

STATE AGENCY ACTION REPORT
ON APPLICATION FOR CERTIFICATE OF NEED

A. PROJECT IDENTIFICATION

1. Applicant/CON Action Number

Heart'n Soul Hospice of Florida, LLC/CON application #10766

51 Century Boulevard, Suite 110
Nashville, Tennessee 37214

Authorized Representative: Tracy L. Wood, Chief Operating Officer
(678) 333-7880

NHC/OP of Florida, LLC/CON application #10767

100 E. Vine Street, Suite 1400
Murfreesboro, Tennessee 37130

Authorized Representative: Dere Brown
(615) 890-2020 Ext. 1229

2. Service District/Subdistrict

Service Area 2B (Franklin, Gadsden, Jefferson, Leon, Liberty, Madison,
Taylor, and Wakulla Counties)

B. PUBLIC HEARING

No public hearing was requested or held.

Letters of Support

Heart'n Soul Hospice of Florida, LLC (CON application #10766)

submitted 60 letters of support. Six of these were from community nursing home representatives who state, "If they are selected for the CON, I am prepared to contract with Heart'n Soul for Hospice for Inpatient and Respite services". These include:

- Dr. Chris A. Burney, President, Florida State Primitive Baptist Convention, stating his organization "governs" Miracle Hill Nursing and Rehabilitation Center in Leon County

CON Action Numbers: 10766 and 10767

- Alan Davis, President, Summit Care Management LLC, which manages Madison Health and Rehabilitation Center (Madison County)
- Laura Weseman, Executive Director, Arabella Health & Wellness (Franklin County)
- Tabitha Lowel, LNHA, BSN, RN, Eden Springs Nursing and Rehab Center (Wakulla County)
- Lauren Lukes-Howard, Executive Director, RiverChase Health and Rehab (Gadsden County)
- Sabrina Cameron, Executive Director, Greenville Care Center (Madison County)

Paul Zani, MS, LNHA, Brynwood Health and Rehabilitation Center, Jefferson County states “Heart and Soul Hospice is a group poised to aid in the expansion of these desperately needed (hospice) programs and I/we would welcome them to Jefferson County”.

Support letter writers also include:

- Lisa Bretz, Executive Director, Advantage Aging Solutions, District 2A & 2B Area Agency on Aging for North Florida, Inc.
- Valentina Webb, Executive Director, Elder Care Community Council of Franklin County Senior Center (confirms \$500 donation for senior meals at the center)
- Wanda Johnson, Treasurer, Franklin County Senior Center (confirms \$500 donation for senior meals)
- Rob Renzi, CEO, Big Bend Cares (an HIV/AIDS organization providing services to SA 2B counties - confirms donation of \$500 per year for two years for food for Big Bend Cares clients)
- Sean Cary, Vice President, Visiting Angels, a licensed nurse registry serving Leon & Wakulla Counties
- Dr. David Keen, Founder, Wakulla Urgent Care & Diagnostic Center
- LaToya Fryson, Executive Director, Gadsden County Senior Citizen Foundation
- Margaret Gibson, Executive Director, Angels with a Divine Purpose ALF, (15 beds) Madison County
- Pastor J. Phillip Miller-Evans, Ebenezer Baptist Church of Jefferson County
- Pastor Mac McMillan, Fellowship Baptist Church, Franklin County
- Rabbi Paul Sidlofsky, Temple Israel of Tallahassee
- Mayor Pro-Tempore Curtis Richardson, City of Tallahassee, Leon County

CON Action Numbers: 10766 and 10767

- Tashonda Whaley, Emergency Services Director, Gadsden County Sheriff's Office (confirms \$5,000 per year for three years to support its senior program which provides tools and resources to allow senior citizens to remain in their homes as they age)
- Sean Pittman, Chairman of the Big Bend Minority Chamber of Commerce (serving Leon, Gadsden, Franklin, Jefferson, and Wakulla Counties)
- Mutaqee Akbar, Esquire, President, Tallahassee Branch of the NAACP, Leon County and Managing Partner of Akbar Thomas Firm (submitted two letters)
- Kacy Dennis, CEO, Boys & Girls Clubs of the Big Bend and Anthony (TJ) McCoy Jr, Founder of Empowering Young People, (both cite the applicant's "Moving Forward" six-week paid internship it will offer if the CON is approved)
- Dr. Lisa H. Gardner, Interim Dean/Associate Professor of FAMU School of Nursing (confirms \$6,000 per year for four years for a nursing unrestricted scholarship)
- Dr. Robert L. Glueckauf, FSU Director of the African American Alzheimer's Caregiver and Support Project
- Nick Howland, Executive Director, The Fire Watch, Northeast Florida (cites Heart n Soul's proposed \$1,000 donation in year one of the project's operation indicating the donation will assist his organization's Watch Stander network expansion in the Big Bend)
- David B. Moore, Senior Vice President, Regions Bank submitted a letter of interest in support of the applicant
- Demarien J. Hawk, MBA, CFSP, CFSGM, Owner, Hawk's Family Mortuary and Cremations, Gadsden County

Heart'n Soul also included a form letter signed by Pastor Nathaniel Trumpet and 29 parishioners of the Antioch Missionary Baptist Church in Quincy (Gadsden County). This letter describes the applicant's Senior Journey program, and states that "If Heart n Soul Hospice is selected by the State, they have offered to conduct grief and bereavement support programs to our members as well as a class on Advance Care Planning".

NHC/OP of Florida, LLC (CON application #10767) submitted letters of support from:

- Allison Moore, D.O., M.P.H., Hospitalist Physician, Tallahassee Memorial Hospital and Medical Director for Seven Hills Health and Rehabilitation and Aspire of Tallahassee, Leon County
- Virginia Watkins, MSW, Case Manager, Encompass Health Rehabilitation Hospital of Tallahassee, Leon County

- Shaun E. Laurie, M.D., P.A., Internal Medicine, Leon County
- Leslie Arnold, Florida Regional Administrator, NCH HomeCare
- Derwin Pitre, HomeCare Director of Business Development, and
- Amber Pearson, Business Development, NCH HomeCare.

C. PROJECT SUMMARY

The applicants propose to establish a new hospice program in Service Area (SA) 2B in response to the published need.

Heart'n Soul Hospice of Florida, LLC (CON application #10766), also referenced as Heart'n Soul or the applicant, a newly formed for-profit Florida limited liability company, is an affiliate of Heart and Soul Hospice, LLC. Heart and Soul Hospice, LLC is an entirely minority-owned hospice provider serving Nashville, Tennessee (since January 2021) and Seattle, Washington (since January 2023).

Heart'n Soul expects issuance of license on December 20, 2024, and initiation of service on January 1, 2025.

The applicant proposes \$390,625 in total project cost, which includes building (leasing office space), equipment, project development and start-up costs.

Pursuant to project approval, Heart'n Soul Hospice of Florida, LLC proposes the following Schedule C conditions:

1. Heart'n Soul Hospice will begin operations no later than 120 days after receiving final CON approval and license from AHCA.
2. Heart'n Soul Hospice will open its first office in Tallahassee after receiving the initial hospice license. Heart'n Soul Hospice will also open a satellite office in year 2 of operations in Monticello to promote hospice awareness and the open access program in the eastern portion of the Service Area.
3. Heart'n Soul Hospice developed the Senior Journey program to promote health equity and address the social determinants of health (SDOH) to ensure that all individuals receive the care and support they deserve, regardless of their background or circumstances. Through the community service coordinator, which will be a social worker and LPN, Senior Journey will work with 911 dispatch and responders, police, hospitals, senior centers, and churches to offer services to the elderly who may live alone, have

neurological disorders, lack many of the social determinants to have a true quality of life environment and live in underserved areas. To that end, Heart'n Soul Hospice will provide educational materials and host educational events for these populations highlighting the unique health challenges faced by elderly residents of Service Area 2B.

4. As part of the Senior Journey Program, Heart'n Soul Hospice will provide monetary support to the following organizations in the following amounts in order to address food insecurity and other issues facing the elderly population in Service Area 2B:
 - Franklin County Senior Center--\$500 in year 1 of operations.
 - Elder Care Community Council of Franklin County--\$500 in year 1 of operations.
 - Big Bend Cares--\$500 per year in years 1 and 2 of operations.
5. As part of the Senior Journey Program, Heart'n Soul Hospice will provide financial support to Bethel Missionary Baptist Church in Tallahassee in the amount of \$2500 in the first year of operation to help support their Medical Mobile Unit to provide much needed medical assistance to the underserved elderly in Leon and surrounding counties.
 - Year 1 - \$2500
6. In conjunction with the Senior Journey program, Heart'n Soul Hospice will provide financial support to the Gadsden County Sheriff's office in the amount of \$5000 each year for the first 3 years of operation to support their senior program (KISS) and incorporate the Senior Journey program with their senior program to give seniors the option to remain in their homes, safely and with support.
 - Year 1- \$5000 Year 2 - \$5000 Year 3 - \$5000
7. Heart'n Soul Hospice will provide inpatient and respite services through the utilization of contracted scatter beds in local hospitals or dedicated units in local nursing homes in Service Area 2B.
8. Heart'n Soul Hospice will offer a \$6,000 nursing scholarship each year for the first four years of operation to FAMU nursing school students pursuing a nursing degree.
 - 1st Year - \$6,000, Year 2 - \$6,000, Year 3 - \$6000
Year 4 \$6000

