Sumter	7,508	838	830	11.05%	19,030	19,618	588	3.09%
20-Mile Radius Total			173,911	197,176	23,265	13.38%	390,372	41,346	23,174	5.94%
Lake & Sumter 20-Mile Total			170,912	193,817	22,905	13.40%	383,929	406,739	22,810	5.94%
Portion of 20 Mile Radius in Subdistrict			83.16%	82.49%			70.50%	70.40%		
Subdistrict 3-7 Total			205,524	234,954	29,430	14.32%	544,604	577,723	333,119	6.08%

Source: CON application #10737, page 1-13, Table 1-3, and Exhibit 4 in the Additional Information section of the application.

The applicant's table below compares the distribution of community nursing home beds for Subdistricts 3-4 and 3-7 as well as District 3 and Florida. Okahumpka summarizes that based on the current bed supply, there are 10 beds per thousand seniors available in Lake and Sumter, 14 beds per

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thousand in Marion County, 16 for District 3 and 17 for the state of Florida. The table indicates that if all 150 or 147 beds are approved, the bed supply decreases to 12 for Lake and Sumter, and the district and state rate decreases to 15 beds per thousand seniors.

**Community Nursing Home Bed Availability
Subdistricts 3-4, 3-7, District 3 and Florida**

	Existing Community NH Beds	2022 Age 65 and over	Beds per 1,000	Proposed & Approved Community NH Beds	2027 Age 65 and over	Beds per 1,000
Subdistrict 3-4	1,620	116,728	14	1,642	134,043	12
Subdistrict 3-7	2,057	184,972	10	2,247	218,860	10
District 3	8,679	53,583,916	16	8,984	617,720	15
Florida	83,041	4,785,789	17	85,728	5,560,096	15

Source: CON application #10737, page 1-14, Table 1-4, from AHCA publication, Florida Nursing Home Bed Need Projections by District & Subdistrict, published 3/31/2023; Florida Population Estimates and Projections by AHCA District 2018-2030 (July 1 estimates for the years shown), published January 2023.

Okahumpka uses Claritas population data to calculate the total licensed and projected beds per thousand in the age 65 and over age cohort for Subdistrict 3-4, 3-7, District 3, and Florida in the table below. See the table below.

**Current and Projected Available Community & Sheltered Nursing Home Beds
Subdistrict 3-4, 3-7, District 3, and Florida**

	2022 Licensed Beds			Approved Beds			Proposed	2027 Projected Beds		
	Com	Shel	Total	Shel	Total	Beds		Com	Shel	Total
Subdistrict 3-4	1,620	0	1,620	0	0	0	22	1,642	0	1,642
Subdistrict 3-7	2,057	67	2,124	40	0	40	150	2,247	67	2,314
District 3	8,679	106	8,785	133	0	133	172	8,984	106	9,090
Florida	83,041	2,189	85,230	2,518	58	2,576	169	85,728	2,247	87,975
10-Mile Radius	411	10	421	0	0	0	150	561	10	571
20-Mile Radius	2,225	47	2,272	40	0	40	150	2,415	47	2,462
30-Mile Radius	4,030	67	4,097	40	0	40	150	4,220	67	4,287

Source: CON application #10737, page 1-15 from Florida Nursing Home Bed Need Projections by District & Subdistrict, published March 31, 2023, MapBusiness Online & <https://quality.healthfinder.fl.gov/facilitylocator/facloc.aspx>.

Okahumpka's table below calculates the baseline (2022) community and total beds per thousand residents aged 65 and over, and the projected (2027) beds per thousand residents aged 65 and over with, and without the project of 150 beds. The applicant notes that there is only a fractional difference in 147 versus 150 beds, so the calculations do not change.

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**Projected Bed Availability
With and Without the Project (N=150 Beds)**

Area	2022 Pop 65+	BASELINE		2027 Pop 65+	WITHOUT THE PROJECT		WITH THE PROJECT	
		Beds per 1,000			Beds per 1,000		Beds per 1,000	
		Comm Beds	Total Beds		Comm Beds	Total Beds	Comm Beds	Total Beds
Subdistrict 3-4	114,549	14	14	128,673	13	13	13	13
Subdistrict 3-7	197,190	10	11	225,457	9	9	10	10
District 3	545,115	16	16	616,302	14	14	15	15
Florida	4,849,708	17	18	5,597,484	15	15	15	16
10-Mile Radius	38,127	11	11	43,275	9	10	13	13
20-Mile Radius	176,910	13	13	200,535	11	11	12	12
30-Mile Radius	343,502	12	12	396,489	10	10	11	11

Source: CON application #10737, page 1-15, Table 1-6, from Florida Nursing Home Bed Need Projections by District & Subdistrict, published March 31, 2023 and Claritas Population Estimates.

Note: *The resulting projected beds per thousand remain the same for the proposed 147-bed partial project.

Okahumpa contends that the results demonstrate need for the project and that even with the proposed facility, subdistrict 3-7's bed availability remains below the district and statewide levels. The applicant concludes that:

- both the subdistrict and the 10-mile radius availability drop to 9 without the project
- with the project, bed availability increases to 13 beds per thousand for the 10-mile radius
- Subdistrict 3-4, bed availability drops by one both with and without the project due to the effects of population increase
- within the 20 and 30-mile radii are also positive, yet remain below the District and State and
- the project is necessary to maximize availability by adding 150 (or at least 147) beds in a high growth area of seniors that encompasses Lake, Sumter, and Marion Counties.

The applicant's table below compares Subdistrict 3-7 and Florida nursing home utilization for the past five calendar years. Okahumpa notes that since 2020, the Subdistrict's occupancy has 'outperformed' the State's average occupancy.

**Community Nursing Home Beds, Patient Days & Occupancy Rates
Subdistrict 3-7 (Lake & Sumter Counties) & Florida
CYs 2018-2022**

Subdistrict 3-7	2018	2019	2020	2021	2022
Community Beds	1,977	1,977	2,057	2,057	2,057
Bed Days	690,285	721,605	747,102	751,480	750,805
Patient Days	581,133	605,092	605,726	600,246	659,313
Occupancy	84.19%	83.85%	81.08%	79.88%	87.81%
Florida	2018	2019	2020	2021	2022
Community Beds	80,825	81,668	82,537	82,903	83,041
Bed Days	29,433,771	29,654,323	30,025,933	30,187,853	30,197,573
Patient Days	24,935,751	25,492,036	23,280,683	22,175,075	23,891,583
Occupancy	84.72%	85.96%	77.54%	73.46%	79.12%

Source: CON application #10737, page 1-16, Table 1-7, from Florida Nursing Home Bed Need Projections by District & Subdistrict, years shown.

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Okahumpa’s Table 1-8 includes joint utilization of both community and sheltered nursing home beds in Subdistrict 3-7 for the past five calendar years. The applicant concludes that total occupancy is higher when all beds are accounted for compared to community beds which confirms high demand throughout the planning area.

Okahumpa’s Table 1-9, shows 15 Millennial Healthcare affiliated facilities, indicates these facilities are highly occupied, averaging over 91 percent for 2022. The applicant concludes that Millennial is well known within Health Planning District 3; has referral sources that rely on their facilities, and the project is expected to improve utilization of needed services.

**Millennial Healthcare Services LLC
Affiliated Skilled Nursing Facilities
CY 2022 Utilization**

Facility Name	County	Bed Days	Patient Days	Occupancy
Park Meadows Health and Rehabilitation Center	Alachua	54,020	48,824	90.38%
Parklands Care Center	Alachua	43,800	39,630	90.48%
Terrace Health & Rehabilitation Center	Alachua	50,370	46,195	91.71%
Rockledge Health and Rehabilitation Center	Brevard	39,055	36,542	93.57%
Viera Health and Rehabilitation Center	Brevard	41,610	40,705	97.83%
Citrus Health and Rehabilitation Center	Citrus	40,515	33,717	83.22%
Grove Health and Rehabilitation Center, The	Citrus	43,800	41,361	94.43%
Lady Lake Specialty Care Center	Lake	52,925	51,156	96.66%
North Campus Rehabilitation and Nursing Center	Lake	32,850	30,388	92.51%
South Campus Care Center and Rehab	Lake	43,800	41,822	95.48%
Williston Care Center	Levy	43,800	39,903	91.10%
Club Healthcare & Rehab. Center at The Villages (The)	Marion	24,820	17,212	69.35%
Lodge Health and Rehabilitation Center, The	Marion	36,135	32.98	91.27%
Courtyards of Orlando Care Center	Orange	43,800	39,679	90.59%
Cypress Care Center	Sumter	65,700	60,497	92.08%
Total		657,000	600,611	91.42%
Lake and Sumter Total		195,275	183,863	94.16%

Source: CON application #10737, page 1-18, Table 1-9, from Florida Nursing Home Bed Need Projections by District & Subdistrict, March 31, 2023.

The applicant shares that Millennial identified need within Lake and Sumter Counties even before the state published need. Okahumpa notes that the average occupancy rate for Millennial facilities in Lake and Sumter counties exceeds 94 percent. The applicant concludes that the project will relieve the stress on Millennial facilities and provide “another resource to the community through a new physical plant with private rooms and specialty spaces and alleviate growing demand for skilled care, including memory care”.

Okahumpa’s Table 1-10 cites Centers for Medicare and Medicaid Services (CMS) data to support the need for its services which include dialysis, memory care, and bariatric rooms to accommodate residents in the Lake and Sumter County community adding that there are 46 ESRD facilities in District 3, which includes these two counties. The applicant uses its own calculation to show that there will be 2,723 dialysis patients in District 3 by 2027. The applicant contends that the projected number of dialysis patients

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in excess of the current capacity is 356 for Sumter County and 59 for Lake, for a total of 425 projected dialysis patients in Subdistrict 3-7 and conditions its application to offer on-site dialysis services. Okahumpa also uses Agency hospital discharge data during July 1, 2021 - June 30, 2022 to support the prevalence of end stage kidney disease and the need for onsite dialysis for Lake and Sumter County residents. See the table below.

**Lake and Sumter Resident
Renal Failure Hospital Discharges
July 1, 2021 – June 30, 2022**

Discharge Status	DRGs 682, 683 & 684	Percent
01 -Discharged Home	572	47.27%
03-DC to Medicare SNF	229	18.93%
06-DC to home health care	216	17.85%
07-Left AMA	48	3.97%
50-DC to Hospice home	38	3.14%
5 1 -DC to Hospice facility	32	2.64%
20-Deceased	19	1.57%
70-DC to another type not in list	19	1.57%
02-DC to short term general hosp	15	1.24%
62-DC to inpatient rehab facility	10	0.83%
21 -DC to Court/Law Enforcement	7	0.58%
04-DC to intermediate care facility	3	0.25%
63 -DC to Medicare cert LTC hosp	1	0.08%
65-DC to Psych hospital/unit	1	0.08%
Grand Total	1,210	100.00%

Source: CON application #10737, page 1-21, Table 1-11, from AHCA Hospital Patient Discharge Data

The top Major Diagnostic Categories (MDC) for discharges to skilled nursing facilities from acute care hospitals for Lake and Sumter County residents aged 65 and older is shown in Okahumpa’s table 2-2 on page 2-9. The applicant notes that MDC 01-Diseases of the Nervous System, ranked fifth overall, accounts for 763 discharges to nursing homes and includes conditions such as Alzheimer's Disease, Parkinson's Disease, and stroke. The Alzheimer's Association's 2023 Special Report is cited to support its contention that the need for Alzheimer's and other dementia care is increasing in Florida. The applicant cites Millennial Healthcare Services' Memory Enhanced Unit and Stroke Center of Excellence Programs, and the facility’s proposed 20-bed unit dedicated to Memory Care. CY 2018 Center for Disease Control and Prevention data is cited in support of increasing obesity rates and four private rooms specially designed and dedicated to the care of bariatric residents in its facility.

Okahumpa notes the need of 116 beds for Subdistrict 3-7 and 53 beds in Subdistrict 3-4. The applicant states that Subdistrict 3-7 reported 659,313 patient days of care, for an average daily census (ADC) of 1,806 and an average occupancy rate of 87.81 percent for the calendar year 2022. Okahumpa’s table below provides Subdistricts 3-4, 3-7 and District 3’s patient days, utilization and use rates per residents aged 65 and over.

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**CY 2022 Subdistricts 3-7, 3-4 & District 3
Patient Days, Use Rates and Occupancy**

District or Subdistrict	CY 2022 Utilization		
	SD 3-7	SD 3-4	District 3
Patient Days	659,313	497,688	2,611,587
Average Daily Census	1,806	1,364	7,155
Subdistrict 3-7 Population 65+ (July midpoint)	184,972	116,728	535,839
Use Rate (Days Per 1,000 Persons, 65+)	3,564	4,264	4,874
Current Existing Community Beds	2,057	1,620	8,679
Occupancy	87.81%	84.17%	83.03%

Source: CON application #10737, page 1-21, Table 1-11, from Florida Nursing Home Utilization by District and Subdistrict, March 31, 2023 and Florida Population Estimates and Projections by AHCA District 2018 to 2030, published January 2023.

Okahumpa contends that Subdistrict 3-7’s higher use rate compared to 3-4, and District 3 demonstrates that if bed availability were higher, Subdistrict 3-7’s utilization would increase. The table below shows the projected Subdistrict 3-7 and the Okahumpa projects year two occupancy.