CON Action Numbers: 10766 and 10767

9. Heart'n Soul Hospice will provide clinical rotations to nursing students from FAMU School of Nursing to support the students' clinical education and to enable these students to better understand end of life and hospice issues and services.
10. Heart'n Soul Hospice will offer 1-2 internship(s) each summer to young adults living in a complex, at-risk environment with the goal for them to see the community through a different optic and be able to identify with a female leader. This is the Move Forward Journey Program. The young adults will be provided with much needed support to understand the work environment and help prepare them to enter the work force. The Moving Forward program is a 6-week paid internship developed by Tracy Wood offering comprehensive guidance for interview preparation, resume preparation and basic office skills to serve as a steppingstone to future long-term employment. Heart'n Soul Hospice understands the impact of social determinants of health and their interplay with overall community wellbeing and offers this program to support young people in the community alongside the Senior Journey Program to support older generations.
11. Heart'n Soul Hospice will offer the Caring Moments program to Service Area 2B patients. Caring Moments recognizes a special event or activity that occurred in the patient's life and re-creates that event or activity as a memory for the patient/family/caregivers. Some examples of these unique events include:
 1. Holding a birthday party for the patient with special foods that were their favorites.
 2. Bringing the sports event to the patient, watching on TV the game, having ballpark franks, hats or if the patient can go to a game in person, make them special at the game.In support of these activities, Heart'n Soul Hospice will allocate \$500 per year for the first 2 years of operations for Caring Moments.
12. Heart'n Soul Hospice will expand the We Honor Veterans program to Service Area 2B and obtain Level 4 certification within 24 months of initial licensure. Heart'n Soul Hospice has also developed, and will offer, the Hero's Journey to patients in Service Area 2B, a program for veterans and first responders who need hospice services, recognizing their commitment.
13. Recognizing the devastating effects of veteran suicide to communities and families, Heart'n Soul Hospice will partner with

CON Action Numbers: 10766 and 10767

The Fire Watch, and support their efforts to reduce veteran suicide with a contribution of \$1000 in the first year of operations.

14. Heart'n Soul Hospice will offer the Heart'n Soul Access Program to Service Area 2B patients upon obtaining licensure and initiating patient care activity. Heart'n Soul Hospice will accept patients into its hospice service who are receiving complex medical treatments, such as palliative chemotherapy, as part of the patient's Goals of Care or who are working through difficult end of life conversations and have complex psychosocial needs yet are appropriate for the hospice benefit.
15. Heart'n Soul Hospice will provide advance care planning programs to churches and senior centers in underserved areas of Service Area 2B to assist the members with end-of-life needs.
16. An annual Bereavement Children's Camp will be scheduled in Service Area 2B within 12-18 months of the start of operations. The bereavement coordinator hired for the program will also oversee the camp.
17. Heart'n Soul Hospice has developed a series of patient programs that will be offered to Heart'n Soul hospice patients in Service Area 2B beyond the hospice benefit, that provide additional support to the patient and their families. Heart'n Soul Hospice will begin offering each of these special programs within the first 6 months of full operation. The series includes:
 1. Cardiac Journey- for cardiac patients
 2. COPD Journey- for COPD patients
 3. Comfort Journey- for cancer patients
 4. Memorable Journey- for dementia patients
 5. Calming Journey - an art and music intervention program that includes hand reflexology
 6. Caring Creatures -volunteer pet therapy program
 7. The Hero's Journey-for first responders and veterans
 8. Never Alone Journey- no patient dies alone
18. Heart'n Soul Hospice will extend its comprehensive telehealth/telemedicine services and capabilities to Service Area 2B to improve access to all patients throughout the Service Area.
19. Heart'n Soul recognizes the importance of fostering connection between patients and their family as well as challenges posed by the rural nature of many portions of Service Area 2B and the area's lack of Internet and communications connectivity. Heart'n Soul Hospice will supply at least 10 iPads or other similar tablet devices

CON Action Numbers: 10766 and 10767

to its staff within the first year of its operations specifically to facilitate virtual visits and internet-based communication between patients and non-local family members during visits with the patients.

20. Heart'n Soul Hospice will establish a palliative care program to serve Service Area 2B residents, including the provision of advanced illness management, within 12 months after initial licensure and receiving CHAP (Community Health Accreditation Partner) accreditation. The palliative care program will be provided in several settings, including underserved areas, to improve access to the service. Palliative care settings can occur in the patient's home, skilled nursing facility, assisted living facility or in a clinic setting.
21. Heart'n Soul Hospice will obtain CHAP (Community Health Accreditation Partner) accreditation within 12 months of initial licensure.
22. Heart'n Soul Hospice will become a Jewish Certified Hospice program through National Institute for Jewish Hospice (NIJH) within 12 months of starting the operation.
23. Heart'n Soul Hospice will offer bereavement support for all segments of the Service Area 2B population, including those not otherwise involved with the Heart'n Soul Hospice program. At least three community bereavement support groups will be held in the first 18 months of operations in the service area.
24. Heart'n Soul Hospice will provide continuing education units ("CEUs) at no charge to health care providers within Service Area 2B on end of life and hospice topics.
25. Heart'n Soul Hospice will develop and implement patient-specific caregiver training and support modules that will be provided for patients and caregivers.
26. Heart'n Soul Hospice will expand the existing Heart'n Soul foundation to Service Area 2B, to support not only unfunded programs such as Heart'n Soul Access but also to support expanded hospice activities in Service Area 2B.

NHC/OP of Florida, LLC (CON application #10767), also referenced as the applicant or NHC/OP, is a newly established Florida Limited Liability Company and subsidiary of National HealthCare Corporation (NHC), a long term care company with over 52 years of experience. NHC/OP

CON Action Numbers: 10766 and 10767

intends to leverage the expertise of Caris Healthcare, NHC's subsidiary specializing in home hospice care across the southeastern US, which it states has established administrative resources and proven track record in hospice care. Caris' policies, procedures, and resources are referenced as the applicant indicates they will be central to its program. NHC/OP plans to co-locate its operations with NHC's HomeCare agency serving SA 2B. The reviewer notes NHC HomeCare's office serving Gadsden, Jefferson, Leon, Madison, Taylor, and Wakulla Counties is located in Crawfordville (Wakulla County). NHC's Carrabelle office service area includes Franklin, Liberty, and Wakulla Counties in SA 2B, among the six counties it serves.

NCH/OP anticipates issuance of license and initiation of service in October 2024.

Total project cost is \$306,176 and includes equipment, project development, and start-up costs.

Pursuant to project approval, NHC/OP of Florida, LLC offers the following Schedule C conditions:

Commitment: Applicant commits to pursuing hospice accreditation through an approved accrediting entity by the end of its second year of operation.

Commitment: Applicant commits to allocating \$10,000 to providing homeless patient care or towards homeless patient outreach.

Commitment: Applicant commits to allocating \$10,000 for room and board for patients without a caregiver.

Commitment: Applicant commits to making a financial donation of \$5,000 to the Alzheimer's Project and to participate in community outreach and education within the organization.

Commitment: Applicant commits to providing a minimum of 25 in-services of hospice related continuing education to referral sources in the service area in the first full year of operation.

Commitment: Applicant commits to allocating a of \$15 per patient per month towards their Three Most Important Things to enhance quality of life, provide individualized care, and ensure dignity at the end of life.

The proposed conditions and measures are as stated by the applicant. 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. However, Section 408.043(3) Florida Statutes states that "Accreditation by any private organization may not be a requirement for the issuance or maintenance of a certificate of need under ss. 408.031-408.045, Florida Statutes."

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

Section 400.606(5), Florida Statutes states that "The agency may deny a license to an applicant that fails to meet any condition for the provision of hospice care or services imposed by the agency on a certificate of need by final agency action, unless the applicant can demonstrate that good cause exists for the applicant's failure to meet such condition." Issuance of a CON is required prior to licensure of certain health care facilities and services.

The review of a CON application and ultimate approval or denial of a proposed project is based upon the applicable statutory criteria in the Health Facility and Services Development Act (408.031-408.045, Florida Statutes) and criteria in Chapter 59C-1, Florida Administrative Code. An approved CON does not guarantee licensure of the proposed project. Meeting the applicable licensure requirements and licensure of the proposed project is the sole responsibility of the applicant.

D. REVIEW PROCEDURE

The evaluation process is structured by the certificate of need review criteria found in Section 408.035, Florida Statutes, rules of the State of Florida, and Chapter 59C-1, Florida Administrative Code. These criteria form the basis for the goals of the review process. The goals represent desirable outcomes to be attained by successful applicants who demonstrate an overall compliance with the criteria. Analysis of an applicant's capability to undertake the proposed project successfully is conducted by evaluating the responses provided in the application and independent information gathered by the reviewer.

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

Section 59C-1.010(3)(b), Florida Administrative Code, prohibits any amendments once an application has been deemed complete. The burden of proof to entitlement of a certificate rests with the applicant.

As such, the applicant is responsible for the representations in the application. This is attested to as part of the application in the certification of the applicant.

As part of the fact-finding, consultant Gregory Keeter analyzed the application in its entirety with consultation from financial analyst Derron Hillman of the Bureau of Central Services who evaluated the financial data.

E. CONFORMITY OF PROJECT WITH REVIEW CRITERIA

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

1. Fixed Need Pool

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

In Volume 50, Number 23 of the Florida Administrative Register, dated February 2, 2024, the Agency published need for a new hospice provider in SA 2B (Franklin, Gadsden, Jefferson, Leon, Liberty, Madison, Taylor, and Wakulla Counties) for the July 2025 hospice planning horizon. The applicants are applying to establish a hospice program in response to published numeric need.

SA 2B's CYs 2019—2023 hospice admissions by provider are shown in the table below.

CON Action Numbers: 10766 and 10767

Service Area 2B Hospice Admissions CY 2019—CY 2023

Hospice	2023	2022	2021	2020	2019*
Big Bend Hospice, Inc.	1,999	1,972	2,084	1,983	1,811
Covenant Hospice, Inc.	427	469	409	371	319
Total	2,426	2,441	2,493	2,354	2,130

Source: Agency for Health Care Administration Florida Need Projections for Hospice Programs, issued for the referenced time frames with the exception in the “Note” below.