**Subdistrict 3-7 Projected CY 2027 Patient Days and Occupancy
With and Without the 150 & 147 Bed Projects**

Projections based on use rate from:	SD 3-7
Subdistrict 3-7 Population 65+, July 1, 2027	218,860
Resident Days Forecasted for CY 2027	780,103
Average Daily Census, CY 2027	2,137
Existing & Approved Community Beds*	2,097
Projected Occupancy WITHOUT the Project	101.92%
Projected Licensed Beds WITH the 150-bed Project	2,247
Projected Occupancy WITH the 150-Bed Project	95.12%
Projected Licensed Beds WITH the 147-Bed Project	2,244
Projected Occupancy WITH the 147-Bed Project	95.24%

Source: CON application #10737, page 1-24, Table 1-13, from Florida Nursing Home Utilization by District and Subdistrict, published March 31, 2023 and Florida Population Estimates and Projections by AHCA District 2018 to 2030, published January 2023.

Note - *Assumes the 40 approved beds authorized by CON #10728 become licensed by 2027.

Okahumpa contends that if no project is approved, occupancy in Subdistrict 3-7 nursing homes will exceed 100 percent by 2027, and that even with the addition of 150 beds, keeping the current use rate of Subdistrict 3-7 constant, occupancy increases to 95.12 percent (or 95.24 percent with the partial request), exceeding the 92 percent target occupancy threshold in rule.

The applicant contends that even when the 150 new beds are added, applying the Subdistrict 3-4 and District 3 use rates to the service area's senior population shows demand exceeding capacity. Okahumpa states that by utilizing all the projected bed need for Subdistrict 3-7 (116 beds) and the remaining beds for which no other applicant applied for in adjacent Subdistrict 3-4 (31 beds), supports its contention that the proposed 150-bed facility is necessary to meet the high demand of the large and growing senior

population within Lake and Sumter Counties and that the service area will have a sufficient bed supply in one of the fastest growing metropolitan areas in the nation, The Villages without negatively impacting existing facilities.

Schedule 5 shows the first month of operation (January 2026). Okahumpa forecasts a fill-up period during the first year that it states reflects a ramp up of admissions due to required time to obtain Medicare and Medicaid certification. Average year two occupancy is projected to be 87 percent, which the applicant contends is consistent with other nursing home openings around the state. The target occupancy and fill rate is stated to be consistent for both the 150-bed proposal and the 147-bed partial request. An ADC of 894 residents is expected in the first year and 1,501 residents in the second year for the proposed 150-bed facility. The 147-bed facility’s projected ADC is 877 and 1,473 residents in years one and two, respectively. The average length of stay (ALOS) of approximately 32 days in years one and two reflects a facility that provides both short-term rehabilitation and long-term care. See the tables below.

**Okahumpa SNF LLC
Projected Utilization for 150 and 147-bed Facilities
First Two Years of Operation**

150-bed facility	Admits	Patient Days	Occup. Rate	ADC
Year 1 (CY 2026)	894	28,291	51.67%	78
Year 2 (CY 2027)	1,501	47,586	86.92%	130
147-bed facility				
Year 1 (CY 2026)	877	27,470	51.70%	75
Year 2 (CY 2027)	1,473	46,711	87.06%	128

Sources: CON application #10737, page 1-25, Tables 1-14 & 1-15.

Okahumpa summarizes that its application establishes consistency with the published need for 116 community nursing home beds in Subdistrict 3-7, Lake and Sumter Counties, combining it with 31 of the 53 beds shown as needed in adjacent Subdistrict 3-4, Marion County, resulting in a 147-bed facility. The applicant contends that increasing capacity from 147 beds to 150 through the relocation of three beds from The Terraces of Lake Worth in Palm Beach County(Subdistrict 9-4), provides benefit to that facility by eliminating its three-bed wards, and puts available resources back to use in an area with demonstrated need which it argues results in more efficient operations in a time of high inflation and rising development and operational costs. However, CON statute and rules support moving beds from geographically contiguous districts, and Districts 3 and 9 are not such districts. S. 408.034 (7) Florida Statutes does provide a preference for delicensing beds in subdistricts where there is no calculated need, but Okahumpa does not propose to delicense the beds unless they can be used in the 150-bed project.

The applicant contends that its proposed location in Okahumpa is central to the service area, reaching nearly all the population within a 30-mile radius and much of adjacent Marion County. Okahumpa adds that its facility is

expected to relieve the demand from the growth of The Villages retirement community including the development of a new hospital that it expects will be in close proximity to its location.

Okahumpa reiterates that its partnership with Millennial Healthcare will ensure existing relationships with area providers that will serve the medical needs of the community. Project benefits include a secure memory care unit, on-site dialysis, the establishment of Centers of Excellence for a variety of conditions and the development of an on-site Urgent Care Center through an affiliate or third-party.

Sumterlake Operations LLC (CON application #10738) proposes to construct a 116-bed community nursing home in Sumter County in Subdistrict 3-7 (Lake and Sumter Counties). Sumterlake asserts that the need for the proposed project is also shown by the letters submitted in support of this project. The applicant submits a need assessment within the context of the following:

- Overview of Subdistrict 3-7 Demographics
- Service Area Disease-Specific Needs
- Overview of Subdistrict 3-7 Provider
- Aston Health is an Established Provider in Subdistrict 3-7
- Aston Health's Relationships in Subdistrict 3-7 and Florida
- Visualization of Occupancy in Subdistrict 3-7

When discussing Subdistrict 3-7 Demographics, Sumterlake uses the Agency’s Florida Population Estimates and Projections 2018-2030, published January 2023, to support that the population of Subdistrict 3-7 is expected to increase more quickly than the state with the total population increasing by 7.3 percent from January 2023 to January 2026. Sumter County is expected to experience faster growth than Lake County, and both are anticipated to surpass Florida's overall growth rate.

Elderly Population Growth, January 2023—January 2026

	2023	2026	Change	Percent Change
Lake	422,973	449,121	26,148	6.2%
Sumter	142,650	157,954	15,304	10.7%
Subdistrict 3-7 subtotal	565,623	607,075	41,452	7.3%
Florida	22,487,016	23,378,064	891,048	4.0%

Source: CON application #10738, page 26, from Florida Population Estimates and Projections by AHCA District 2018 -2030.

Sumterlake’s table from page 26 of the application, shows the projected population growth by the 75 and over and 65 to 74 age cohorts from January 2023 to January 2026 for Lake and Sumter Counties, Subdistrict 3-7, and Florida overall. The applicant notes that a third of Subdistrict 3-7's population are elderly, with 53.06 percent of Sumter County’s population

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aged 65 and older adding that the Bureau of Economic and Business Research reported that Sumter County had the third fastest growing population aged 65 and over in Florida from 2020 to 2022.

Elderly Population Growth, January 2023-January 2026

	2023 Population		2026 Population		Percent Change		
	65-74	75+	65-74	75+	65-74	75+	65+
Lake	59,829	52,210	65,729	57,928	9.0%	9.9%	9.4%
Sumter	36,226	40,353	36,715	47,901	1.3%	15.8%	10.6%
Combined	97,709	92,663	102,444	105,829	4.6%	12.4%	9.9%
Florida	2,660,625	2,281,200	2,832,590	2,495,066	6.1%	8.6%	7.2%

Source: CON application #10738, page 26, from AHCA Florida Population Estimates and Projections by District 2018-2030. The reviewer notes the applicant indicated the publication timeframe was 2010-2030.

The applicant notes that during January 2023 to 2026 the 65 and over population in the two counties is expected to grow by 9.9 percent, a combined population growth rate higher than Florida's for residents over 75 and the 65 and over population with Sumter County being the fastest growing in the aged 75 and over cohort. Sumterlake argues that the continued elderly population growth will strain the capacity of the existing area nursing homes which are already operating at high occupancy levels.

General and Age 65+ Population Overview, 2023

	2023 Population		2026 Population		Percent Change	
	65+	Total	Total	Percentage of 65+		
Lake	112,039	422,973	422,973	26.49%		
Sumter	75,686	142,650	142,650	53.06%		
Combined	187,725	565,623	565,623	33.19%		
Florida	4,864,166	22,487,016	22,487,016	21.63%		

Source: CON application #10738, page 26, from AHCA Florida Population Estimates and Projections by District 2018-2030.

Sumterlake indicates that the proposed facility will be in Wildwood, Florida, (the second fastest growing city in Florida)². Wildwood is located near the Sumter County line which provides Lake County residents access via the Florida Turnpike and County Road 44. The location will also be easily accessible to southern parts of Sumter County via Interstate 75 and US-301. Further, the location “will allow patients' family members living in both counties to easily access” the facility. Sumterlake’s table is offered in support of the rapid population growth of Wildwood, The Villages, Wildwood and The Villages combined and the state.

General Population Growth, April 2010-April 2020

	2010 Population	2020 Population	Percent Change	Yearly Growth
Wildwood	6,709	15,936	137.5%	8.7%
The Villages	93,420	129,752	38.9%	3.3%
Combined	100,129	145,688	45.5%	3.8%
Florida	18,801,310	21,538,187	14.6%	1.4%

Source: CON application #10738, page 27, from US Census Bureau.

Sumterlake shares that its proposed site was chosen due to the rapid population growth which has more than doubled (57 percent) from 2020 to 2022 and Wildwood averaged a yearly growth rate almost nine times that of Florida during 2010 - 2020. Further, the location is in proximity to The Villages, reported to be the fastest growing metro area in the United States from 2010 to 2020, whose population increased 38.9 percent with a yearly growth rate of three percent.³ The table below shows the distribution of ethnicity for the populations age 64 and under and 65 and over cohorts.

**Distribution of Ethnicity
Age less than 65 and 65+, 2021**

	White, Non-Hispanic		Hispanic		Other, Non-Hispanic	
	<65	65+	<65	65+	<65	65+
Lake	68.06%	85.07%	23.25%	6.84%	8.69%	8.09%
Sumter	70.73%	95.27%	11.88%	1.85%	17.39%	2.87%
Combined	63.12%	89.87%	19.26%	4.49%	17.63%	5.63%
Florida	47.58%	72.05%	29.62%	16.02%	22.80%	11.92%

Source: CON application #10738, page 27, from Florida CHARTS 2021 Data accessed 05/10/2023.

Sumterlake’s table above supports its argument that the majority of the 65 and older population in Subdistrict 3-7 is primarily White, Non-Hispanic. However, the applicant notes Aston Health’s experience in providing service to Spanish speaking patients. Sumterlake confirms that Aston Health, its consulting services partner, regularly employs bilingual, Spanish-speaking clinical and non-clinical staff members at its Florida nursing homes and the proposed facility will do the same.

Subdistrict 3-7’s disease-specific needs are addressed by using CY 2021 the Agency’s inpatient hospital discharge data. Sumterlake offered that upon examination of the service area’s prevalence of diseases by hospital discharges to nursing homes and cause of death it found that circulatory disorders including cardiac disease are the largest number of discharges, followed by musculoskeletal conditions. Sumterlake states that COVID accounts for a large percentage of infectious disease discharges, which it expects will likely decline in future years.

³ CON #10738, application page 27 footnotes cited several articles in support of its population statements.

Subdistrict 3-7 Hospital Patients Discharged to SNF by Diagnosis, CY 2021

Disease & Disorders of:	Patients	Percent
The Circulatory System (incl. Cardiac Disease)	965	17.17%
The Musculoskeletal System & Conn Tissue	900	16.01%
Infectious & Parasitic Diseases	763	13.57%
The Respiratory System	639	11.37%
The Kidney & Urinary Tract (incl. kidney disease)	504	8.97%
The Nervous System (incl. Stroke and Alzheimer's)	437	7.77%
The Digestive System	395	7.03%
Endocrine, Nutritional & Metabolic Diseases & Disorders	210	3.74%
The Skin, Subcutaneous Tissue & Breast	151	2.69%
The Hepatobiliary System & Pancreas	77	1.37%
Other	580	10.32%
Total Discharges to SNF	5,621	100.00%

Source: CON application #10738, page 28.

The applicant contends that the leading causes of death for Subdistrict 3-7 residents aged 65 and older were: 1) Heart Disease, 2) Cancer, 3) Cerebrovascular Disease, 4) COVID-19, and 5) Chronic Lower Respiratory Disease and that 23 percent died from heart disease and five to eight percent from cerebrovascular disease. Sumterlake’s table below shows CY 2022 top 10 Lake and Sumter County resident deaths aged 65 and older by percent.

Subdistrict 3-7 Cause of Death Age 65+, CY 2022

Cause	Lake	Sumter	Florida
Heart Diseases	23.13%	22.93%	22.45%
Malignant Neoplasm (Cancer)	20.45%	22.36%	19.33%
Cerebrovascular Diseases (inc. Stroke)	7.64%	4.88%	7.98%
COVID-19	5.79%	4.88%	5.55%
Chronic Lower Respiratory Diseases	5.90%	3.47%	5.34%
Alzheimer's Disease	3.26%	2.52%	3.40%
Unintentional Injury	4.15%	5.66%	3.22%
Diabetes Mellitus	3.91%	3.06%	2.98%
Parkinson's Disease	1.92%	2.85%	1.68%
Other Causes of Death	15.63%	18.06%	17.87%

Source: CON application #10738, page 29, from CHARTS Death Queries 2022 Deaths accessed May 4, 2023.

Sumterlake assures that its consulting partner, Aston Health, will provide disease-specific programs for these diagnoses. Facility staff will offer comprehensive services specific to cardiac disease, kidney disease, orthopedic rehabilitation for patients with musculoskeletal injuries and limitations, respiratory disease, and stroke rehabilitation. Facility staff will also educate referral sources on diagnosis-specific offerings to improve patient access to disease-specific care.

Sumterlake next discusses 2023 County Health Rankings, which are a key metric for the Mobilizing Action Toward Community Health (MATCH) collaboration project between the Robert Wood Johnson Foundation and the University of Wisconsin Population Health Institute. The applicant notes that each factor, including how Lake and Sumter Counties compared to Florida and to the National Benchmark, are published at the “County Health Rankings & Roadmaps” website. Counties are ranked in comparison to the

health of other counties in the same state on Health Outcomes and Health Factors with high rankings of 1 or 2 being the "healthiest." Lake County ranked 22nd of the 67 Florida counties for health factors and 28th for health outcomes and Sumter County ranked 26th and 34th, respectively.⁴

Lake and Sumter County scored higher than the Florida average for primary care physicians to-population ratio and preventable hospital stay rate. Both counties had lower scores than the Florida average on self-reported poor or fair health, poor physical health days and poor mental health days. The applicant explains that self-reported health status is a general measure of health-related quality of life (HRQoL) in a population based on survey responses to the following questions:

- Poor or Fair Health: "In general, would you say that your health is excellent, very good, good, fair, or poor?" The value reported in the County Health Rankings is the percentage of adult respondents who rate their health "fair" or "poor."
- Poor Physical Health Days: "Thinking about your physical health, which includes physical illness and injury, for how many days during the past 30 days was your physical health not good?" The value reported in the County Health Rankings is the average number of days a county's adult respondents report that their physical health was not good.
- Poor Mental Health Days: "Thinking about your mental health, which includes stress, depression, and problems with emotions, for how many days during the past 30 days was your mental health not good?" The value reported in the County Health Rankings is the average number of days a county's adult respondents report that their mental health was not good.

Lake and Sumter Counties also scored below the Florida average for adult obesity, adult smoking, and adult excessive drinking. Sumterlake reports that the 2023 County Health Rankings show that the percentage of adult population that is obese in Lake County (36 percent) and Sumter County (34 percent) is higher than Florida overall (28 percent). The applicant notes that obesity can increase the risk for health conditions such as coronary heart disease, type 2 diabetes, cancer, hypertension, dyslipidemia, stroke, liver and gallbladder disease, sleep apnea and respiratory problems, osteoarthritis, and poor health status.

Sumterlake provided a table showing the Subdistrict 3-7 facilities location, number of licensed community nursing home beds, and total CY 2022 occupancy. The applicant also notes the only approved but not yet

⁴ University of Wisconsin Population of Health Institute, "County Health Rankings & Roadmaps," <https://www.countyhealthrankings.org/explore-health-rankings/florida/data-and-resources>.

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operational beds are at The Lakes at Clermont, which was approved to add 40 community nursing home beds. The Lakes at Clermont had 93.65 percent occupancy for the six months ending December 2022. Sumterlake notes these 40 beds are included in the FNP formula for Subdistrict 3-7's 116-bed need projection.

Sumterlake notes Subdistrict 3-7 community nursing home above 85 percent occupancy during CY 2022, which was higher than the state-wide average. Further, Sumter County's occupancy was above the 85 percent threshold pre-pandemic, both counties occupancy dropped in 2020 and then surpassed the 85 percent threshold in 2022. The table below shows the percentage annual occupancy for CYs 2019-2022 for Lake County, Sumter County, Subdistrict 3-7 ('combined providers') and the state.

	2019	2020	2021	2022
Lake	82.89%	80.73%	78.30%	87.49%
Sumter	88.03%	82.64%	86.98%	89.12%
Combined Providers	83.85%	81.08%	79.88%	87.81%
All Florida Providers	85.96%	77.54%	73.46%	79.12%

Source: CON application #10738, page 32, from Florida Nursing Home Utilization by District and Subdistrict April 3, 2020, April 2, 2021, April 1, 2022, and March 31, 2023.

Sumterlake states if these rates grow at the same rate as the 65+ elderly population, by 2026 Lake County nursing home occupancy will be 94 percent and Sumter County 98 percent. The applicant argues that this will make it difficult for existing providers to meet the growing demand for skilled nursing care and that approval of its application will give Subdistrict 3-7 residents continued access to skilled nursing care.

Sumterlake notes that Aston Health is an established provider and has consulting agreements with two Subdistrict 3-7 nursing homes - Bayview Center and Ruleme Center and these facilities have established relationships with area hospitals, physician groups, and community organizations. During May 2023, Bayview and Ruleme received referrals from over 40 Florida hospitals and providers (listed on the application's page 36). Sumterlake contends the reputations of these facilities assure that it will benefit from its relationships and will enter Sumter County as a familiar and well-known provider.

The applicant's map (CON application 10738, page 37) shows CY 2022's the concentration of elderly population by zip code and the zip code area nursing homes occupancy by percentiles. The elderly population is more concentrated in the area near Wildwood (ZIP codes: 32163, 33585, 34484, 34785) and The Villages (32159, 32162, 32163, 34484, 34731, 34785) with the facilities near these areas experiencing higher rates of occupancy.

Sumterlake notes that during the six months ending December 31, 2022, one of the four Sumter County nursing homes occupancy was less than 85 percent, and the subdistrict had 87.8 percent occupancy. The applicant concludes that “due to the increasing elderly population, there is a clear need for a new SNF in Sumter County”.

2. Agency Rule Preferences

Does the project respond to preferences stated in Agency rules? Please indicate how each applicable preference for the type of service proposed is met. Rule 59C-1.036, Florida Administrative Code.

Chapter 59C-1.036 of the Florida Administrative Code does not contain preferences relative to community nursing home beds nor does the Agency for Health Care Administration publish specific preferences for these facilities. However, the rule does contain standards the Agency utilizes in assessing the applications.

- 1. Rule 59C-1.036(3)(e) Florida Administrative Code. Geographically Contiguous Subdistrict within a District. If need is aggregated from two subdistricts, the proposed nursing home site must be located in the subdistrict with the greatest published need as determined by the bed need formula contained in this rule.**

Okahumpa SNF LLC (CON application #10737) responds that the proposed nursing home will be constructed in Lake County, within Nursing Home Subdistrict 3-7, the subdistrict exhibiting the greatest need of 116 beds, compared to Subdistrict 3-4 with 53 beds.

Sumterlake Operations LLC (CON application #10738) notes that this does not apply to its project.

- 2. If need is aggregated from more than two subdistricts, the location of the proposed nursing home site must provide reasonable geographic access for residents in the aggregated subdistricts given the relative bed need in each subdistrict.**

This criterion is not applicable to these projects.

- 3. Rule 59C-1.036(3)(f) Geographically Underserved Areas.** This criterion is not applicable to the projects.

4. **Rule 59C-1.036(4)(d) Proposed Services.** Applicants proposing the establishment of Medicare-certified nursing facility beds to be licensed under Chapter 400, Florida Statutes, shall provide a detailed description of the services to be provided, staffing pattern, patient characteristics, expected average length of stay, ancillary services, patient assessment tools, admission policies, and discharge policies.

Okahumpa SNF LLC (CON application #10737) states that it will participate in both the Medicare and Medicaid programs to promote access to both short-term and long-term care and provides a brief narrative on pages 2-3 and 2-4 of the application for the following services:

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

Sixteen other services and amenities that Okahumpa indicates provide support, comfort and security include:

- Full time Medical Director
- 24-Hour Registered Nurse Coverage
- On site X-rays and Clinical Lab testing
- Ostomy Care
- Enteral Care
- Foley catheter care, changes, and teaching
- Diabetic care and management
- Medication Management
- Bowel and bladder training
- IV Therapy
- Dialysis Support
- Structured activities seven days a week
- Pet Therapy
- Security System
- Daily Transportation
- Beauty/barber shop

Okahumpa notes that Millennial Healthcare has policies and procedures used at affiliate facilities that will serve the new facility, including admissions, residents' rights, care and discharge planning.

Regarding admissions, the applicant points out that a multidisciplinary team, consisting of the Nursing Center's Administrator, administrator, medical director, and other health care professionals, evaluates the needs of each resident. Further, decisions to transfer are based on consultation with the Care Team, as well as with the resident and his or her family and physician. Okahumpa states that each resident receives an admission packet which details the agreement between the facility and the resident, his/her legal representative or other responsible party. The applicant lists 20 applicable forms for facility admissions on page 2-5 of the application.

Okahumpa addresses Florida's Long-Term Care Ombudsman Program and Resident Rights stating that upon admission, program information is given to residents addressing their rights at the facility. Further, staff receive appropriate training to delineate Nursing Home Federal Requirements for Resident Rights ensuring that all are prepared and trained to provide residents the highest measure of dignity, courtesy, and good care that is expected by the residents, the families, and by the community.

Discussing care planning, the applicant comments that developing a resident care plan is the single most important task undertaken for that resident and further comments that the care plan affects every aspect of his or her life in the facility, as well as the perception of the quality of life. Okahumpa bullets 11 staff members responsible for the development and/or implementation of the resident's care plan:

- Attending physician
- Director of Nursing
- The Charge Nurse responsible for resident care
- Registered Nurse assigned to the resident
- Nursing Assistants responsible for the resident's care
- Dietary Manager
- Social Services Manager
- Activities Director
- Therapists, as appropriate
- Consultants, as appropriate
- Others, as appropriate or necessary to meet the needs of the resident

Okahumpa states that ongoing monitoring through the Quality Assurance and Performance Improvement (QAPI) process provides feedback to enhance care toward improvement and recovery and to

avoid hospital readmissions. Further, information addressed during the initial evaluation by the admitting nurse includes but is not limited to:

- Medical diagnosis
- Description of skin condition
- Current level of activity/mobility
- Cognitive status
- Diet orders
- Weight
- ADL performance
- Physical impairments

Regarding discharge planning, Okahumpa states admission “must recognize the potential of each resident for discharge”. This approach makes placement into a nursing home a last resort, as the facility environment reduces the independence of individuals. Okahumpa emphasizes that an initial length of stay will be estimated, particularly for Medicare beneficiaries, after which date the expectation will be for discharge and that discharge plans begin with the initial assessment. Seven medically related social service or home-based services are cited, which include:

- Making arrangements for obtaining adaptive equipment
- Making referrals and obtaining services from outside entities, e.g., home health, private duty referral, community services, Meals on Wheels, Transportation
- Follow up appointment with physician
- Prescriptions written or called in for (1) medications, (2) outpatient therapy, (3) labs
- Home evaluation by Therapy
- Discharge meeting with family, patient, and/or caregivers
- Home health guidelines for eligibility:
 1. Reside within service area;
 2. Is homebound when required by the third-party payer source;
 3. Is in an environment which allows for safe and effective care;
 4. Has an available and willing caregiver when indicated;
 5. Is in need of a level of service provided and needs can be adequately met in the specific environment;
 6. Is receptive to agency services and complies with recommended treatment; and
 7. Is under the supervision of a doctor of medicine, dentistry, podiatry, or osteopathy, who is duly licensed to practice in the State of Florida.

Okahumpa indicates that discharge plans involve an interdisciplinary team approach: dietary, all therapies, nursing, family, patient, caregiver, and third-party payer sources to provide the best care after

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the patient is discharged from the facility. Further, a resident is discharged only on the orders of the attending physician and at that time, a record is made of the resident's care with an appropriate discharge summary of prior treatment, diagnosis, rehabilitation potential, physician orders for immediate care, and other pertinent information which is then available to physicians or other providers such as home health agencies or ALFs. Upon discharge, Okahumpa's director of nursing and social services director will discuss the aftercare plans with the resident and his or her family and any other aftercare provider, as appropriate and will provide a written plan to the person, to his or her responsible party, and to the attending physician. The applicant assures that when the discharge plan calls for follow-up, appropriate follow-up will occur with the referral agent to acknowledge that the person has begun the aftercare program. A sample discharge/transfer policy is included the application's Tab 5, Exhibit 5.

Okahumpa offers that the facility will have short-term and long-term patients, accepting a variety of payers including Medicare, Medicaid, and private insurance. The applicant notes the table below is based on facilities in the area with similar utilization patterns as those expected at its facility.

**Okahumpa SNF LLC
Projected Admissions, Patient Days, ALOS and ADC
Years One & Two for the 150-Bed and 147-Bed Projects**

Factor	150 Beds		147 Beds	
	Year One	Year Two	Year One	Year Two
Admissions	894	1,501	877	1,473
Patient Days	28,291	47,586	27,740	46,711
ALOS	32	32	32	32
ADC	78	130	76	128

Source: CON application #10737, page 2-8, Table 2-1

Okahumpa states that admissions and patient days for the proposed facility indicate an ALOS of 32 days, representing a mix of both short-term and long-term residents. The 150-bed facility is expected to achieve an ADC of 78 in the first year and 130 in the second year, reaching an occupancy level of 87 percent in the second year, similar to the subdistrict average for 2022. The 147-bed facility (partial request) is expected to achieve an ADC of 76 in the first year and 129 in the second year, reaching 87 percent occupancy level in the second year. Okahumpa assures that staffing provided on Schedule 6 show that the facility meets or exceeds the minimum staffing standards. Section 5, Resources shows utilization and staffing patterns and Schedule 7 shows patient days by payer.

Okahumpa next examined the Agency's Hospital Patient Discharge Data from July 2021- June 2022 to nursing homes for Lake and Sumter County residents aged 65 and over, to determine the level of

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need for specific nursing home resident services. Four MDCs (MDCs 08, 04, 05, and 18 musculoskeletal, circulatory, infectious diseases, and respiratory conditions) accounted for 61.58 percent of residents aged 65 and older discharges to SNFs. The MDC discharge table below shows the four most frequently occurring and combines the others.