Note: *CY 2019 includes 3,754 July-December 2019 admissions which were not published due to the cancellation of the July 2020 batching cycle.

The applicants also provide arguments supporting need for their projects, which are described below.

Heart’n Soul Hospice of Florida, LLC (CON application #10766)

asserts that in addition to the published need there is a large unmet need. Heart’n Soul determined need through a comprehensive, on-the-ground interviews and interviewing local leaders. The applicant includes sixty letters of support and also examined the SA counties Community Health Needs Assessments listing nine of these including the Tallahassee Memorial Healthcare’s Community Health Needs Assessments.

The SA’s counties are largely rural outside of county seats and face significant health challenges. These challenges predominantly fall on the more rural counties including the five counties of Franklin, Gadsden, Jefferson, Madison, and Taylor that all fall into the lower range of Health Communities. While the remainder of the counties in SA 2B (Leon, Liberty, and Wakulla) are considered in the higher middle range of counties in Florida. Gadsden County is ranked 64th and Madison County 65th among the least healthy of Florida’s 67 counties. Heart’n Soul provides a chart derived from the Community Needs Assessments that lists key points for each county in the 2B SA.

CON Action Numbers: 10766 and 10767

<p>FRANKLIN</p> <ul style="list-style-type: none"> • Lower percentage of residents with income of \$75,000 or greater as compared to Florida or the United States • Higher lung cancer incidence rate - 62.3/100,000 compared to 55.8/100,000 in Florida 	<p>GADSDEN</p> <ul style="list-style-type: none"> • 56% Black population - highest in Florida • The highest percentage in the State of adults who were overweight or obese
<p>JEFFERSON</p> <ul style="list-style-type: none"> • 38.3% of the population age 65+ are disabled • Percentage of individuals below poverty level: 7.8% White, 35.4% Black, 24.2% Hispanic 	<p>LEON</p> <ul style="list-style-type: none"> • 31.2% Black population vs. 16.1% statewide • 8th highest rate for HIV in Florida • 1 in 5 live below poverty line <ul style="list-style-type: none"> ◦ 29.1% of Black residents vs. 14.9% of white residents
<p>LIBERTY</p> <ul style="list-style-type: none"> • 71% obesity rate • No family practice physicians, physicians, or a specialty of family practice 	<p>MADISON</p> <ul style="list-style-type: none"> • 40% black residents • Almost half (44.7 %) of residents living in poverty • Ranked third highest in the State for cancer deaths
<p>TAYLOR</p> <ul style="list-style-type: none"> • Mortality rates for CHD, cancer, and COPD/Pneumonia worse than statewide • Diabetes and HIV prevalence above State average 	<p>WAKULLA</p> <ul style="list-style-type: none"> • 74.5% obesity rate • Heart disease death rates exceed State average

Some pertinent findings as shown above include higher rates of lung cancer as compared to state-wide rates in Franklin County, higher mortality rates of CHD, cancer, and COPD/Pneumonia is worse than state average in Taylor County. Madison is ranked third highest in the State for cancer deaths.

Heart'n Soul three key findings include:

- Gap in service that led to fixed need pool which is driven primarily by lower Hospice penetration as compared to the state
- Concentrated gap in service to African Americans
- Outmigration, particularly in the SA's rural counties.

Heart'n Soul also describes the Agency's hospice need methodology, citing the difference between projected (2,778) patients and actual admissions (2,037) and highlights a significant gap between projected

need (2,778) and current resulting in a 637-patient gap, which exceeds the 350-patient need threshold. The applicant indicates its data support the Agency's analysis and include a growing elderly population, a high concentration of Black residents (a demographic often underserved by hospice), and low hospice penetration rates in rural and Black communities. Heart n' Soul provides tables comparing the SA's Black and White Medicare Enrollees Death Service Ratio during calendar years 2014- 2023. The reviewer's table below reproduces CY 2021 – 2023.

Service Area 2B – Death Service Ratio**White Medicare Enrollees**

Year	Enrollees	Death Service Ratio	Hospice Penetration
2021	63,408	0.54	0.74
2022	64,901	0.57	0.80
2023	65,717	0.58	0.83

Black Medicare Enrollees

Year	Enrollees	Death Service Ratio	Hospice Penetration
2021	21,211	0.38	0.49
2022	21,622	0.42	0.57
2023	21,892	0.42	0.60

Source: CON application #10766, page 28, from HeathPivots, Health Planning & Development LLC

The applicant's 2023 Bar Graph table shows the SA Black

Heart n' Soul indicates that 186 (of the 637 or 29.2%) projected admissions are driven by underservice to the area's Black residents. Heart'n Soul notes its Tennessee program serves an area where the Black population is 21.7 percent of the total population and 26.9 percent of its hospice admissions were Black patients. The applicant's projection of 186 Black patient admissions is consistent with its Tennessee operation and the SA's population.

In reference to out-migration, the applicant presents HealthPivots Medicare claims data for CYs 2014 – 2023 for the total SA and individual SA counties. These tables show the Medicare Enrollees percentages served by the existing providers and to other Florida Hospices (when the count is not suppressed). These show that nine percent of the SA's hospice patients obtained hospice from other than the SA's two providers during CY 2023 (October 2022-September 2023), and CYs 2020-2022. The applicant notes significant outmigration from the SA "of between 8-10%" during 2014-2023. During CY 2023, the counties not served by the SA hospice providers by order of largest percent outmigration are Franklin (22 percent), Liberty and Madison (both 13 percent), Jefferson and Taylor (both 12 percent), Leon and Gadsden (both six percent) and Wakulla County has the least (five percent).

Heart'n Soul notes that SA 2B is experiencing a significant increase in its elderly population (age 65+), with projections indicating an 8.8 percent

growth by 2030 and this is more pronounced for the very elderly (75+), with a projected increase of 21.8 percent. SA 2B exceeds the projected statewide growth for both age groups. Heart'n Soul notes that four SA 2B counties (Gadsden 53.8 percent, Madison – 35.8 percent, Leon—33.3 percent and Jefferson—32.2 percent) hold the highest percentages of Black residents in all of Florida. Gadsden County is the only Florida County where Black residents are the majority of the county's residents. Black residents account for 32.3 percent of the SA's total compared to the States' 16.7 percent of the total.

SA 2B's population distribution is uneven as Leon County, with a younger demographic, accounts for two-thirds of the SA's total population. The applicant contends this suggests a potential disparity in access to healthcare services for the elderly, particularly in the seven remaining, more rural counties. Four counties have a higher percentage of elderly residents (21.7 percent) compared to Leon County and the state average (17.8 percent and 22.8 percent respectively). The applicant contends the data paints a picture of a growing elderly population, particularly in underserved rural areas with a high concentration of Black residents. Heart'n Soul concludes that while this does not definitively prove these populations are underserved, it highlights potential disparities, particularly in rural areas.

Heart'n Soul argues that SA 2B exhibits a unique demographic composition, with a significantly higher Black population (32.3 percent) compared to the statewide average (16.7 percent) according to data from the University of Florida Bureau of Economic and Business Research (BEBR). The Black population is projected to grow at a faster rate (4.0 percent by 2030) than the overall service area population (3.1 percent). Notably, rural areas within SA 2B, excluding Leon County, demonstrate an even more concentrated Black population (30.5 percent) based on BEBR data. Gadsden County holds the distinction of having a Black majority population (53.8 percent). These demographic trends raise concerns about SA 2B hospices' preparedness to meet the potential future demand, particularly for its Black residents.

Heart'n Soul indicates it is clear a significant disparity exists in hospice care utilization within SA 2B, specifically affecting the Black population. Data analysis reveals that Black residents access hospice at a lower rate compared to both white residents in the service area and Black residents statewide. This underutilization is further emphasized by the observation that, if service utilization were proportional to demographics, 32.3 percent (which reflects the percentage of Black residents in SA 2B as per BEBR data) of hospice patients would be Black. The applicant contends the lower utilization rate for Black residents could be addressed by Heart'n Soul's Senior Journey program, which "directly tackles the Social

Determinants of Health (SDOH) that often-hinder access to quality care, particularly for underserved communities”. For example, Heart’n Soul’s research identified food insecurity as a major concern for SA 2B seniors, which it intends to address by partnering with established community organizations. The applicant concludes that by tackling crucial issues, its Senior Journey program has the potential to significantly improve the quality of life for the SA’s Black residents. Further, it is uniquely qualified, as the first entirely Black-owned hospice company in the U.S. and is deeply committed to providing care with dignity and respect for all patients, regardless of race or economic background. Heart’n Soul includes three co-founders and Tracy L. Wood, COO background information on the applications pages 11 and 12.

Heart’n Soul Hospice, LLC operates two hospices - one in Nashville, Tennessee and another in Seattle, Washington. Heart’n Soul includes quotes from Joel Parker, MD (Iris Medical Group, Brentwood, Tennessee) who states, “They do it right, always consistent follow through and best of all, the patient’s and families love them” and Forrest R. Stepnowski BWS, Executive Director of the Cottages of Renton (Washington) states, “...for over 30 years and have worked with many hospice providers, and yet, I have not worked with a hospice partner who offered the high quality of comfort, skill and care services as Nathan and his Heart’n Soul team brings to the table.”

Heart'n Soul Hospice has established a strong reputation for its success in serving underserved Black communities, particularly in Tennessee. The applicant states its approach prioritizes building trust and understanding within these communities. Heart'n Soul strategically partners with established provider and community networks that already hold the trust of the Black communities they serve, which facilitates smoother integration and educational efforts regarding hospice care. Furthermore, the organization itself reflects the demographics of the patients it serves, which fosters a sense of familiarity and cultural sensitivity, further strengthening trust.

Heart'n Soul Hospice also recognizes the potential for historical mistrust in the medical system within Black communities. The applicant addresses these concerns directly by tailoring the approach to provide culturally sensitive education and support. This comprehensive strategy has garnered significant recognition. National media outlets have highlighted Heart’n Soul Hospice achievements, and its application to operate in Tennessee was approved despite the presence of existing hospice providers. Similar concerns regarding disparities in hospice care access for African American communities have been echoed by the National Hospice and Palliative Care Organization (NHPCO). Judy Lund Person, NHPCO's VP for Regulatory and Compliance matters, highlighted

a positive trend: hospices nationwide are increasingly striving to reflect the demographics of the communities they serve. This aligns perfectly with the mission of Heart'n Soul Hospice, a Black-owned organization established in Tennessee. While open to serving all races, specific focus lies on addressing the needs of the underserved African American community. The belief is that a hospice with shared cultural background can alleviate some of the anxieties African American families may have regarding end-of-life care.

The applicant states Hospice News echoed concerns about the longstanding challenge of providing better access to hospice care for underserved communities. The publication noted the persistent issue of demographic disparities in access and quality of hospice services. Providers across the industry are actively seeking solutions to improve outreach to these underserved groups. Heart'n Soul Hospice in Nashville, Tennessee, stands as a prime example of such an effort. The focus on a diverse staff and leadership team is recognized as a key factor driving improved access to hospice care within underserved populations. Heart'n Soul provides links to the news stories and includes copies in the application's Exhibit F.

The applicant notes Heart'n Soul Hospice has undertaken a comprehensive outreach effort throughout SA 2B. Further, representatives have personally met with providers and stakeholders across all counties, including representatives from colleges, emergency services, social service organizations, hospitals, senior centers, government officials, religious institutions, healthcare clinics, assisted living facilities, and nursing homes. This extensive engagement process revealed a clear need for additional hospice services in the area. Furthermore, Heart'n Soul Hospice's approach to traditional care and specialty programs has garnered an overwhelmingly positive response, as evidenced by the numerous letters of support included in their application. These letters span a diverse range of organizations, including educational institutions, community service providers like Big Bend Cares and Boys & Girls Clubs of the Big Bend, Healthcare facilities, religious institutions and local government officials. The applicant concludes that its strong community support further strengthens Heart'n Soul Hospice's case for serving SA 2B. The widespread backing from various sectors demonstrates a clear need for their services and confidence in their proposed approach.

Heart'n Soul Hospice's commitment to cultural competency and addressing the needs of diverse populations resonates deeply within SA 2B, as evidenced by the numerous letters of support they have received. Mutaqqee Akbar, Esquire and President, Tallahassee Branch of the NAACP, highlights Heart'n Soul Hospice's achievements and dedication

to fostering cultural competence, which sets the applicant apart in the hospice industry and aligns perfectly with the NAACP's mission of ensuring equal access to quality healthcare. Valentina Webb, Executive Director, Elder Care Community Council of Franklin County recognizes the value of Heart'n Soul Hospice's "Senior Journey" program, which provides culturally appropriate education on crucial topics for seniors and the applicant's pledge to address food insecurity through a \$500 contribution to the senior meal program, which she indicates demonstrate a clear understanding of the Social Determinants of Health that impact this community. The Big Bend Minority Chamber of Commerce, represented by Chairman Sean Pittman, applauds Heart'n Soul Hospice's commitment to bridging healthcare access gaps and ensuring quality end-of-life care for all. Their membership in the Chamber further strengthens their ties to the community (Pittman).

Heart'n Soul Hospice states its thorough field study to assess the needs of SA 2B, includes securing letters of support/commitments from six geographically dispersed SA 2B nursing homes. These include:

- Arabella Health & Wellness of Carrabelle (Franklin County)
- Florida State Primitive Baptist Convention and Miracle Hill Nursing and Rehabilitation Center (Leon County)
- RiverChase Health and Rehabilitation Center (Gadsden County)
- Greenville Care Center (Madison County)
- Madison Health and Rehabilitation Center (Madison County)
- Eden Springs Nursing and Rehab Center (Wakulla County).

Heart'n Soul Hospice states these commitments will ensure access to hospice care for all residents by providing both inpatient and respite beds for Heart'n Soul Hospice patients and notes the strategic geographic distribution of these partnerships highlights Heart'n Soul Hospice's commitment to serving all residents within SA 2B.

Strong endorsements from nursing home administrators across SA 2B support the need for Heart'n Soul Hospice's services. Below are some of the support cited by the applicant:

Dr. Chris A. Burney, President of the Florida State Primitive Baptist Convention, governing body of Miracle Hill, highlights his organization's their willingness to contract for both inpatient and respite services with Heart'n Soul Hospice, upon their licensure. Sabrina Cameron, the Executive Director, Greenville Care Center (Madison County) expresses her full support for Heart'n Soul Hospice's application and indicates their interest in contracting for respite services.

Tabitha Love', LNHA, BSN, RN, Executive Director at Eden Springs Nursing and Rehab Center (Wakulla County) praises Heart'n Soul

Hospice's patient-centered approach and innovative programs, particularly their dementia care program and confirms their intent to contract for both inpatient and respite services if Heart'n Soul Hospice receives the CON.

Alan Davis, President of Summit Care Management, Madison Health and Rehabilitation Center (Madison County), emphasizes the importance of choice for residents in hospice care. He acknowledges Heart'n Soul Hospice's specialty programs and expresses their support for the application, along with their willingness to contract for inpatient and respite services if needed.

Lauren Lukes-Howard, Executive Director at Riverchase, Health and Rehab (Gadsden County) signifies their support for Heart'n Soul Hospice's application and their openness to contracting for inpatient or respite care.

Laura Weseman, Executive Director at Arabella Health and Wellness of Carrabelle (Franklin County), confirms her intent to contract for both inpatient and respite services with Heart'n Soul Hospice if they are awarded the CON.

NHC/OP of Florida, LLC (CON application #10767) notes SA 2B encompasses eight Florida counties, describes the Agency's need projection, and states its organization through its Caris Healthcare affiliate has policies and practices that "best serve many of the populations" identified below. NHC/OP lists the SA's:

- population growth and aging
- elderly patients living alone
- the most prevalent causes of death
- socioeconomic disparities
- health literacy levels
- high population of veterans
- rurality
- disaster preparedness needs; and
- the current hospice providers' penetration rate.

NHC/OP provides details of its policies and procedures and the need identified by each contributing factor. NHC/OP notes the Agency's population data showing an increase across seven out of eight counties in SA 2B by 2026. This growth, exceeding 11,000 residents, includes a significant rise in Leon County. An expanding elderly population naturally leads to a greater need for hospice services, as more individuals face chronic illnesses that benefit from end-of-life care. The applicant,

with its affiliated hospice provider Caris Healthcare, is prepared to address this growing demand through established policies and practices.

NHC/OP states that SA 2B reflects a national trend – its population is aging, which is particularly significant because older residents require healthcare services more frequently than younger demographics. This trend mirrors the entire state of Florida, known for having the highest percentage of residents over 65 in the US. NHC/OP understands this dynamic as a provider of home health services across Florida. An aging population translates to a growing demand for healthcare services, especially for elderly patients, including end-of-life care like hospice, which it seeks to address by establishing a new hospice agency.

Major points cited by NHC/OP include net increase of over 4,000 residents aged 65 and over in SA 2B from 2020 to 2022. Three counties within the SA growth rates exceeding the state average for this age group. Projections indicate a further increase of nearly 9,000 residents aged 65 and over by July 2026 and by 2026, five counties are expected to have at least 20 percent of their population over 65. NHC/OP notes SA 2B is projected to experience a 1.5 percent annual growth rate in deaths from 2022 to 2026 and contends that some counties may see a decline, but the overall SA increase supports need for additional hospice services.

NHC/OP notes that most deaths in SA 2B involve residents aged 65 and over, with cancer and non-cancer diagnoses alike. In 2022, over 72 percent of all deaths (3,194) were in this age group, highlighting the specific need for hospice care tailored to elderly patients. The applicant states the exact breakdown of future deaths by cause and age is not available so it uses historical data for estimations. The high percentage (72 percent) of deaths in 2022 involving residents over 65 suggests a similar trend for the future. By multiplying these historical ratios with projected total deaths per county, we can estimate future deaths from cancer and other causes among the elderly. This analysis reinforces the need for additional hospice services. Existing data confirms that hospice care is heavily utilized by the elderly. For instance, a 2024 Medicare report showed hospice use increasing from 26.6 percent for those under 65 to over 61.8 percent for those over 85. Furthermore, the Agency's data projects a significantly greater need for hospice services among the elderly population in SA 2B and Florida as a whole.

Recognizing the challenges associated with end-of-life decisions, the applicant's affiliate Caris Healthcare offers support to both patients and families. Programs like "Necessary Conversations" provide resources and guidance for families navigating these difficult choices, ensuring they make the best decisions for their loved ones. Caris Healthcare's

commitment to "The Better Way" is stated to emphasize dedication to providing compassionate and appropriate care during this sensitive time.

The applicant states NHC Healthcare and Caris Healthcare prioritize core values that ensure exceptional care for their patients. Compassion, accountability, respect, integrity, and service are at the forefront of their philosophy. These values translate into practical initiatives like Caris Transitions, a program that streamlines communication between patients receiving hospice care and their caregivers. By ensuring clear and timely communication channels, Caris Transitions makes hospice care more accessible and efficient for the community.