**Lake & Sumter Hospital Discharges to Skilled Nursing Facilities by MDC For
Lake & Sumter Residents Aged 65 and over, July 2021 — June 2022**

MAJOR DIAGNOSTIC CATEGORY	July '21 - June '22	
	Cases	Percent
08 Diseases & Disorders of the Musculoskeletal System and Conn Tissue	1,813	22.67%
05 Diseases & Disorders of the Circulatory System	1,219	15.24%
04 Diseases & Disorders of the Respiratory System	835	10.44%
18 Infectious & Parasitic Diseases, Systemic or Unspecified Sites	1,058	13.23%
<i>Remaining 20 MDCs</i>	3,073	61.58%
Grand Total	7,998	100.00%

Source: CON application #10737, page 2-9, Table 2-2 (partially reproduced)

Okahumpa notes that the MDC data above identifies the top conditions for admissions to skilled nursing facilities for the 12-month period from July 2021 to June 2022 and show the most common types of conditions expected for its project which determines what services are appropriate. The applicant contends it will offer a variety of specialized programs and continue to innovate to best meet residents' needs, and that the facility design includes a large therapy suite equipped for rehabilitation and occupational therapy for activities of daily living with staff personnel to deliver therapies.

The applicant states that it and its managers already have a variety of specialized programs and continue to innovate to best meet residents' needs. Each individual is assessed during the admission process to develop a plan of care with specific goals identified and prescribed services identified to restore, to normalize, and to achieve functional capabilities. Okahumpa indicates innovative technologies used will allow individual programming as functional improvements occur. The overall objective is to provide restorative programs that focus on avoiding hospital admission or readmission with protocols to ensure healing and promote higher functional levels that ensure residents' health and quality of life improves.

Okahumpa provides that Millennial Healthcare is committed to providing compassionate, personalized care that meets the unique needs of each individual patient and offers skilled nursing services such as 24/7 care from licensed nurses, wound care, medication management, and rehabilitation services such as physical, occupational, and speech therapy as well as long-term care services are also offered for those in need ongoing support for chronic conditions. Millennial Healthcare special programs designed to address specific needs under the “Centers of Excellence” heading include:

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- Alzheimer's Care
- Hip Replacement Rehabilitation Program
- Stroke Rehabilitation Program
- Cardiac Rehabilitation Program
- PD & HD Dialysis - a dialysis program that provides onsite dialysis services for patients with kidney failure
- TPN Therapy (Total Parenteral Nutrition)
- Infectious Disease
- Trach Care/Respiratory
- Wound Care
- Therapy Equipment Intervention:
 - Electronic Stimulation Devices
 - Ultrasound and Heat Therapy
 - Adaptive Equipment
 - Balance Training Equipment
 - Virtual Reality Therapy.

Okahumpa notes that specialized equipment and beds include orthopedic beds for optimal support and comfort for patients recovering from orthopedic procedures, stroke rehabilitation equipment to help stroke patients regain strength and mobility, and CHF/COPD monitoring equipment for patients with congestive heart failure or chronic obstructive pulmonary disease.

Schedule 6 shows the 150-bed facility is projected to have 115.8 total FTEs in year one (CY 2026) and 178.4 FTEs for year two (CY 2027). The reviewer notes that the total FTE counts increases from year one to year two for administration, nursing, ancillary, dietary, social services, housekeeping, laundry, and plant maintenance for both 150-bed and 147-bed projects.

The applicant's Schedule 7 shows the 150-bed is projected to have 9,902 Medicaid patient days in CY 2026 and 16,655 Medicaid days in CY 2027 (35.0 percent of each year's total patient days).

Schedule 6 shows the 147-bed facility is projected to have 114.5 total FTEs in year one (CY 2026) and 176.5 FTEs for year two (CY 2027). Schedule 7 for the 147-bed project maintains the 35.0 percent of Medicaid to total patient days showing 9,709 Medicaid patient days in CY 2026 and 16,349 Medicaid days in CY 2027.

Sumterlake Operations LLC (CON application #10738) notes its staffing pattern is in Schedule 6 and provides the patient ALOS based on Schedule 7—Medicaid is 360 days, traditional Medicare 20 days and Medicare HMO is 18 days. The applicant references Schedule 7 for the

facility's projected revenues, patient days and admissions by payer, which are not repeated in this response.

Sumterlake (Azalea Park) provides the following list of 40 "Special Features" and other amenities the facility will include:

- Rapid Recovery Unit with specialized orthopedic, cardiac and stroke rehab programs
- Comprehensive PT, OT, and SLP treatment available seven days a week
- Registered nurse (RN)/licensed practical nurse (LPN) licensed staff 24 hours a day, 365 days a year
- Advanced bedside diagnostics and laboratory services
- Pharmacy services
- IV therapy
- TPN
- Tracheotomy care
- Sepsis care
- Outpatient dialysis
- Advanced wound care programs
- Pain management programs
- Fall reduction programs
- Registered dietitian services
- Bedside dental, podiatry, and eye care services
- Cardiac care
- Pulmonary rehabilitation
- Stroke rehabilitation
- Certified wound care
- Palliative care
- Telemedicine
- Structured recreational activities seven days a week
- Patient transportation
- Patient and caregiver education and training
- Nutritional counseling and supervision
- Respiratory therapy
- Psychological services
- Spiritual care programs

Other amenities include:

- Flat screen TVs
- Beside telephones
- Wi Fi throughout the facility
- Custom-designed furnishings
- Push button and audio nurse call system
- Restaurant-style dining
- Beauty salon

- Laundry Services
- Medical transportation assistance
- Activities available seven days a week
- 24-hour visitation
- State-of-the-art therapy gym and equipment

Sumterlake addresses rehabilitation and restorative services by confirming that the clinical protocols meet standards of care for treating various diagnoses and resolving problems. Procedures focus on restoring physical and cognitive functioning and avoiding hospital readmissions and include physical, speech, occupational and respiratory therapy. Staff will include licensed professionals and certified assistants. Examples of post-acute programs that combine their specializations with nurses delivering a regimen of care include:

- Hip, knee, and other joint replacement
- Assistive devices and accommodations to amputations or disability
- Dysphagia (swallowing techniques)
- Stroke rehabilitation
- Pain management
- Wound care
- Cardiac rehabilitation
- Surgical recovery
- Tracheotomy care
- Osteotomy care
- Tube feeding
- IV therapy

The applicant restates that circulatory disorders, including cardiac disease, were the largest number of service area discharges to Subdistrict 3-7 nursing homes in 2021, followed by musculoskeletal conditions, respiratory system conditions, kidney and urinary tract conditions, and nervous system conditions (including stroke) adding that COVID accounted for the large percentage of infectious disease discharges in 2021 and this percentage will likely decline in future years. Sumterlake's 'Hospital Discharges to SNF in CY 2021' (CON application #10738 pages 28 and 44) is included in the response.

Sumterlake briefly reiterates its E.1.a. discussion of the comprehensive services it will offer and cites it is detailed beginning on page 10 of its application. The applicant also cites the example of a flier for referral source education included in the application's Attachment 18.

The applicant confirms that its patients at Azalea Park will engage in weightbearing exercises that provide range of motion, flexibility, stability, lateral balance, and strength to restore their mobility for those with musculoskeletal diagnoses which include hip and knee

replacement patients. Further, additional exercises will be offered to improve stamina, progressive therapeutic activities will coincide with measured progress so that residents can gain control of mobility and physical and occupational therapists will guide residents through protocols that enhance flexibility in joints, legs, and back with core or abdominal strengthening. Sumterlake states the medically complex program features control of pain and includes exercises and coaching protocols as well as biofeedback and that associated conditions with pain require the administration of drugs, including antibiotics and IV drug administration. Dietary management, speech therapy, catheter care, incontinence services, and bowel and bladder training services to be offered are aimed to achieve higher independence capabilities for its residents so that they effectively manage symptoms. Patients with renal failure that require a dialysis program will be provided with round-the clock assessment along with progress notes and meals at every visit to the dialysis center. The applicant confirms its programs will provide residents with the services they require to know they will be well cared for during their stay.

Sumterlake states it will provide services to respond to acute, chronic, or latent conditions and that ongoing assessments of residents' conditions and health status will assure patients receive appropriate services in frequency, amount, and duration. Examples of services include:

- Skilled nursing services with licensed professionals 24 hours a day, whether a brief or extended stay is required
- Nursing services featuring IV, nutrition and wound care teams, respiratory
- Treatments, feeding tubes, and pain management
- Specialized activities
- Psychological services
- Family support
- Assistance with ADLs
- Person-centered individualized treatment plans

Employees as well as contractors will deliver integrative medicine and palliative and supportive care. This includes professionals and services such as physician consults, x-rays, laboratory tests, psychiatric consults or services, dental consults or services, podiatry services, optometric and ophthalmic services, or consults.

Sumterlake acknowledges that federal regulations require nursing homes meet each resident's needs. Its services list above includes those most often used; however, the list is not complete and for

instance if a resident requires oxygen, a supplier provides it. The facility will also order assistive devices and durable medical equipment as noted in the plan of care.

Discussing care planning, Sumterlake comments the resident care plan will address their individual physical, psychosocial, and functional needs. The IDT (interdisciplinary care team) is composed of an attending physician, a registered nurse, a nurse aide, a food and nutrition services staff member, and other appropriate staff or professionals as determined by the resident's needs or as requested by the resident. The resident care plan is signed by the resident and/or the legal representative, in collaboration with their care team.

Sumterlake assures that its team assesses the strengths and needs of the resident incorporating personal and cultural preference adding that the resident has the right to actively participate or refuse treatment along with the right to choose to participate in the plan formulation process as it pertains to its timeline, individuals involved, the services and/or items included in the care plan, and revisions to the plan, if needed. Each care plan will have measurable objectives and timeframes that meet the resident's physical, mental, and psychosocial needs with the plan building on the resident's strengths and discharge goals, while incorporating identified problems and risk factors. The care plan will be evaluated by the care team and the resident's physician and will be updated as changes in the resident's condition warrant and, at a minimum receive quarterly review.

Schedule 6 is cited as showing that the facility meets or exceeds the minimum staffing standards. Sumterlake states it will use a variety of methods to recruit qualified candidates for positions at the facility. Aston Health's use of Apploi, a health care-focused recruiting platform is described as allowing human resources (HR) professionals to access credentialing tools for licensed professionals which provides a centralized repository of responses to job postings on sites like Indeed and LinkedIn tracks the applicants and provides quicker onboarding. The HR manager (shown in Schedule 6) will be responsible for employee recruitment.

The administrators and directors of its proposed facility will attend Aston Health Consulting Leadership Program, which provides training and support to address challenges these positions face. The leadership training curriculum covers risk management, admissions and marketing, medical records, customer service, compliance and ethics, financial management, human resources, staff and labor management, utilization review, case management, resident trust revenue cycle, environmental and facilities management, activities for residents, social

services, nutrition services, therapy services, clinical services, and infection control. Sumterlake references the application's Attachment 7 (Aston Health Leadership Program) for more details.

Sumterlake's admission process is to begin with the referral being opened in Census Pro. Once criteria are met the admissions department contact the patient, their emergency contact, case manager/social worker, hospital physician, and primary care physician to complete the admissions packet. New admissions must undergo state and federal sexual offender checks and residents and any current treating providers are notified of the admission. After admission, the applicant ensures that all records are updated in PointClickCare, its EMR system.

The applicant assures that its admission process coordinates evaluation of the individual with communication with his or her family to develop a baseline plan of care and understands that changes, additions, and deletions to this plan occur throughout the individual's stay. The applicant states that this process presumes a return home or to a less restrictive setting. Further, the applicant notes that federal guidelines direct how admission and care planning occur.

Sumterlake states that the resident service liaison or designated admissions staff will ensure a smooth transition into care. Aston Health's customer service concierge program

- Ensures rooms are ready and equipped for patient needs
- Prepares staff for patient arrival, including communication of special conditions or requirements
- Greets new patients and their families and helps them through the admissions process
- Makes introductions to caregiver staff and departments
- Conduct a post-admission satisfaction survey to evaluate the initial days of the stay and promptly address any questions or concerns
- Provides daily concierge check-ins for the first few weeks of the stay to ensure satisfaction and confirm that any requests are met.

General orientation for new staff will be performed by a registered nurse and includes a general orientation module, a clinical orientation module covering federal and state required training, and facility culture and needs as determined by the facility assessment. The application's Exhibit 8 (Aston Health Orientation) includes an outline of the general and clinical orientation curriculum. General orientation is provided on days one and two to all new staff members and clinical orientation is provided on day three only to RNs, LPNs, certified nursing assistants, and patient care assistants.

Continuing education will be role-specific and competency-based, and will be delivered through several teaching methods such as: instructor-led, return demonstration, e-learning, skills fairs, etc. CNA training modules will cover care for pressure ulcers, nutrition/hydration, feeding techniques, end-of-life, HIV/AIDs, vital signs, oxygen management, code status advance directives, and change in condition with each module having evaluations and competency quizzes. Each CNA will be required to demonstrate their competencies on the skills checklist. Nurse training modules include (skin care and wound care, medication management, pain management, change in condition, code status advance directives, and restorative nursing care) which include training evaluations and quiz competencies for each module which will be completed during orientation.

Sumterlake shares that it follows a standard procedure for referral management and pre-admission information gathering which provides the accurate and timely verification of payor and clinical needs for prompt admission decisions and positive relationships with physicians, referral sources, and patients. The applicant states that the medical care guide staff uses when completing the Minimum Data Set (MDS) includes assessment and input from the attending physician, director of nursing, nursing assistants responsible for the resident's care, dietary manager, social services manager, activities director, therapists, consultants, and others who may be necessary to meet the needs of the resident.