The applicant cites data reveals over one-quarter of the SA's residents over 65 live alone, exceeding the state average. This highlights the urgent need for specialized hospice care services equipped to address the unique needs of this vulnerable population. Studies have established a strong link between social isolation in older adults, especially those over 60, and negative health outcomes. Isolation can lead to depression and dangerous falls, especially for those living alone. Worse, it's linked to numerous health issues prevalent in seniors, such as heart disease, Alzheimer's, and even premature death. The applicant states it will address the specific needs of hospice patients living alone. During the initial intake assessment, a social worker conducts a comprehensive evaluation, identifying any gaps in caregiving and exploring the patient's financial, social, and community resource needs. NHC/OP states Caris Healthcare goes beyond traditional hospice care by connecting patients with a broader network of resources. This network includes Alzheimer's support groups, community services, and financial assistance programs to help manage the financial burden. Furthermore, the applicant will refer patients to VA services, long-term care, and home health options when necessary. The applicant cites Caris Healthcare's "Three Most Important Things" program (included in the application's Exhibit C). This program involves asking each patient, "What are the three most important things we need to know about you to provide excellent care?" Based on the patient's response, Caris Healthcare crafts an individualized care plan that maximizes comfort, fosters connection with others, and addresses their spiritual well-being.

The applicant notes that SA 2B boasts a rich racial diversity compared to the state average, with a significant Black population. Data from the U.S. Census shows that a majority of SA 2B, including its largest county Leon (at nearly 33 percent), has a higher percentage of Black residents than Florida as a whole. This demographic makeup is important because, unfortunately, Black Americans experience greater healthcare needs compared to white Americans. The Centers for Disease Control and Prevention (CDC) reports higher rates of illness and death among

Black individuals across various health conditions. These disparities range from diabetes and heart disease to asthma and obesity and the life expectancy for non-Hispanic Black Americans is four years lower than their white counterparts. Race is cited as one of many "Social Determinants of Health," factors often linked together that can significantly impact health outcomes. Unfortunately, these determinants overwhelmingly paint a picture of poorer health outcomes for Black Americans. A 2023 KFF study analyzing 16 social determinants of health found Black people fared worse in all 16 categories compared to white people.

The applicant states its social workers will actively seek out resources for niche populations like pediatric patients and veterans, ensuring access to a broader range of services. Through comprehensive internal policies promoting empathy and understanding of minority groups, the applicant is confident it can provide culturally sensitive care tailored to the unique needs of the diverse communities it serves, including those in SA 2B. SA 2B reflects a similar trend to the state of Florida regarding the leading causes of death. Data from 2023 shows Heart Disease, Cancer, Chronic Lower Respiratory Diseases, Cerebrovascular Diseases, and Alzheimer's Disease as the top five disease-based causes, collectively accounting for over half of all deaths in the SA.

While these overall trends mirror the state, SA 2B has a concerning disparity in cancer deaths among residents identified as "Other" or "Unknown" race. This group experiences a nearly 40 percent higher cancer mortality rate compared to the same racial category in Florida as a whole. The applicant recognizes the importance of addressing this disparity.

The applicant contends that Caris Healthcare demonstrates a commitment to providing specialized care for the leading causes of death in SA 2B. Caris Healthcare offers continuing education programs for nurses, focusing on conditions like cardiovascular disease, neurological conditions, lung disease, and dementia. These programs are accredited and ensure nurses possess the necessary knowledge and expertise to care for patients with these prevalent diseases. The applicant cites NHC partnership with Optum Hospice Pharmacy, a pharmacy benefits manager (PBM), that create tailored medication regimens for each patient. A dedicated pharmacist from Optum collaborates with the hospice team to develop and manage a patient's medication plan from the outset of care. Regular consultations ensure medication needs are continuously evaluated and adjusted to effectively manage symptoms and pain.

CON Action Numbers: 10766 and 10767

- Access to leading industry experts for pain and symptom control upon admission.
- Expert advice on medication and wound care management.
- Quick and accurate determination of optimal dosing and administration for critically ill patients.
- 24/7 access to specialized pharmacists to address medication changes during disease progression.

Optum's team boasts a wide range of specialists, including geriatric pharmacists, dementia practitioners, and pain educators, allowing Caris Healthcare to provide holistic care – addressing both physical and psychological needs – for all patients, regardless of their specific diagnosis. The applicant remains committed to this partnership to ensure exceptional care for patients in SA 2B if their hospice application is approved.

Socioeconomic disparities, like race, are considered "Social Determinants of Health" (SDoH) that significantly impact health outcomes. Defined by the World Health Organization, SDoH are "the non-medical factors that influence health." These factors encompass everything from income and education to access to quality food and safe housing. They significantly shape a person's overall health and well-being. The Centers for Disease Control and Prevention (CDC) further categorizes SDoH into five key domains: Economic Stability, Education Access and Quality, Healthcare Access and Quality, Neighborhood and Built Environment, and Social and Community Context. SDoH are not equally distributed across the population. They often intersect and create a complex web of challenges for certain groups. Healthy People 2030, a public health initiative by the CDC, emphasizes that SDoH contributes to significant disparities in health outcomes. Limited financial resources, a key SDoH factor, can restrict access to healthcare services. For hospice patients, this can translate to a lack of health insurance or difficulty traveling to appointments due to geographic barriers. These limitations prevent them from receiving palliative and end-of-life care.

The applicant recognizes the challenges faced by impoverished and underserved populations in accessing care. They have actively assessed the socioeconomic factors that hinder individuals in SA 2B from receiving necessary medical services.

SA 2B faces a higher poverty rate compared to the state of Florida. Census data reveals that nearly 19 percent of residents live in poverty, and seven out of eight counties within the SA exceed the state's poverty rate. This lack of financial resources, a key Social Determinant of Health (SDoH), significantly impacts access to healthcare services, including

home hospice care. Further data on retail sales per capita in SA 2B indicates a lower disposable income compared to the state average. This translates to limited resources for residents to spend on non-essential needs, potentially including healthcare. Given these economic challenges, the need for affordable hospice care becomes even more critical.

The applicant states it will prioritize providing hospice care and services to all patients meeting eligibility criteria, regardless of financial background. NHC/OP will have the financial resources to care for all patients and does not deny services based on insurance coverage or ability to pay. For patients requiring indigent care, it will assign a dedicated nurse case manager and social worker. Reference to Caris Healthcare practices and policies are included throughout NHC/OP response. The applicant emphasizes that its high-quality care standards apply equally to all patients. Regardless of age or ability to pay, all medically appropriate patients will be accepted for services.

SA 2B struggles with poverty, limited food access, and healthcare barriers. This creates a critical need for accessible hospice care, like the applicant's affiliate Caris Healthcare offers. The applicant notes Caris prioritizes serving everyone regardless of background and tailors care to individual needs. Their approach includes a comprehensive assessment that goes beyond medical care to address basic necessities like food. Social workers, nurses, and volunteers work together to connect patients with community resources, ensuring all receive the support they deserve during their final days.

SA 2B has higher uninsured rates than the state average, especially for those under 65. The applicant states it will provide financial assistance and utilize social workers to help patients navigate insurance options, disability benefits, and connect with local resources. SA 2B has lower health literacy rates than the state average, meaning many residents struggle to understand health information. This can lead to poor healthcare decisions, especially for complex topics like hospice care. The applicant cites Caris Healthcare (that it will use) providing patients and caregivers with clear, easy-to-understand materials about hospice care, including payment options and Medicare acceptance. Caris Transitions program is said to facilitate discussions with hospice professionals to prepare patients and families for end-of-life decisions. This program builds trust and empowers patients to make informed choices about their care. Even if a patient isn't yet ready for hospice, Caris Transitions remains a resource for them.

The applicant cites SA 2B's significant veteran population, with over six percent of residents having served in the military and 15 percent of seniors in the SA are veterans. These veterans often require more healthcare due to chronic conditions and higher rates of health issues like diabetes and heart disease compared to civilians. NHC/OP cites Caris Healthcare Level 5 partnership in the We Honor Veterans program and what it offers veterans.

NHC/OP next addresses - SA 2B's rural residents that often face higher rates of chronic illness, mental health issues, and poorer health outcomes compared to urban areas. Accessing care is further hindered by long travel distances, higher uninsured rates, and lower health literacy. These difficulties extend to hospice care, with fewer rural residents utilizing these services and a general lack of available options in their counties. The applicant cites Caris Healthcare experience operating in rural locations across five states, contend it is well-equipped to address these challenges. The applicant states it will deploy resources across all counties in SA 2B, ensuring residents have access to their services and raising awareness among patients and referral sources.

The applicant notes SA 2B, located in the Florida panhandle, faces threats from tropical storms, hurricanes, and severe weather. While the SA boasts 126 general shelters, only 11 cater to individuals with special needs. These limited resources are concentrated in Leon County, leaving residents in the remaining seven counties with scarce options during emergencies. The applicant contends it will bring Caris' valuable experience of operating in disaster-prone areas like coastal South Carolina. Caris home hospice locations are stated to have established Emergency Preparedness Plans to ensure uninterrupted care for patients regardless of weather disruptions. Caris experience in preparing for and responding to emergencies will be a benefit to the applicant's SA 2B service by guaranteeing continued care and well-being of patients, caregivers, and staff during potential disasters.

The applicant notes the SA 2B providers: Big Bend Hospice and Covenant Hospice - data shows a hospice utilization growth lags the increasing population of seniors, the primary demographic for hospice services. Specifically, the existing providers' growth rate (1.0 percent CAGR) is lower than the projected growth rate of SA 2B's senior population, thus the projected need. The applicant contends that its affiliation with Caris Healthcare and NHC HomeCare will provide existing infrastructure and expertise in home healthcare to quickly ramp up hospice services. The applicant contends it affiliate Caris Healthcare, outperforms both the national average and existing providers in SA 2B on various Consumer Assessment of Healthcare Providers and Systems (CAHPS) hospice survey measures, including patient respect and

emotional/spiritual support. The applicant cites commitment to actively participate in the community by offering educational lectures, bereavement programs, health fair participation, and volunteer training. Furthermore, it will partner with local institutions to provide clinical education programs, strengthening the overall hospice care workforce in SA 2B and ensuring a pool of qualified professionals for the future.