The applicant's Exhibit 9 includes its Admission Packet. Upon admission, each resident is evaluated for special needs and a care plan is developed that considers these factors:

- Medical diagnoses
- Description of skin condition
- Current level of activity/mobility
- Cognitive status
- Diet orders
- Weight
- ADL performance
- Physical impairments
- Spiritual and cultural preferences
- Psychosocial adjustment
- Trauma-informed care

The Sumterlake Resident Assessment Instrument (RAI) manual suggests the following care planning areas for consideration in the long-term care setting:

- Problem/concern statements
- Goal/objective statements:

- Resident-centered, addresses what the resident will do, when/where/how these will be accomplished
- Clear, concise, observable, and measurable
- Linked to a reasonable timeframe
- Realistic and achievable
- Determined in consultation with staff, resident/responsible party, and other health professionals
- Date by which the outcomes are expected to occur
- Approaches:
 - State what is to be done to help the resident achieve his or her outcomes
 - Relate to the cause of the problem identified during assessment
 - Each approach is specific and detailed in a way that is easily understood such that any staff member assigned can carry out the action
 - Ensure reference to other documents in the clinical record is made
- Responsible discipline is identified for each
- Review date for the care plan is noted

Residents and the family member or caregiver will receive ongoing reports to follow progress and comment on care and services, changes in the treatment plan, and other concerns.

Sumterlake shares that discharge planning begins with the initial assessment and changes as progress occurs throughout the resident's stay. Examples of the medical services, appointments, prescriptions, and other involvement with the health and social systems than appear in the discharge plan include:

- Making arrangements for obtaining adaptive equipment
- Making referrals and obtaining services from outside entities, e.g., home health, private duty referral, community services, Meals on Wheels, transportation
- Education and teaching provided by licensed nurse to resident and family, which includes but is not limited to medication management, treatment programs, and community resources for successful transition of care
- Follow-up appointment with physician
- Prescriptions written or called in for (1) medications, (2) outpatient therapy, (3) labs
- Home evaluation by therapy department
- Discharge meeting with family, patient, and/or caregivers
- Guidelines for home health eligibility:
 1. Reside within service area;
 2. Is homebound when required by the third-party payer source;

3. Is in an environment which allows for safe and effective care;
4. Has an available and willing caregiver when indicated;
5. Is in need of a level of service provided and needs can be adequately met in the specific environment;
6. Is receptive to agency services and complies with recommended treatment; and
7. Is under the supervision of a doctor of medicine, dentistry, podiatry, or osteopathy who is duly licensed to practice in the State of Florida.

Sumterlake states that the case manager reviews the plan at discharge with the resident and family for their final input, any concerns, or questions. The plan includes a record of the resident's care with a discharge summary showing prior treatment, diagnosis, rehabilitation potential, physician orders for immediate care, and other pertinent information. Copies will be provided to the primary care physician and any other caregivers or other health care personnel at the residents request. Residents may remain in its facility and will not be transferred or discharged unless

- (1) the transfer or discharge is necessary for the resident's welfare and the resident's needs cannot be met in the facility;
- (2) the transfer or discharge is appropriate because the residents' health has improved sufficiently so the resident no longer needs the services provided by the facility;
- (3) the safety of individuals in the facility is endangered due to the clinical or behavioral status of the resident;
- (4) the health of individuals in the facility would otherwise be endangered;
- (5) the resident has failed, after reasonable and appropriate notice, to arrange payment for a stay at the facility, or
- (6) the facility ceases to operate.

Sumterlake discusses its non-payment policy adding that Exhibit 3 includes a sample letter of agreement for transferring care between AdventHealth Palm Coast and Bridgeview Center. Exhibit 9 has the admission packet which includes example arrangements for transfer of care for an acute care patient to skilled nursing care. Aston Health facilities have a variety of policies in place to ensure equitable access to care, which Sumterlake will apply at its proposed facility. Further, Aston Health ensures resident rights to all patients in its facilities and posts of its policy throughout the facility as well as to each resident, caregiver, employee, provider, and contracted staff member. Sumterlake assures that all its staff will receive in-service training on resident rights before having direct care responsibilities.

Schedule 6 projections show 131.45 FTEs in year one (ending January 31, 2027) FTEs and 137.45 in year two FTEs (ending January 31, 2028). The reviewer notes that the total FTE counts increases from year one to year two regarding the staffing pattern headings of administration, nursing, social services. The applicant's Schedule 7 indicates the facility is projected to have 5,970 Medicaid patient days in year one (26.9 percent) and 11,871 (30.8 percent) of these years' total patient days.

5. Rule 59C-1.036 (4)(e) Quality of Care. In assessing the applicant's ability to provide quality of care pursuant to s. 408.035(3), Florida Statutes, the Agency shall evaluate the following facts and circumstances:

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

Okahumpa SNF LLC (CON application #10737) responds that it has never had a nursing facility licensed denied, revoked, or suspended.

Sumterlake Operations LLC (CON application #10738) responds that it has not had a Chapter 400, Florida Statutes, nursing facility license denied, revoked, or suspended within the 36 months prior to the application.

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

Okahumpa SNF LLC (CON application #10737) states that it has never had a nursing facility placed into receivership.

Sumterlake Operations LLC (CON application #10738) confirms that it has not had a nursing facility placed into receivership at any time during the period of ownership, management, or leasing of a nursing facility in the 36 months prior to the current application.

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

Both applicants - this item does not apply.

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

Both applicants - this item does not apply.

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

Both applicants - this item does not apply.

- 7. Rule 59C-1.036 (4)(g) Other Factors to be Considered in the Review of Certificate of Need Applications for nursing facility beds. An applicant who agrees to voluntarily relinquish licensed community nursing home beds in one or more subdistricts where there is no calculated need, may be recognized as a positive application factor when applying for nursing facility beds in a subdistrict with published need. The applicant must demonstrate that it operates or has a controlled interest as defined in subparagraph 59C-1.005(6)(j)3., Florida Administrative Code or has an agreement with another licensed community nursing home to ensure that beds are voluntarily relinquished if the application is approved. The nursing home from which the beds are being relinquished must submit a letter certifying that the identified number of beds at its facility will be delicensed no later than initial licensure of the proposed facility should the CON be awarded to the applicant. The relocation of beds under this paragraph must be limited to a portion of beds such that the occupancy rate of the remaining licensed beds of the facility from which the beds are being relinquished does not exceed 92 percent.**

Okahumpa SNF LLC (CON application #10737) argues that the state cannot ignore the positive health planning benefit of the above rule in evaluating the proposed 150-bed facility that relocates three beds from The Terraces of Lake Worth, within Nursing Home Subdistrict 9-4 showing no need, to Subdistrict 3-7, a health planning area that consistently showed need before and after the COVID-19 pandemic adding that it was the first area to have calculated need following the pandemic, additional beds were awarded, and there is additional need in the current cycle. The delicensure of three beds in a subdistrict that has no need would be a positive factor. However, CON rules and statute do not support relicensing the beds in a non-contiguous district.

Okahumpa SNF LLC's 147-bed partial project and **Sumterlake SNF LLC (CON application #10738)** do not propose to delicense beds.

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

Okahumpa SNF LLC (CON application #10737) indicates it will provide the required data to the WellFlorida Council, Inc., and the Agency for Health Care Administration. Further, data will include the above-cited utilization reports as well as required licensure and financial requirements required for operating the facility.

Sumterlake SNF LLC (CON application #10738) indicates it agrees to submit the required utilization reports.

3. Statutory Review Criteria

- a. Is need for the project evidenced by the availability, quality of care, accessibility and extent of utilization of existing health care facilities and health services in the applicant's service area? Section 408.035 (1), (2) and (5), Florida Statutes.**

As of February 10, 2023, Subdistrict 3-7 had 19 community nursing homes with 2,057 licensed and 40 CON approved community nursing home beds pending licensure at The Lakes of Clermont Health and Rehabilitation Center in Lake County (CON #10728). Subdistrict 3-7 community nursing homes reported 89.08 percent total occupancy during the six months ending December 31, 2022.

As previously stated, an FNP for 116 community nursing home beds in Subdistrict 3-7 was published in Volume 49, Number 63 of the Florida Administrative Register dated March 31, 2023. There are no exemption requests or expedited CON applications to increase the subdistrict's community nursing home bed count subsequent to the FNP publication. Freedom Pointe Healthcare Center (Sumter County) is adding 15 community nursing home beds via transfer of 15 community nursing home beds from Lake Port Square Health Center (Lake County) via exemption number E230002, which was approved June 29, 2023.

Okahumpa SNF LLC (CON application #10737) maintains that availability often refers to how much of a service exists, and that as of February 10, 2023, there are 15 skilled nursing facilities in Lake County with a total of 1,692 beds, including 30 sheltered beds and that The Lakes of Clermont Health and Rehabilitation Center was recently approved to add 40 beds to its existing 80-bed facility. The applicant further notes that Sumter County has four nursing homes for a total of 432 beds, 37 of which are sheltered beds. Okahumpa notes Subdistrict 3-7's occupancy during CY 2022 was 87.81 percent.

The applicant reiterates that District 3 ranks second in having one of the largest concentrations of residents aged 65 and older and that Subdistrict 3-7 has 10 community nursing home beds per 1,000 persons age 65+ when compared to 16 community beds per 1,000 persons age 65+ District 3. Okahumpa adds that compared with the State of Florida, which had 17 beds per thousand seniors, Subdistrict 3-7 is experiencing significant reduced availability for nursing home beds and assures that if approval of the 150-bed proposed facility is given, the bed supply would be maintained at 10 beds per 1,000 seniors, underscoring the need to construct the maximum possible, rather than the partial request for 147 beds.

Okahumpa asserts that its project benefits from an experienced team of having the knowledge, tools, and expertise to continuously maintain high quality nursing home standards it will utilize through Millennial Healthcare.

Quality of care is addressed in item E.3.b. of this report. The applicant states that it presents detailed information about its approach to achieving quality services and improving performance confirming that it has the experience and ability to assure quality care within nursing facilities in accordance with the CMS regulations and state licensing regulations.

Okahumpa contends that management is dedicated to improving the quality-of-care standards, invests in technologies, and utilizes protocols to engage staff in quality improvement initiatives and education. The project is to focus on rehabilitation to promote recovery and return to the community, while also

providing long-term care adding that the facility fosters resident-centric care and having at least 66 private rooms (67 with the 147-bed partial request), which Okahumpa contends will improve quality.

- All Millennial facilities seek Joint Commission Accreditation. All three facilities that have common ownership with Okahumpa SNF LLC are currently accredited with The Joint Commission: Citrus Health and Rehabilitation Center, Ft. Lauderdale Health and Rehabilitation Center, and Glades West Rehabilitation and Nursing Center
- All maintain strong relationships with Hospitals, Veterans Affairs, ACOs and Managed Care Providers
- Millennial uses state of the art Artificial Intelligence software and other industry leading software to minimize the workload of its leaders to give the required time back to them at the bedside, on the floor, with the staff and to improve clinical outcomes — to include staffing/visitor screening and rehospitalization risk reports to reduce the prevalence of unnecessary rehospitalization
- Additional partnership with an outside regulatory group to provide ongoing services to support 24/7 Compliance Assistance, 24/7 Crisis Management, Compliance and Ethics Training and a Hotline Service 24/7 for compliments and concerns
- Fully integrated Electronic Health Record (Point Click Care)
- Enhanced infection control protocols and procedures based on the current guidance by the Centers for Disease Control (CDC), Centers for Medicare and Medicaid Services (CMS), and the local and state Departments of Public Health (DPH)
- Center practices include but are not limited to on-site Certified Infection Preventionist nurse, adherence to use of personal protective equipment (PPE) protocols as indicated, rigorous environmental disinfectant cleaning, and visitor and staff screening procedures.
- 2022 Clinical Metrics to include reduction of rehospitalization rates post implementation of Artificial Intelligence Software

The applicant reiterates its agreement with Terraces of Lake Worth. As previously stated, the facility could delicense the beds, but the beds would not be eligible for licensure in a non-contiguous district.

Okahumpa that access is defined as how potential users obtain a service or gain admittance or entry to a facility providing the service, listing the components of access as geographic impediments, distance, time to travel, and eligibility criteria for qualifying for the service and considerations such as financial cost and methods of reimbursement from third parties.

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Regarding geographic access the applicant refers to is fixed need response in item E.1.a. showing the locations of hospitals and nursing homes within the 20-mile radius are within 30-minute driving distance to the proposed site, with four hospitals well within range. Regarding accessibility, Okahumpa includes a list a map of the four acute care hospitals and nursing homes within a 20-mile radius of the proposed site on pages 3-3 and 3-4 of the application.

Hospital	Beds
AdventHealth Waterman	300
Orlando Health South Lake Hospital	177
UF Health Leesburg Hospital	330
UF Health The Villages Hospital	307

Source: CON application #10737, page 3-3.

Regarding service access, Okahumpa reiterates the hospital discharge data discussed in item E.2. of this report (the four most frequently occurring discharges based on MDCs) and explains that those patients would benefit from the proposed project's services and special programs, including on-site dialysis and Alzheimer's care.

Regarding financial access, Okahumpa states that it will make every effort to remove any financial barriers that could impede access to nursing home care, working closely with hospital discharge planners and those who may make direct admissions. Okahumpa notes that there are multiple insurers offering Medicare Advantage plans within the Subdistrict, including Aetna Medicare, Cigna, HumanaChoice, United Healthcare, and Wellcare and states it plans to accept a variety of these plans to maximize access to care.

Okahumpa reiterates its response regarding the extend of utilization, using the Florida Nursing Home Bed Need Projections by District and Subdistrict (March 31, 2023), with four facilities affiliated with Millennial Healthcare Services highlighted to provide support to its argument that Millennial facilities are in high demand. See the table below.