2. Agency Rule Criteria and Preferences

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

Each co-batched applicant discusses serving populations believed to be underserved or otherwise in need of targeted hospice services.

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

Heart'n Soul Hospice of Florida, LLC (CON application #10766) states it is committed to serving the entire SA and in addition to the traditional core hospice care services, it has developed "Journey" Programs aimed at underserved populations and specific health challenges. The applicant provides data that the Black population is underserved and cites its Tennessee operation's service to this population. Programs range from disease specific programming to programs that are specific needs of particular communities. Examples cited to address the SA's unmet needs encompass a wide range, include:

- Senior Journey: This program caters to the general needs and concerns of seniors.
- Comfort Journey: This program focuses on providing comfort and support throughout the hospice journey.
- Never Alone Journey: This program addresses social isolation and loneliness, ensuring patients feel connected and supported.
- Hero Journey: This program honors the unique experiences and contributions of veterans receiving hospice care.
- Disease-Specific Journeys: Programs like Cardiac Journey and COPD Journey address the specific needs of patients with heart disease or Chronic Obstructive Pulmonary Disease.

Other Specialized Journeys: Move Forward Journey, Memorable Journey, and Calming Journey offer targeted support for specific situations or emotional needs.

Heart'n Soul states that by offering these comprehensive it demonstrates its commitment to providing holistic, patient-centered care that addresses the unique circumstances of everyone in SA 2B. The applicant provides flyers describing the Never Alone Journey, Grief Support services, Cardiac, Cancer Care, and COPD Journey Program. Several of its programs are cited as conditions to the approval of the project.

NHC/OP of Florida, LLC (CON application #10767) states Caris has specific policies and programs to address the needs of, and it is committed to serving Black residents, those living alone (age 65+), individuals facing socioeconomic disparities, people with low health literacy, Veterans, and residents in rural communities. The applicant references its response to Schedule B, Question E.1. and Caris' corresponding and cited policies and programs.

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

Heart'n Soul Hospice of Florida, LLC (CON application #10766) has secured significant backing from established healthcare facilities across SA 2B. These facilities have pledged their support and willingness to contract with Heart'n Soul for inpatient and respite hospice services, should they be awarded the CON. These include:

Miracle Hill Nursing and Rehabilitation Center, Greenville Care Center, Eden Springs Nursing and Rehab Center, Madison Health and Rehabilitation Center, RiverChase Health and Rehabilitation Center, and Arabella Health & Wellness of Carrabelle. Excerpts of these facilities support letters were cited. The applicant states intend "to leverage" Heart'n Soul affiliate's experience with established facilities in Tennessee and Washington.

NHC/OP of Florida, LLC (CON application #10767) SA 2B's states it utilize existing healthcare facilities for inpatient hospice care. The applicant states Caris Healthcare has a proven track record of collaborating with skilled nursing facilities, hospitals and hospice houses and NHC's operation of nursing homes. While the

applicant states it “actively seeks contracts with skilled nursing facilities”, application does not include any support letters from SA 2B nursing homes.

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

Pertinent to this rule preference, the Agency notes the following:

- *Section 400.6095 (1) Florida Statutes requires hospice programs to make its services available to all terminally ill persons and their families without regard to... diagnosis, cost of therapy, ability to pay or life circumstances*
- *Section 400.6095 (5) (a) Florida Statutes requires the hospice to identify the patient’s primary care giver, or an alternative plan of care in the absence of the primary care giver, to ensure the patient’s needs will be met*
- *Section 400.6095(5) (c) Florida Statutes requires the hospice to assess patient and family needs, identify the services required to meet those needs, and plans for providing those services through the hospice care team, volunteers, contractual providers, and community resources*

Heart’n Soul Hospice of Florida, LLC (CON application #10766)

states it has a demonstrated track commitment to serving these vulnerable populations. The applicant indicates Heart'n Soul Hospice served 23 patients with HIV and those experiencing homelessness in its first two years of operation. Heart n’ Soul cites its support letters from Big Cares, the Emergency Services Director with the Gadsden County Sheriff’s and Gadsden County Senior Citizens Foundation, Inc. The applicant has proposed conditions to assist these organizations community services.

NHC/OP of Florida, LLC (CON application #10767) emphasizes its dedication to providing compassionate hospice care to all members of the community, particularly those facing challenges in securing traditional support systems. This focus includes patients without primary caregivers at home, the homeless population, and individuals living with AIDS.

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

Heart'n Soul Hospice of Florida, LLC (CON application #10766) states that while Leon County boasts the largest population in the service area, it recognizes the needs of outlying communities. The applicant's initial focus will be on western Tallahassee, Leon County, due to its high concentration of residents who might benefit from hospice care (seniors, Black population). This location offers improved accessibility for the most populous area. The applicant proposes to condition project approval to opening a satellite office in Monticello (Jefferson County) after the primary Leon County location receives accreditation. This phased approach demonstrates Heart'n Soul Hospice's long-term commitment to serving the entire SA 2B, with plans to establish offices in additional underserved counties in the future.

Heart'n Soul conditions upon approval of its project to establish both the Tallahassee office and a satellite office in Monticello (Jefferson County).

NHC/OP of Florida, LLC (CON application #10767) plans a central office in Leon County but emphasizes serving all eight counties in SA 2B. The applicant states its flexible staffing model allows recruitment across the area to address diverse needs, with a second office possible for enhanced rural access. NHC/OP states its affiliates have experience in rural hospices and a strong internal network, which it contends will allow it to ensure all residents, including those in underserved counties, are aware of its services.

NHC/OP states "if a second office is needed to better serve the rural areas then the applicant will expand". The applicant does propose to condition project approval to a second office.

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

Heart'n Soul Hospice of Florida, LLC (CON application #10766) expands beyond standard hospice services, offering unique, complimentary programs for all patients regardless of insurance: "Caring Moments" (celebrating special occasions) and pet therapy, and CDB therapy (a non-addictive nonpsychoactive natural therapy administered by an RN for pain relief and various health ailments). Further, the applicant conditions the application on providing several additional, no-cost programs to enhance the community's access to hospice care:

CON Action Numbers: 10766 and 10767

- Caring Moments Program: Helps patients celebrate special occasions and recreate cherished memories.
- Heart'n Soul Access Program: Allows them to accept patients receiving complex medical treatments or those navigating difficult end-of-life conversations.
- Annual Bereavement Children's Camp: Scheduled within 18 months of initial operations.
- Palliative Care Program: Established within 12 months of licensure and accreditation.

In addition to the conditioned programs, Heart'n Soul also commits to establishing these services within specific timeframes:

- Advance Care Planning Workshops: Provided in underserved areas to assist residents with end-of-life planning.
- Community Bereavement Support: Offered to all community members, even those not affiliated with Heart'n Soul Hospice.

By offering these conditioned and additional programs, Heart'n Soul Hospice addresses needs often not covered by insurance and strengthens the overall hospice care experience for SA 2B residents.

NHC/OP of Florida, LLC (CON application #10767) states it is committed to equitable care and services to patients irrespective of their ability to pay. The applicant's response does not include services that are not covered specifically covered by private insurance, Medicaid, or Medicare. The reviewer notes NHC/OP

- (6) Consistency with Plans. An applicant for a new Hospice program shall provide evidence in the application that the proposal is consistent with the needs of the community and other criteria contained in local health council plans and the State Health Plan. The application for a new Hospice program shall include letters from health organizations, social services organizations, and other entities within the proposed service area that endorse the applicant's development of a Hospice program.**

Heart'n Soul Hospice of Florida, LLC (CON application #10766) provides many letters of support that are listed and excerpted earlier in this application and in Appendix E. The applicant also provides details of the SA Counties Community Health Assessments.

NHC/OP of Florida, LLC (CON application #10767) states it demonstrated “the consistency with the plans and needs of the community” and references its six letters of support (three from NHC personnel) in the application’s Exhibit B, stating these document “the community is in support of the.. (project)”. The applicant’s support letters are insufficient to document compliance with this criterion.

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

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

(a) Proposed staffing, including use of volunteers.

Heart’n Soul Hospice of Florida LLC (CON application #10766): Schedule 6 shows the applicant projects 14.4 FTEs in year one and 31.5 FTEs in two year. The applicant’s supplemental materials indicate it uses volunteers for patient/family support, administrative/office assistance and community outreach. Heart n’ Soul includes its Policy and Procedure Human Resource Manual in the application’s Appendix A and its Clinical Policy and Procedure Manual in the application’s Appendix B.

NHC/OP of Florida, LLC (CON application #10767) refers the reviewer to its Schedule 6, which shows the applicant projects 13.0 FTEs in year one and 20.0 FTEs in two year. The use of volunteers is not discussed.

(b) Expected sources of patient referrals.

Heart’n Soul Hospice of Florida, LLC (CON application #10766) includes letters of support from the following that could all be potential referrals sources- these includes:

- Florida Agricultural and Mechanical University (FAMU)
- Florida State University (FSU)
- Nursing Homes
- ALFs
- Physicians
- Religious and Faith-Based Institutions

CON Action Numbers: 10766 and 10767

- Elected and Appointed Officials
- Disease-specific Outreach and Advocacy Organizations
- Minority Population Outreach and Advocacy Organizations
- Veteran Organizations
- Local Businesses

NHC/OP of Florida, LLC (CON application #10767) states it plans to utilize the NHC HomeCare to provide a continuum of care amongst various healthcare providers and it is committed to establishing effective links with other services in the healthcare system.

While NHC/OP notes its home health agencies in the service area, Heart n' Soul demonstrated much more contact with the SA providers and potential referral sources.

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

Heart'n Soul Hospice of Florida, LLC (CON application #10766): The applicant's Schedule 7A indicates the following payor days and percentage of the year one and year two patient days.

Heart'n Soul Hospice of Florida, LLC (CON application #10766)
Patient Days By Payor
Years one and two ending 1/31/26 & 1/31/27

Payor	Year 1	% of Total	Year 2	% of Total
Medicare	8,458	90%	21,179	90%
Medicaid	742	8%	1,883	8%
Self-Pay	94	1%	235	1%
Comm. Ins.	47	0.5%	118	1%
Other Mgt. Care	47	0.5%	118	1%
Total	9,398	100%	23,532	*100%

Source: CON application #10766, Schedule 7A.

Note: Schedule 7A notes indicate charity care is reflected in the self-pay, insurance, managed care and other revenue columns and is forecasted to be 1.0 percent of patient revenue in both years. The reviewer notes the year two percent is 101%, which is due to rounding.

CON Action Numbers: 10766 and 10767

**NHC/OP of Florida, LLC (CON application #10767)
Projected Admissions by Payor — NHC Healthcare SA 2B**

	Year One	Year Two
Medicare	53	106
Medicaid	2	5
Commercial	5	9
Self-Pay/Charity Care	1	1
Total	61	121

Source: CON #10767, page 58.

NHC/OP's projections yield an average length of stay of 134.3 in year one and 136.1 in year two. The existing SA providers reported an ALOS of 65.4 days in CY 2023.

However, NHC/OP has conflicting admissions its Table 5.4 (Page 92) indicates it projects 91 year one and 183 year two admissions and an ALOS of 90 days. This would appear to be correct more so than the applicant's admission response to the criteria here and in (d) and (e).

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

Heart'n Soul Hospice of Florida, LLC (CON application #10766) provides data showing the incidence of heart disease and cancer, it does not directly respond to this reference.

**NHC/OP of Florida, LLC (CON application #10767)
Projected Admissions by Terminal Illness — NHC Healthcare SA 2B**

	Year One	Year Two	Percent of Total
Cancer	11	23	19%
Other	50	98	81%
Total Admissions	61	121	100%

Source: CON #10767, page 58.

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

Heart'n Soul Hospice of Florida, LLC (CON application #10766) provides data on the aging population but does not directly respond to this preference.

**NHC/OP of Florida, LLC (CON application #10767)
Projected Admissions by Age Group — NHC Healthcare SA 2B**

	Year One	Year Two
Under 65	4	8
Over 65	57	113
Total Admissions	61	121

Source: CON #10767, page 58.

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

Pertinent to this rule preference, the Agency notes the following:

- **Section 400.609 (1) (a) & (b) Florida Statutes,** states (a):
 - *The hospice care team shall directly provide the following core services: nursing services, social work services, pastoral or counseling services, dietary counseling, and bereavement counseling services. Physician services may be provided by the hospice directly or through contract. A hospice may also use contracted staff if necessary to supplement hospice employees in order to meet the needs of patients during periods of peak patient loads or under extraordinary circumstances*

(b):
Each hospice must also provide or arrange for such additional services as are needed to meet the palliative and support needs of the patient and family. These services may include, but are not limited to, physical therapy, occupational therapy, speech therapy, massage therapy, home health aide services, infusion therapy, provision of medical supplies and durable medical equipment, day care, homemaker and chore services, and funeral services

Heart'n Soul Hospice of Florida, LLC (CON application #10766) materials show it provides nurses, physicians (medical director), hospice aides, social workers, chaplains/spiritual care coordinators, bereavement coordinators, specialized therapies as needed, hospice dietitians and trained volunteers. Volunteers will provide patient/family support, administrative/office assistance and community outreach.

NHC/OP of Florida, LLC (CON application #10767)

indicates that it contracts for the following services: Durable Medical Equipment, Pharmacy, Therapy, Transportation, and Infusion services, and that all other care is administered directly by hospice staff and volunteers.

(g) Proposed arrangements for providing inpatient care.

Heart'n Soul Hospice of Florida, LLC (CON application

#10766) has received commitments to support inpatient care and has received commitments from following facilities across SA 2B:

- Florida State Primitive Baptist Convention and Miracle Hill Nursing and Rehabilitation Center (Leon County)
- Greenville Care Center (Madison County)
- Eden Springs Nursing and Rehab Center (Wakulla County)
- Madison Health and Rehabilitation Center (Madison County)
- RiverChase Health and Rehabilitation Center (Gadsden County)
- Arabella Health & Wellness of Carrabelle (Franklin County).

NHC/OP of Florida, LLC (CON application #10767) states it is not proposing the development of a residential unit as part of the CON application but 'upon approval' will establish a relationship and contract with existing hospitals, nursing homes, and hospice houses to provide inpatient care for their patients.

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

Heart'n Soul Hospice of Florida, LLC (CON application

#10766) includes no plans to construct or operate a freestanding inpatient hospice.

NHC/OP of Florida, LLC (CON application #10767)

restates its response it (g) above.

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

Heart'n Soul Hospice of Florida, LLC (CON application #10766) states that "this level of care is provided when a patient needs short-term management of pain or symptoms that cannot be controlled at home. The patient is transferred to a contracted facility, hospital inpatient hospice unit, or skilled nursing facility. When the symptoms are controlled, the patient may return home."

NHC/OP of Florida, LLC (CON application #10767) states that General Inpatient Care (GIP) is short-term, specialized hospice care provided in hospitals, nursing homes, or approved facilities. It's used for patients experiencing severe symptoms that can't be managed at home, requiring:

- Intensified pain control
- More advanced symptom management
- Complex medical procedures
- End-of-life care

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

Heart'n Soul Hospice of Florida, LLC (CON application #10766) provides two programs that together serve persons without caregivers at home. Senior Journey is for the elderly who may live alone and its Never Alone Journey ensures that no patient's final moments are alone. These programs involve its staff and volunteers.

NHC/OP of Florida, LLC (CON application #10767) is committed to providing compassionate care to all members of the community, particularly those who lack traditional support systems. This includes patients without primary caregivers at home. Their interdisciplinary team recognizes the unique needs of these individuals and works diligently to ensure they receive the care and attention they deserve. Caris prioritizes collaboration with community resources and agencies to address these specific needs, striving to create a supportive environment that promotes healing and well-being.

(k) Arrangements for the provision of bereavement services.

Pertinent to this rule preference, the Agency notes the following:

- *Section 400.609 (1) (a) Florida Statutes indicates the hospice care team shall directly provide bereavement counseling services*
- *Section 400.609(5) Florida Statutes states this must be a comprehensive program, under professional supervision, that provides a continuum of formal and informal support services to the family for a minimum of one year after the patient's death*

Heart'n Soul Hospice of Florida, LLC (CON application #10766) states that bereavement services are part of its Grief Support program. This program offers Grief Counselors that during group meetings, "help participants understand how the mind and body process grief." In addition, immediate access to Grief Counselors is available by telephone. The applicant's bereavement services are documented on page 49 of its Patient and Family Handbook contained in the application's Exhibit C. Heart n' Soul conditions the project on providing an annual Bereavement Children's Camp to be scheduled within 12-18 months of initial operations beginning, as well as bereavement support for all segments of the community, including those not associated with Heart'n Soul Hospice.

NHC/OP of Florida, LLC (CON application #10767) offers comprehensive bereavement support to families and the community following a patient's death. Their Bereavement Team oversees structured care plans, providing ongoing assessments and diverse services like visits, memorial services, and support groups.

This ensures holistic care that addresses the specific needs of those grieving. Bereavement services are available for one year after a patient's death and extend to family members, caregivers, significant others, and even the broader community.

(l) Proposed community education activities concerning hospice programs.

Heart'n Soul Hospice of Florida, LLC (CON application #10766) offers education in many forms including disease specific specialized programs for patients suffering with chronic lung and heart disease and provides communication and education for caregivers. In a letter of support, Rabbi Paul Sidlofsky of Temple Israel states, "Heart'n Soul Hospice works with community resources to offer culturally appropriate health education". The applicant proposes to provide advance planning programs to churches and senior centers in the SA's underserved areas (as a condition and noted in its letters of support section).

NHC/OP of Florida, LLC (CON application #10767) goes beyond hospice care to educate the community. They offer various programs on topics like hospice benefits, advanced directives, patient caregiving tips, and dementia care. These initiatives include educational lectures, community bereavement programs, health fair participation, and community events. This focus on education empowers caregivers and ensures the community is well-informed about hospice and end-of-life care. More are in Exhibit M - Community Education Brochures.

(m) Fundraising activities.

Heart'n Soul Hospice of Florida, LLC (CON application #10766) Heart'n Soul's guidelines indicate most donations are in memory of patients who have been served by its program and the funds will be used to promote its program and its hospice philosophy.

NHC/OP of Florida, LLC (CON application #10767), a for-profit entity, does not directly solicit donations for their hospice program. Instead, they offer a list of reputable charities on their website for those who wish to contribute.

The applicant contends NHC/OP demonstrates a strong commitment to community support through their parent company, NHC. NHC actively participates in fundraising endeavors, particularly with the Alzheimer's Association.

Their significant contributions have earned them a lifetime achievement sponsorship level, highlighting their dedication to research, advocacy, and support programs that benefit the community.

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

Heart'n Soul Hospice of Florida, LLC and NHC/OP completed Schedule D-1 "Certification by the Applicant" which has as Item H. commitment to provide utilization reports to the Agency.