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**Community Nursing Home Bed Utilization
Subdistrict 3-7, District 3, and Florida CY 2022**

Lake County	Comm. Beds	Patient Days	Total Occup.	Medicaid Days	Medicaid Occup.
AdventHealth Care Center Waterman	120	41,464	94.67%	19,675	47.45%
Avante at Leesburg, Inc.	116	36,360	85.88%	28,893	79.46%
Avante at Mt. Dora, Inc.	116	35,808	84.57%	26,555	74.16%
Bayview Center	120	40,416	92.27%	28,334	70.11%
Bedrock Rehabilitation & Nursing Center at Lake Eustis	90	24,337	74.09%	19,304	79.32%
Clermont Health and Rehabilitation Center	182	63,759	95.98%	46,385	72.75%
Lady Lake Specialty Care Center	145	51,156	96.66%	36,910	72.15%
Lake Port Square Health Center	85	24,867	80.15%	8,773	35.28%
Lakes of Clermont Health & Rehab. Center, The	80	27,309	93.52%	7,455	27.30%
Lakeview Terrace Rehabilitation and Health Care Center	20	4,779	65.47%	3,998	83.66%
North Campus Rehabilitation and Nursing Center	90	30,388	92.51%	17,712	58.29%
Ruleme Center	138	39,185	77.79%	29,273	74.70%
South Campus Care Center and Rehab	120	41,822	95.48%	30,106	71.99%
The Edgewater at Waterman Village	120	30,127	68.78%	15,311	50.82%
Villages Rehabilitation and Nursing Center, The	120	38,960	88.95%	1,099	2.82%
Sumter County					
Buffalo Crossings Healthcare and Rehabilitation Center	120	37,435	85.47%	11,705	31.27%
Cypress Care Center and Rehab	180	60,497	92.08%	43,579	72.03%
Freedom Pointe Healthcare Center	35	12,775	100.00%	0	0.00%
Osprey Point Nursing Center	60	17,869	81.59%	11242	62.91%
Millennial Total	535	183,863	94.16%	128,307	69.78%
SUBDISTRICT 7 TOTAL	2,057	659,313	87.81%	386,309	58.59%
DISTRICT 3 TOTAL	8,679	2,611,587	83.03%	1,584,004	60.65%
STATE TOTAL	86,356	23,891,583	79.12%	14,688,843	61.48%

Source: CON application #10737, page 3-7, Table 3-1, from Florida Nursing Home Bed Need Projections by District and Subdistrict, published March 31, 2023.

Okahumpa notes Subdistrict 3-7’s community nursing homes averaged 87.81 percent occupancy in CY 2022 compared to the Millennial facilities which had an average total occupancy of 94 percent which was higher than the Subdistrict 3-7, District 3 (83.03 percent), and Florida (79.12 percent) averages. Millennial affiliated facilities averaged 70 (69.78) percent Medicaid occupancy compared to the subdistrict’s 58.59, district 3’s 60.65, and states’ 61.48 percent. Okahumpa concludes that Millennial facilities high occupancy indicates facility-specific demand which assures that its facility will have a quick fill rate, and “the project is expected to increase utilization as access improves for residents of Lake and Sumter Counties”.

Sumterlake Operations LLC (CON application #10738) discusses the need calculation and notes that its 116-bed project is in response to the fixed need pool for Subdistrict 3-7. The applicant notes the Subdistrict has 19 SNFs and that The Lakes at Clermont has 40 approved but not yet operational beds. Sumterlake provides an overview of Subdistrict 3-7 providers including a table on the application’s page 67 showing the Lake and Sumter facilities city location, community beds and percentage occupancy for CY 2022. Subdistrict 3-7 occupancy is noted as being higher than the state-wide average in CY 2022. The applicant notes that Sumter County facilities had above 85 percent occupancy in 2019, both counties occupancy dropped in 2020 and both counties surpassed the 85 percent threshold in CY 2022.

Sumterlake's table on the application's page 68 shows the community nursing home percentage occupancy during CYs 2019—2022 for Lake County, Sumter County, Subdistrict 3-7 and the State. The applicant restates that the subdistrict's continuing elderly population growth will make it difficult for existing providers to meet the demand. Further, if Lake and Sumter County nursing home occupancy grew at the same rate as the 65+ elderly population, by 2026 SNF occupancy in Lake County would be 94 percent and 98 percent in Sumter County.

Sumterlake next addresses that the Visualization of Occupancy in Subdistrict 3-7. The applicant's map on page 69 shows the proposed facility's location and the CY 2022 concentration of elderly population by zip code. The map shows "the elderly population is more concentrated in the area near Wildwood (ZIP Codes 32163, 33585, 34484 and 34785) and The Villages (ZIP Codes 32159, 32162, 32163, 34484, 34731 and 34785). The SNFs in these areas experience higher rates of occupancy."

The applicant notes that there are only four Sumter County SNFs, and all but one had high CY 2022 occupancy rates and this facility averaged 87.8 occupancy for the six months ending December 2022. Sumterlake concludes that due to the "increasing elderly population, there is a clear need for a new SNF" in Sumter County.

- b. Does the applicant have a history of providing quality of care? Has the applicant demonstrated the ability to provide quality care? Is the applicant a Gold Seal Program nursing facility that is proposing to add beds to an existing nursing home? Section 408.035(3) and (10), Florida Statutes.**

Okahumpa SNF LLC (CON application #10737) restates it will contract with Millennial Healthcare. Okahumpa comments that the importance of continuity of care and staff training and development provide the basis for tracking progress and developing ongoing monitoring of the care within each nursing home. Further, management's philosophy is committed to enhancing the lives of its residents, whether needing short-term rehabilitation, traditional long-term support, or specialized care providing the highest level of quality with its devoted and experienced staff and comprehensive clinical services.

The applicant discusses that all Millennial Healthcare facilities seek Joint Commission Accreditation and that the three facilities that have common ownership with Okahumpa SNF LLC are accredited: Citrus Health and Rehabilitation Center, Ft. Lauderdale Health and Rehabilitation Center and Glades West Rehabilitation and Nursing Center. The only Millennial facility currently not Joint Commission accredited is stated to be The Club Health and Rehabilitation Center at the Villages. Okahumpa adds that all Millennial

facilities have high occupancy, averaging over 90 percent. Further, Okahumpa SNF LLC affiliates - Ft. Lauderdale Health and Rehab received the Bronze National Quality Award from the American Health Care Association, and the certificate for the 2022 Newsweek Best Nursing Homes in Florida and Glades West Rehabilitation and Nursing Center was given the Silver National Quality Award by the American Health Care Association in 2020.

Okahumpa cites Millennial Healthcare Services' vision to be a leading provider of exceptional nursing home care that enhances the quality of life for its residents and the ultimate goal is to improve the health and well-being of its residents and make a positive impact on their lives. Millennial Healthcare Services Mission and Vision Statement is quoted—"Millennial Healthcare is dedicated to ensuring that each and every resident receives the highest quality of care possible. Our mission is to create an environment that is safe, supportive, and compassionate, where our residents can thrive physically, emotionally, and socially".

Okahumpa indicates that Millennial prioritizes the following which it details on the application's pages 4-3 and 4-4 to achieve its mission:

- Respect and Dignity
- Quality Care
- Collaboration and Communication
- Continuous Improvement.

Overall, our mission is to provide a warm, caring, and supportive environment that enhances the quality of life of our residents. We strive to create a home away from home where our residents can feel comfortable, safe, and happy. Millennial core values include:

- Compassion
- Respect
- Integrity
- Excellence
- Teamwork
- Accountability.

Okahumpa bullets the 12 steps in the Centers for Medicare and Medicaid Services (CMS) QAPI at a Glance (CON application #10737, page 4-5) and maintains that these 12 steps establish a foundation for QAPI in nursing homes. In addition to a QAPI program, the applicant's Quality Assurance and Assessment Program seeks to assure that the facility meets or exceeds the needs, expectations and requirements of the patients while maintaining good patient outcomes and exceptional person-centered care where the residents are involved in their own care and their needs are addressed individually. Further, a Risk Management/Quality Assurance Committee, which will meet monthly. Also, plans of correction for areas that need improvement will be

developed. Okahumpa explains that the goal is to prevent failure of those core processes that could cause substandard quality of care and place the facility in danger of regulatory non-compliance.

Okahumpa discusses Millennial QAPI guiding principles on pages 4-6 - 4-7 of the application. The administrator is stated to be responsible for the Quality Assurance Performance Improvement Program and “This Committee shall meet at least quarterly to identify areas of concern as well as to recommend, implement, monitor, and evaluate changes. The committee ensures that training, resources, and time is provided to those individuals participating on the Performance Improvement Projects (PIPS).”

The applicant contends an annual data review to provide a process for feedback, data systems, and monitoring. Further, Okahumpa asserts that that each PIP subcommittee will use Root Cause Analysis (RCA) to improve existing processes, analyzing the collected data to determine the effectiveness of change, concluding with summary report, analysis of activities, and recommendations for the QAPI Committee.

Okahumpa states that the facility will uphold the CMS guideline to develop, implement, and maintain an effective, comprehensive, data driven QAPI program that focuses on indicators of the outcomes of care and quality of life and its procedures to fulfill this policy include documenting evidence of the continuing QAPI program, presenting the QAPI plan to the State Survey Agency no later than one year after the promulgation of regulation 483.75(a)(2).

The applicant comments that its QAPI Program Systematic Analysis and Systemic Action policy states that the facility will take actions aimed at performance improvement and, after implementing those actions, measure its success, and track performance to ensure that improvements are realized and sustained and includes procedures to implement this policy that include utilizing a systematic approach to determine underlying causes of problems impacting larger systems. Okahumpa shares that this could include root cause analysis, causal factor differentiation, group discussion, and causal graphing and that procedures also state that the facility will develop corrective actions that will be designed to effect change at the systems level to prevent quality of care, quality of life, or safety problems.

The applicant notes that a summary of the QAPI Process Policy and the Program Systematic Analysis procedures appear in Exhibit 7 in the Additional Information section at the end of the application.

Okahumpa asserts that it will employ the use of the Electronic Medical Records platform, *PointClickCare*, which it states allows for accurate, timely patient data to be accessed 24 hours a day, seven days a week to every

authorized staff member and allows directors to track care plan progress, change in health or mobility status, or patient transfers to area hospitals and whether transfers could be prevented with appropriate intervention.

Okahumpa notes that Millennial uses Artificial Intelligence software and other industry leading software to minimize the workload to give the required time back to them at the bedside, on the floor, with the staff and to improve clinical outcomes to include staffing/visitor screening and rehospitalization risk reports to reduce the prevalence of unnecessary rehospitalization. The applicant contends that EMR improves the facility's capability to obtain and maintain quality standards and timely meet requirements of state licensure and federal certification enhances the quality and efficiency in managing patient outcomes. Two immediate benefits occur with EMR:

- The provision of statistical data on all aspects of care and those of its contractors is used for quality assurance and program compliance, and that the partners and vendors can use the information in evaluating their own quality performance indicators.
- The integration of pharmacy which permits the reviewing and the tracking of all medication orders, checking for contraindications among the prescriptions as well as providing feedback and education to the medical staff, the patient, and the family resulting in effective management of medicines.

Okahumpa offers a narrative explanation/description of the following activities and initiatives (pages 4-8 through 4-10 of the application):

- Resident Rights, Privacy and Advisory Committee
 - A residents' rights brochure provided by Florida's Long-Term Care Ombudsman Program is given to each admission.
 - Every employee is given their own copy of the residents' rights and receives education upon hire during the first day of orientation and annually thereafter.
- Emergency Management and Hurricane Preparedness – the proposed facility will
 - be constructed and equipped with a generator to ensure residents have a safe, comfortable environment during times of power outages.
 - have a comprehensive emergency management plan that provide a detailed plan for natural disasters, including hurricanes, cover preparation protocols, monitoring, reports, and evacuation protocols which include procurement and storage of sufficient supplies, including food, water, pharmaceuticals, and nursing supplies.
- Activities and Resident Councils –
 - Resident Council is an independent group of nursing home residents who meet regularly to discuss issues and solutions as well as organize events and activities important to them.

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- Activities - three core programs of activities for residents: self-directed programming, group programming, and one-on-one programming that are designed to meet the Dimension of Wellness which has six different elements including physical, cognitive, social, emotional, cultural, and spiritual activities.

The applicant identifies three facilities as having common ownership with Okahumpa SNF LLC – Citrus Health and Rehabilitation Center, and two Broward County facilities - Ft. Lauderdale Health and Rehabilitation Center and Glades West Rehabilitation and Nursing Center. During the period of June 23, 2020 – June 23, 2023, these facilities had two substantiated complaints – two in the Quality of Care/Treatment category and one Resident/Patient/Client Rights. The Millennial affiliates listed on CON application #10737, Table 1-9 had 23 substantiated complaints. See the table below for Millennial affiliates.

**Okahumpa - Millennial Healthcare Affiliates
Substantiated Complaints Categories
June 23, 2020 - June 23, 2023**

Complaint Category	Number Substantiated
Administration/Personnel	1
Billing/Refunds	1
Dietary Services	2
Elopement	2
Falsification of Records/Reports	2
Infection Control	2
Misappropriation of property	1
Physical Environment	2
Quality of Care/Treatment	9
Resident/Patient/Client Abuse	1
Resident/Patient/Client Neglect	2
Resident/Patient/Client Rights	6
Total	31

Source: Agency for Health Care Administration complaint data.

Note: The complaint table does include the Broward County nursing homes.

Sumterlake Operations LLC (CON application #10738) responds that it is a new entity with no licensure or history of providing care and is not a Gold Seal Program nursing facility and reiterates its E.1.a. response. Aston Health’s mission statement is quoted—“to transform ordinary expectations into extraordinary outcomes. From a cheerful environment to help residents relish the gift of each day, to home-inspired surroundings exuding a modern feel, Azalea Park Health & Rehabilitation Center pledges to uplift with a proprietary atmosphere of happiness, healing, and hope."

The applicant informs that one of Aston Health’s 41 facilities, Fernandina Beach Rehabilitation and Nursing Center, received the AHCA/NCAL National Quality Silver Award in 2022 and that five more facilities received the Bronze level award in 2023: Coastal Health and Rehabilitation Center, Coquina Center, Flagler Health and Rehabilitation Center, Highlands Lake Center, and

North Port Rehabilitation and Nursing Center referring to Attachment 13 for the press releases with more information about these awards.

Sumterlake identifies its specialty clinical/disease-specific programs and protocols that Aston provides that will manage a variety of conditions, diagnoses, and clinical needs of service area patients who need skilled nursing care:

- Cardiac Rehabilitation Program
- Kidney Failure Program
- Orthopedic Rehabilitation Program
- Respiratory Disease Program
- Stroke Rehabilitation Program

Sumterlake adds that along with the above-listed programs, Aston offers two disease-specific protocols to improve quality and patient health outcomes for COPD and sepsis residents and assures these will be used in its facility. The application's Exhibit 22 includes information about these protocols.

Chronic Obstructive Pulmonary Disease Management Protocol guidelines for recognition and monitoring of COPD to timely address resident changes of condition, enhance resident comfort, and prevent unnecessary hospital readmissions are discussed and Sumterlake includes a COPD Core Path chart. Key objectives of the COPD Protocol are:

- Minimize disease progression
- Relieve symptoms
- Improve exercise tolerance
- Improve or stabilize health status, where possible
- Prevent and treat exacerbations/complications
- Minimize side effects from treatment

Sumterlake assures that treatments are in line with those provided by the Global Initiative for Chronic Lung Disease or American Medical Directors Association and that patient progress is actively managed, including ongoing evaluation and documentation of signs and symptoms and condition changes.

Regarding its Sepsis Management Protocol, the applicant produces a flow chart of the Post-Acute Care Sepsis Early Identification and Treatment Pathway. This protocol establishes basic guidelines for recognition and monitoring of sepsis to address resident changes of condition in a timely manner, enhance resident comfort, and prevent unnecessary hospital readmissions. Further, residents with a confirmed or suspected sepsis infection will be screened for sepsis using systemic inflammatory response syndrome criteria and if confirmed or suspected infection meets two or more of the criteria, the Sepsis Nursing Protocol will be implemented by the nurse.

Sumterlake states that Aston's Quality Assurance Performance Improvement (QAPI) uses a coordinated approach to improve processes involved in clinical treatment, quality of life, resident choice, and care transitions. Sumterlake states that it will conduct random quality review of residents and that these findings will be reported in the Risk Management/QA Committee meetings until the committee determines substantial compliance has been met and recommends quarterly reviews. Exhibit 15 includes a description of Aston Health's QAPI program and an example of a Quality of Care Review.

Sumterlake discusses Aston's Readmission Reduction Protocols, which it states incorporate best practices to promote positive patient outcomes and reduces hospital readmissions. The program utilizes checklists, enhanced communication, and care planning, and trains staff to manage medical conditions that often cause readmissions and includes:

- Transition of Care Goals - Development of patient centered goals prior to admission, throughout the facility stay, and with transition to the community.
- Condition Care Paths - Interdisciplinary approach with tailored interventions for management of acute and chronic conditions.
- Heightened education for all new staff during the onboarding and orientation process - Cultural approach that begins at Day 1 and encourages the supportive role of all facility staff.
- Tracking and trending on a daily, weekly, and monthly basis - Real-time identification of any system opportunities while also ensuring the quality of care offered to the population is delivered in a consistent manner.
- Root cause analysis of readmissions - Defines care measures to ensure best practices and positive patient outcomes.
- Continued education - Ongoing education for all facility staff on nationally recognized best practices
 - Stop and Watch - E-interact program with proven results of reducing return to hospital admissions.
 - SBAR - E-interact program for change in condition aimed at early recognition of changes in condition and reduced readmissions.
 - Targeted clinical education based on trending return diagnosis
- QAPI/QAA Initiatives -PDSA model utilizing nationally accepted standards focusing on reducing readmissions.
- Medical Directors of each facility participate.

The applicant assures that Aston Health Consultant Support includes daily focus calls to facilities that are struggling to manage their hospital readmissions that provide additional support by reviewing readmissions to develop actions to address factors causing readmissions. Implemented in February 2023, Aston's Readmission Reduction Protocols have reduced its facilities rate to 12.3 percent in March 2023 and 11.3 percent in April 2023, with the national average being 15 percent. Sumterlake argues that the

continued application of these protocols will produce strategies for reduction of readmissions, promote better patient outcomes, and positively influence its skilled nursing facilities. Further, Aston is committed to the professional growth and advancement of staff, believing the competence of administrative and clinical staff is a determinant of quality of care. The applicant's Exhibit 16 - CY 2023 'Education Calendar' shows staff development programs, which it contends maintain and improve competencies and knowledge.

Sumterlake states belief in a diverse workforce that includes employees from different races, ethnicities, gender identities, and sexual orientations working together as a team to care for patients. Further, Aston complies with Equal Employment Opportunity Commission requirements and will provide consulting services. Sumterlake informs that it will directly employ its staff. High quality employees will be hired and retained through offering generous benefits including paid personal leave, group insurance benefits (medical, life, dental, vision, short-term disability, long-term disability), paid holidays, paid time off, sick leave, leave of absence, time off for death or serious illness in the family, tuition reimbursement, employee assistance program, 401K retirement plan participation, and an employee recognition program.

Sumterlake reiterates Aston's Concierge program, adding info on:

- Assigning a qualified certified nursing assistant (CNA) that:
 - Attends a week of training on the importance of customer service, communication and room readiness which includes preparing the room for the new resident and making sure it is clean, has all necessary supplies for that specific patient, and all electronics are in working order which includes a completed checklist of all items to ensure nothing is missed, then greeting the patient arriving from the hospital in the front lobby and escorting them to their room then helping transfer and settle them into their bed making sure they are comfortable. Finally, informing the admissions nurse to ensure patients are seen promptly
- The admission nurse completes a full assessment of the patient, including a full skin check, reviews the records from the hospital to ensure correct diet and all medications are ordered and that any special equipment is provided as well as review the plan with the attending physician and patient to ensure coordination of care
- Upon the assessment completion, the concierge gathers items such as water, meal, or snack, equipment, supplies, and any toiletry items for the patient and provides a step-by-step description of what to expect during their stay and a schedule for meals, therapy, and activities as well as providing phone numbers of the facility leadership team so the patient can contact them at any time.

Sumterlake states Aston's Guardian Angel program gives each member of the leadership team specific rooms and patients to check on to ensure that the rooms are clean and orderly and to see that the patients' needs are being met

CON Numbers 10737, 10737P & 10738

to their satisfaction. Rounds on all patients will be done at least twice a week correcting any concerns promptly and completing a form for each visit which is discussed in morning meetings with the leadership team where corrective actions are taken to address problems. Aston Health programs are stated to have a tremendous increase in patient satisfaction which means they are more likely to participate in therapy and activity programs and avoid going home too early and ending up back in the hospital.

Sumterlake describes Aston Health’s use of Rytes, a third-party compliance program that provides a hotline for complaints and concerns as well as monthly training and includes a Rytes flier in Attachment 17. Rytes provides attorneys who can help with labor concerns and employment questions and has a "red envelope" procedure for visits by government agencies.

Sumterlake addresses Aston Health’s interactive device—Touchpoint Health Care system used to accept calls from residents, families, and employees who have concerns or questions. Feedback covers diet, customer service, nursing care, therapy, activities, administration, and housekeeping/cleanliness. Aston Health had 7,426 Touchpoint responses with an overall rating of 4.5/5 and 95 - 97 percent positive comments in April of 2023, and negative feedback was given in only 3 - 5 percent. Aston facilities averaged 4.3 stars on a scale of 5 stars on Google reviews.

Aston Health affiliated nursing homes listed on CON application #10738, page 86 had 176 substantiated complaints during the period of June 23, 2020 – June 23, 2023. A substantiated complaint can encompass multiple complaint categories. See the table below.

**Sumterlake Operations LLC – Aston Health Affiliates
Substantiated Complaints Categories
June 23, 2020 - June 23, 2023**

Complaint Category	Number Substantiated
Administration/Personnel	29
Admission, Transfer & Discharge Rights	5
Billing/Refunds	1
Dietary Services	11
Elopement	7
Falsification of Records/Reports	1
Fraud/False Billing	1
Infection Control	16
Life Safety Code	3
Misappropriation of property	1
Other Services	1
Physical Environment	19
Physician Services	1
Quality of Care/Treatment	101
Quality of Life	3
Resident/Patient/Client Abuse	7
Resident/Patient/Client Neglect	14
Resident/Patient/Client Rights	38
Total	259

Source: Agency for Health Care Administration complaint data.

c. What resources, including health personnel, management personnel and funds for capital and operating expenditures, are available for project accomplishment and operation? 408.035(4), Florida Statutes

(Applies to both applicants) - The purpose of our analysis for this section is to determine if the applicant has access to the funds necessary to fund this and all capital projects. Our review includes an analysis of the short and long-term position of the applicant, parent, or other related parties who will fund the project.

The applicant is a development stage company, meaning there is no operational data to be analyzed for the purposes of this review. The applicant indicated that funding will be provided by a third-party source.

Capital Requirements and Funding:

Okahumpa SNF LLC (CON application #10737) - The applicant indicates on Schedule 2 capital projects totaling \$44,636,100, which includes this project only. In addition to the capital costs, the applicant will have to finance a projected year one operating loss of \$2,241,500. The 147-bed project projected year one operating loss to be financed is \$2,292,000.

The applicant indicates on Schedule 3 of its application that funding for the project will be provided by cash on hand (\$250,000) and non-related company financing (\$44,386,100). The applicant submitted audited financial statements showing \$250,014 in cash. The applicant submitted letters from Popular Bank and BOK Financial expressing interest in providing financing for the cost of the project. A letter of interest is not considered a firm commitment to lend.

Given that the funding is supported by a letter of interest, we have no basis to conclude that funding will be available for either of the projects.

Conclusion:

Funding for this project is in question.

Sumterlake Operations LLC (CON application #10738): The applicant indicates on Schedule 2 capital projects totaling \$39,904,236, which includes this project only. In addition to the capital costs, the applicant will have to finance a projected year one operating loss of \$1,660,752.

The applicant indicates on Schedule 3 of its application that funding for the project will be provided by cash on hand (\$250,000), related company financing (\$5,465,769), and non-related company financing (\$34,188,467).

The applicant submitted audited financial statements showing \$250,000 in cash. The applicant submitted bank statements from a related company showing \$8.4 million. The applicant submitted proposed loan documents letter from Dwight Mortgage Trust for \$34,188,467.

Conclusion:

Funding for this project should be available as needed.

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

The immediate and long-term financial feasibility of the project is tied to expected profitability. The purpose of our analysis for this section is to evaluate the reasonableness of the applicant’s profitability projections and, ultimately, whether profitability is achievable for this project. Our analysis includes an evaluation of net revenue per patient day (NRPD), cost per patient day (CPD), nurse staffing ratios, and profitability. We compared the NRPD, CPD, and profitability to actual operating results from skilled nursing facilities as reported on Medicaid cost reports (2020 and 2021 cost report years). For our comparison group, we selected skilled nursing facilities with similar Medicaid utilizations to the utilization projected by the applicant on a per patient day basis (PPD). Comparison group data was adjusted for inflation to match the second-year projection (inflation factor was based on the New CMS Market Basket Price Index as published in the 4th Quarter 2022, Health Care Cost Review).

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

Okahumpa SNF LLC (150-bed project)

	PROJECTIONS PER APPLICANT		COMPARATIVE GROUP VALUES PPD		
	Total	PPD	Highest	Median	Lowest
Net Revenues	21,685,500	456	653	576	360
Total Expenses	21,007,000	441	719	554	429
Operating Income	678,500	14	76	6	-85
Operating Margin	3.13%		Comparative Group Values		
	Days	Percent	Highest	Median	Lowest
Occupancy	47,587	86.92%	92.49%	80.15%	47.65%
Medicaid	16,655	35.00%	44.04%	36.71%	28.00%
Medicare	26,173	55.00%	48.70%	37.36%	15.28%

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Okahumpa SNF LLC (147-bed project)

	PROJECTIONS PER APPLICANT		COMPARATIVE GROUP VALUES PPD		
	Total	PPD	Highest	Median	Lowest
Net Revenues	21,291,400	456	653	576	360
Total Expenses	20,701,100	443	719	554	429
Operating Income	590,300	13	76	6	-85
Operating Margin	2.77%		Comparative Group Values		
	Days	Percent	Highest	Median	Lowest
Occupancy	46,711	87.06%	92.49%	80.15%	47.65%
Medicaid	16,349	35.00%	44.04%	36.71%	28.00%
Medicare	25,691	55.00%	48.70%	37.36%	15.28%

Staffing:

Section 400.23(3)(b)(1), Florida Statutes, specifies a minimum certified nursing assistant staffing of 2.0 hours of direct care per resident per day, a minimum licensed nursing staffing of 1.0 hour of direct resident care per resident day, and 3.6 hours of total direct care staffing. Based on the information provided in Schedule 6, the applicant’s projected staffing meets this requirement.

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

Conclusion:

The projects appear to be financially feasible based on the projections provided by the applicant.

Sumterlake Operations LLC (CON application #10738)

	PROJECTIONS PER APPLICANT		COMPARATIVE GROUP VALUES PPD		
	Total	PPD	Highest	Median	Lowest
Net Revenues	16,499,015	428	2,531	550	364
Total Expenses	15,983,666	415	2,901	605	456
Operating Income	515,349	13	84	-58	-434
Operating Margin	3.12%		Comparative Group Values		
	Days	Percent	Highest	Median	Lowest
Occupancy	38,516	90.97%	91.34%	73.02%	44.98%
Medicaid	11,871	30.82%	39.67%	32.26%	21.13%
Medicare	26,645	69.18%	55.17%	26.33%	8.17%

Staffing:

Section 400.23(3)(b)(1), Florida Statutes, specifies a minimum certified nursing assistant staffing of 2.0 hours of direct care per resident per day, a minimum licensed nursing staffing of 1.0 hour of direct resident care per

resident day, and 3.6 hours of total direct care staffing. Based on the information provided in Schedule 6, the applicant's projected staffing meets this requirement.

The projected NRPD and profit fall within the group range and are considered reasonable. The projected CPD is below the group range. Total expenses may be understated. In addition, the total cost appears to include at least the minimum amount of staffing required. Therefore, the overall profitability appears achievable.

Conclusion:

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

e. Will the proposed project foster competition to promote quality and cost-effectiveness? Section 408.035 (5) and (7), Florida Statutes.

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

Conclusion (applies to all projects):

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

f. Are the proposed costs and methods of construction reasonable? Do they comply with statutory and rule requirements? ss. 408.035 (8), Florida Statutes; Ch. 59A-4, Florida Administrative Code.

Okahumpa SNF LLC (CON application #10737): Applies to the 150-bed and 147-bed projects - The applicant has submitted all information and documentation necessary to demonstrate compliance with the architectural review criteria. The cost estimate for the proposed project provided in Schedule 9, Table A and the project completion forecast provided in Schedule 10 appear to be reasonable. A review of the architectural plans, narratives and other supporting documents did not reveal any deficiencies that are likely to have significant impact on either construction costs or the proposed completion schedule.

The plans submitted with this application were schematic in detail with the expectation that they will be necessarily revised and refined prior to being submitted for full plan review. The applicant also does not specifically identify the type of construction, but based on the description of materials FBC construction type III-A is assumed. The plans indicate that the building will be sub-divided into at three buildings by fire walls, presumably to comply with the floor area limitations for an I-2 occupancy of type III-A construction. This and other requirements will be verified by the Agency during future examination of more developed plans. The architectural review of this application shall not be construed as an in-depth effort to determine complete compliance with all applicable codes and standards. The final responsibility for facility compliance ultimately rests with the applicant owner. Approval from the Agency for Health Care Administration's Office of Plans and Construction is required before the commencement of any construction.

Sumterlake Operations LLC (CON application #10738): The applicant has submitted all information and documentation necessary to demonstrate compliance with the architectural review criteria. The cost estimate for the proposed project provided in Schedule 9, Table A and the project completion forecast provided in Schedule 10 appear to be reasonable. A review of the architectural plans, narratives and other supporting documents did not reveal any deficiencies that are likely to have significant impact on either construction costs or the proposed completion schedule.

The plans submitted with this application were schematic in detail with the expectation that they will be necessarily revised and refined prior to being submitted for full plan review. The applicant also does not specifically identify the type of construction, but based on the description of materials FBC construction type III-A is assumed. This construction type would require the building to be sub-divided into at least two building by a fire wall. This and other requirements will be verified by the Agency during future examination of more developed plans. The architectural review of this application shall not be construed as an in-depth effort to determine complete compliance with all applicable codes and standards. The final responsibility for facility compliance ultimately rests with the applicant owner. Approval from the Agency for Health Care Administration's Office of Plans and Construction is required before the commencement of any construction.

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

Okahumpa SNF LLC (CON application #10737) notes that Millennial Healthcare oversees 15 skilled nursing facilities in central Florida, the majority of which are also located in District 3 and that all have a history of participating in Medicaid. The applicant states that these facilities provided 375,744 Medicaid patient days in 2020, 329,675 days in 2021 and 370,967 Medicaid patient days in 2022. The average Medicaid occupancy was 62.72 percent (CY 2020), 61.11 percent (CY 2021), and 58.56 percent (CY 2022).

Okahumpa provides tables showing each of the 15 Millennial affiliated facilities Medicaid service during CY 2020-2022 and both projects admissions, patient days, and percentage of patient days. The 150-bed facility is projected to have 9,902 year one and 16,655 year two Medicaid days. The 147-bed facility is projected to have 9,709 year one and 16,349 year two Medicaid days. Both projects are projected to provide 35 percent of year one and year two days to Medicaid patients.

Sumterlake Operations LLC (CON application #10738) states it is a new entity and therefore has no history of providing health care services to Medicaid patients and the medically indigent. Sumterlake shares that Aston Health has a history of managing facilities that provide services to Medicaid patients and furnishes a table of the 41 nursing home affiliates, showing Medicaid averaged about 60 (59.5) percent of these facilities CY 2022 patient days.

The applicant's Schedule 7 indicates that Medicaid will account for 5,970 days (26.9 percent) of year one and 11,871 days (30.8 percent) of year two patient days.

F. SUMMARY

Okahumpa SNF LLC (CON application #10737) proposes to establish a new 150-bed community nursing home in Subdistrict 3-7 (Lake County) by using 147 beds from the Subdistrict 3-7 (116 beds) and Subdistrict 3-4 (31 beds) FNPs and three beds to be delicensed at Terraces of Lake Worth Care Center in District 9, Subdistrict 4 (Palm Beach County). The 150-bed facility will have 66 private and 42 semi-private rooms.

Okahumpa SNF LLC also proposes a partial award to establish a 147-bed facility will have 67 private and 40 semi-private rooms. The partial project which does not involve the three beds from the Subdistrict 9-4 facility.

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The applicant states it will contract with Millennial Healthcare Services, an administrative and consulting company which oversees 15 central Florida nursing homes including four in Subdistrict 3-7.

Both projects include 102,703 GSF of new construction. The construction cost is \$33,657,400. The total project cost is \$44,636,100.

Issuance of license and initiation of service is expected to be in January 2026.

Okahumpa SNF LLC proposes four conditions on the project.

Sumterlake Operations LLC (CON application #10738) proposes to establish a 116-bed community nursing home with 40 private and 38 semi-private rooms in Subdistrict 3-7, Sumter County. The applicant will contract with Aston Health, a management company, which provides consulting services to 41 nursing homes in Florida.

The proposed project includes 82,093 GSF of new construction. The construction cost is \$26,680,225. The total project cost is \$39,904,236.

The applicant expects issuance of license in January 2026 and initiation of service in February 2026.

Sumterlake Operations LLC proposes 12 conditions on the project.

Need/Access:

- The applications were filed in response to the published need.

Okahumpa SNF LLC (CON application #10737)

- The 147-bed project will aggregate need from a geographically contiguous subdistrict, utilizing 116 beds from Subdistrict 3-7 and 31 beds from Subdistrict 3-4.
- The 150-bed project will utilize the need shown above and three beds from The Terraces of Lake Worth, a District 9 facility.
- Major need justifications cited by the applicant include:
 - Subdistrict 3-7's age 65 and older ranks 2nd second in having one of the largest concentrations of residents aged 65 and older and its continued population growth shows the demand for future need
 - The positive effect on the service area, increasing availability where it is most needed noting the proposed location is near a planned UF Health hospital and "Wellness Village" being developed by The Villages

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- Existing high and expected occupancy demonstrates the need and the need to maximize availability by adding 150 (or at least 147) beds as Lake, Sumter, and Marion Counties all have projected high senior population growth
- Additional health planning benefits for the 150-bed facility are
 - The positive benefit of relocating beds from a subdistrict with no need to a subdistrict with need.
 - The Terraces of Lake Worth will improve its quality by eliminating its three-bed wards.
- Access and availability are improved by:
 - The benefit to patients by the programs it offers:
 - On-site Urgent Care Center
 - Center of Excellence Programs: Cardiac, Infectious Disease Management Memory Enhanced Unit, Orthopedic, Respiratory, Stroke, and Wound Care
 - On-site dialysis, 20-bed secure memory care unit, and bariatric beds
- Specific patient/resident services planned are consistent with the most commonly occurring Lake and Sumter County hospital MDC discharges to SNFs during July 2021—June 2022.
- The 150-bed facility is projected to have 51.67 percent CY 2026 (year one) and 86.92 percent occupancy in year two (CY 2027.)
- The 147-bed facility is projected to have 51.70 percent and 87.06 percent total occupancy in years one and two, respectively.

Sumterlake Operations LLC (CON application #10738)

- Major need justifications cited by the applicant include:
 - Subdistrict 3-7's age 65 and older population growth especially within The Villages where it is experiencing rapid growth
 - The positive effect on the service area, increasing availability where it is most needed
 - High occupancy rates and expected high occupancy demonstrates the need for the additional beds
 - The high percentage of discharges from a nearby acute care hospitals; and
 - The Disease-Specific programs to benefit patients include:
 - Cardiac Rehabilitation Program
 - Orthopedic Rehabilitation Program
 - Respiratory Disease Program
 - Kidney Failure Program Respiratory
 - Stroke Rehabilitation Program
 - Four-Bed Bariatric Unit
- Specific patient/resident services planned for the project are consistent with the most commonly occurring CY 2021 MDC discharges to SNFs from Lake and Sumter County hospitals

CON Numbers 10737, 10737P & 10738

- The facility is projected to have 52.5 percent year one and 91.0 percent year two occupancy ending January 31, 2027 and 2028.

Quality of Care:

Okahumpa SNF LLC (CON application #10737)

- The applicant provided a detailed description of the ability to provide quality care.
- Agency records indicate that during the 36 months ending June 23, 2023, the 15 Millennial affiliated facilities had 23 substantiated complaints with 31 categories cited. The three facilities with common ownership with Okahumpa SNF LLC had two substantiated complaints with three categories cited.

Sumterlake Operations LLC (CON application #10738)

- The applicant provided a detailed description of the ability to provide quality care.
- Agency records indicate that during the 36 months ending June 23, 2023, the 41 affiliated Aston Health nursing homes had 176 substantiated complaints with 259 categories cited.

Financial Feasibility/Availability of Funds:

Applies to all projects

- The project appears to be financially feasible based on the projections provided by the applicant.
- The project is not likely to have a material impact on competition to promote quality and cost-effectiveness.

Okahumpa SNF LLC (CON application #10737)

- Funding for the 150-bed and 147-bed projects is in question.

Sumterlake Operations LLC (CON application #10738)

- Funding for this project should be available as needed.

Architectural Review:

Applies to all projects

- The applicant submitted all information and documentation necessary to demonstrate compliance with the architectural review criteria.
- The cost estimate for the proposed project provided in Schedule 9, Table A and the project completion forecast provided in Schedule 10 appear to be reasonable.

- A review of the architectural plans, narratives and other supporting documents did not reveal any deficiencies that are likely to have a significant impact on either construction costs or the proposed completion schedule.
- The type of construction is not identified, but based on the description of materials FBC construction type III-A is assumed. The plans submitted were schematic in detail with the expectation that they will be necessarily revised and refined prior to being submitted for full plan review.

Medicaid/Indigent Care:

Okahumpa SNF LLC (CON application #10737)

- Both projects are projected to provide 35 percent of their annual year one (CY 2026) and year two (CY 2027) patient days to Medicaid patients. The 150-bed facility is projected to have 9,902 year one and 16,655 year two and the 147-bed facility is projected to have 9,709 year one and 16,349 year two Medicaid HMO days.
- The 15 affiliated Millennial facilities provided 370,967 Medicaid patient days or 58.56 percent of their CY 2022 total patient days.

Sumterlake Operations LLC (CON application #10738)

- Medicaid is projected to be 26.9 percent (5,970 days) of total year one (ending January 2027) and 30.8 percent (11,871 days) of total year two (ending January 2028) patient days.
- Aston Health's 41 facilities provided 936,971 Medicaid patient days or 59.50 percent their CY 2022 total patient days.

G. RECOMMENDATION

Approve CON #10737P to establish a 147-bed community nursing home in District 3, Subdistrict 7, Lake County. The total project cost is \$44,636,100. The project involves 102,703 GSF of new construction and \$31,288,000 in construction cost.

CONDITIONS:

- 1. The facility will apply for Joint Commission Accreditation by the second year of operations.**

Measurement of the condition includes a copy of the application and/or providing proof of accreditation.

- 2. The facility will establish the following Centers of Excellence, specialized programs to promote optimal health and quality of life and reduce hospitalizations:**
 - o Cardiac Center of Excellence Program**

- o **Infectious Disease Management Center of Excellence Program**
- o **Memory Enhanced Unit Center of Excellence Program**
- o **Orthopedic Center of Excellence Program**
- o **Respiratory Center of Excellence Program**
- o **Stroke Center of Excellence Program**
- o **Wound Care Center of Excellence Program**

Measurement of the condition includes a print-out of the **FloridaHealthFinder** profile page for the facility identifying available programs and services as well as company policies and literature regarding such programs available to residents.

- 3. The facility will include the following programs and design features to enhance care.**
- o **20-Bed Memory Care Unit**
 - o **4 Bariatric Rooms**
 - o **On-Site Dialysis**

Measurement of the condition includes a print-out of the **FloridaHealthFinder** profile page for the facility identifying available programs and services and/or providing company policies and literature regarding such programs available to residents, as well as identifying the specialty spaces on a facility floorplan.

- 4. The facility will partner with the following colleges and universities to promote career development in the nursing field, serving as a training location:**
- o **Lake Technical College**
 - o **Taylor College**
 - o **Lake-Sumter State College**

Measurement of the condition includes a copy of the agreement with the institution and number of persons participating in the training/ internships annually.

Deny CON #'s 10737 and 10738.

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: August 11, 2023

James B. McLemore

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



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