NHC/OP of Florida, LLC (CON application #10767) will file the semi-annual utilization reports with all required documents as indicated above on or before July 20 of each year and January 20 of the following year.

3. Statutory Review Criteria

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

As previously stated in item E.1.a. of this report, per Volume 50, Number 23, of the Florida Administrative Register, dated February 2, 2024, need was published for a hospice program SA 2B (Franklin, Gadsden, Jefferson, Leon, Liberty, Madison, Taylor, Wakulla Counties) for the July 2025 hospice planning horizon.

SA 2B has ten hospitals with 2,258 licensed beds, 17 SNFs with 1,895 beds, 23 ALFs with 1,553 licensed beds, and 32 home health agencies.

In reference to availability and accessibility, the reviewer notes the existing providers 2B offices are in Leon County.

SA 2B utilization is detailed in Item E. 1. a. of this report.

Heart'n Soul Hospice of Florida, LLC (CON application #10766) addresses a critical need for increased hospice services in SA 2B.

- High unmet need: Projections indicate a significant unmet need for hospice care, with only two existing providers and one dominating the market.

CON Action Numbers: 10766 and 10767

- Low utilization: Current hospice utilization lags behind the state average, especially among Black Medicare enrollees.
- Out-migration: Some residents leave the area for hospice care, highlighting a lack of available options.

Heart'n Soul Hospice is committed to serving these underserved communities, increasing access, and enhancing overall hospice utilization throughout SA 2B.

NHC/OP of Florida, LLC (CON application #10767) cites Caris Healthcare's proven track record of delivering high-quality hospice care. NHC/OP references Caris' existing hospice agencies and its intent to leverage NHC's established national network assets to use including NHC HomeCare and Caris Healthcare.

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

Heart'n Soul Hospice of Florida, LLC (CON application #10766) prioritizes delivering high-quality hospice services, evidenced by its impressive track record in Tennessee.

- Medicare quality measures: The Nashville location consistently surpasses national and state averages in key areas like patient assessments, end-of-life visits, and the Hospice Care Index.
- Robust Performance Improvement program: The applicant indicates it continuously evaluates in order to improve its services through regular audits of key performance indicators.
- Commitment to Accreditation: The applicant's affiliated locations in Tennessee and Washington hold CHAP accreditation, demonstrating its dedication to meeting rigorous quality standards.
- Heart'n Soul Hospice commits to obtaining CHAP accreditation within two months of licensure in SA 2B.

NHC/OP of Florida, LLC (CON application #10767) contends it is dedicated to exceptional hospice services, evidenced by:

- Experienced Leadership - established team brings expertise in providing quality care and meeting patient needs.
- The Better Way Program: a comprehensive training program to ensure consistent, compassionate care delivery through 20 core service promises.
- Superior Performance: The applicant states Caris Healthcare consistently surpasses national averages on key quality metrics,

including patient assessments, end-of-life visits, and the Hospice Care Index (HCI).

- Patient-Centered Approach: prioritize understanding patient and family needs through the Consumer Assessment of Healthcare Providers and Systems (CAHPS) survey.
- Award-Winning Excellence: Numerous prestigious awards acknowledge their commitment to continuous improvement and delivering world-class care.
- Strong Track Record: affiliated skilled nursing facilities and home health agencies consistently achieve high CMS star ratings, demonstrating its ability to deliver quality care across healthcare settings.

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

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 analysis of the short and long-term position is intended to provide some level of objective assurance on the likelihood that funding will be available. The stronger the short-term position, the more likely cash on hand or cash flows could be used to fund the project. The stronger the long-term position, the more likely that debt financing could be achieved if necessary, to fund the project. We also calculate working capital (current assets less current liabilities) a measure of excess liquidity that could be used to fund capital projects.

Historically we have compared all applicant financial ratios regardless of type to benchmarks established from financial ratios collected from Florida acute care hospitals. While not always a perfect match to a particular CON project it is a reasonable proxy for health care related entities.

Heart'n Soul Hospice of Florida, LLC (CON application #10766) is a developmental stage entity and has \$494,634 in cash but no operations.

Capital Requirements and Funding:

On Schedule 1, the applicant indicates capital projects totaling \$390,625, which includes this project only. The applicant indicates on Schedule 3 of its application that funding for the project will be by cash on hand. With \$494,634 in cash, the applicant has sufficient resources to fund this project and all capital expenditures.

Conclusion:

Funding for this project and the entire capital budget should be available as needed.

NHC/OP of Florida, LLC (CON application #10767) is a new organization that will operate as a subsidiary of the parent company, National HealthCare Corporation (“NHC”).

10767 - NHC/OP of Florida, LLC		
	Dec-23	Dec-22
Current Assets	\$406,235,000	\$353,932,000
Total Assets	\$1,310,796,000	\$1,275,450,000
Current Liabilities	\$214,476,000	\$197,887,000
Total Liabilities	\$400,316,000	\$397,936,000
Net Assets	\$910,480,000	\$877,514,000
Total Revenues	\$1,141,544,000	\$1,085,738,000
Excess of Revenues Over Expenses	\$57,134,000	\$31,896,000
Cash Flow from Operations	\$111,216,000	\$8,742,000
Short-Term Analysis		
Current Ratio (CA/CL)	1.9	1.8
Cash Flow to Current Liabilities (CFO/CL)	51.85%	4.42%
Long-Term Analysis		
Long-Term Debt to Net Assets (TL-CL/NA)	20.4%	22.8%
Total Margin (ER/TR)	5.00%	2.94%
Measure of Available Funding		
Working Capital	\$191,759,000	\$156,045,000

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

Capital Requirements and Funding:

On Schedule 2, the applicant indicates capital projects totaling \$610,659, which includes this project (\$306,176), and CON 10764 (\$304,483). The applicant indicates on Schedule 3 of its application that funding for the project will be by cash on hand. With \$107 million in cash and cash equivalents and working capital in excess of cash on hand, the applicant has sufficient resources to fund this project and all capital expenditures.

Conclusion: Funding for this project and the entire capital budget should be available as needed.

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

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

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

CON 10766		Heart n Soul Hospice of Florida, LLC			
Base Rate Calculation	Wage Component	Wage Index	Adjusted Wage Amount	Unadjusted Component	Payment Rate
Routine Home Care 1-60 days	\$144.10	0.8268	\$119.14	\$74.23	\$193.37
Routine Home Care 61+ days	\$113.75	0.8268	\$94.05	\$58.60	\$152.65
Continuous Home Care	\$1,177.23	0.8268	\$973.33	\$388.23	\$1,361.56
Inpatient Respite	\$309.70	0.8268	\$256.06	\$198.01	\$454.07
General Inpatient	\$727.27	0.8268	\$601.31	\$418.04	\$1,019.35
Year Two Comparison	Inflation Factor Year Two	Inflation Adjusted Payment Rate	Schedule 7 Revenue Year 2	Continuous Service Hours Provided	Calculated Patient Days
Routine Home Care 1-60 days	1.116	\$215.88	\$1,387,236		6,426
Routine Home Care 61+ days	1.116	\$170.42	\$2,555,195		14,994
Continuous Home Care	1.116	\$1,520.04	\$108,177	24	71
Inpatient Respite	1.116	\$506.92	\$37,355		74
General Inpatient	1.116	\$1,137.99	\$81,319		71
		Total	\$4,169,282		21,636
			Days from Schedule 7		23,532
			Difference		1,896
			Percentage Difference		8.06%

CON Action Numbers: 10766 and 10767

As such, the applicant's projected patient days are 8.06 percent or 1,896 days more than the number of patient days calculated by staff.

Revenues appear to be understated, which is a conservative assumption.

Operating profits from this project are expected to increase from a net loss of \$238,162 in year one to a net profit of \$374,162 in year two.

Conclusion:

This project appears to be financially feasible.

CON 10767	NHC/OP of Florida, LLC				
Base Rate Calculation	Wage Component	Wage Index	Adjusted Wage Amount	Unadjusted Component	Payment Rate
Routine Home Care 1-60 days	\$144.10	0.8268	\$119.14	\$74.23	\$193.37
Routine Home Care 61+ days	\$113.75	0.8268	\$94.05	\$58.60	\$152.65
Continuous Home Care	\$1,177.23	0.8268	\$973.33	\$388.23	\$1,361.56
Inpatient Respite	\$309.70	0.8268	\$256.06	\$198.01	\$454.07
General Inpatient	\$727.27	0.8268	\$601.31	\$418.04	\$1,019.35
Year Two Comparison	Inflation Factor Year Two	Inflation Adjusted Payment Rate	Schedule 7 Revenue Year 2	Continuous Service Hours Provided	Calculated Patient Days
Routine Home Care 1-60 days	1.106	\$213.60	\$818,438		3,827
Routine Home Care 61+ days	1.106	\$168.82	\$1,938,272		11,481
Continuous Home Care	1.106	\$1,505.82	\$0	24	0
Inpatient Respite	1.106	\$502.18	\$7,703		15
General Inpatient	1.106	\$1,127.35	\$17,292		15
		Total	\$2,781,705		15,339
			Days from Schedule 7		16,470
			Difference		1,131
			Percentage Difference		6.87%

As such, the applicant's projected patient days are 6.87 percent or 1,131 days more than the number of patient days calculated by staff.

Revenues appear to be understated, which is a conservative assumption.

Operating profits from this project are expected to increase from a net loss of \$171,227 in year one to a net profit of \$270,556 in year two.

Conclusion:

This project appears to be financially feasible.

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

Applies to both applicants: Strictly, from a financial perspective, the type of price-based competition that would result in increased efficiencies, service, and quality is limited in health care in general and in

hospice specifically. Cost-effectiveness through competition is typically achieved via a combination of competitive pricing that forces more efficient cost to remain profitable and offering higher quality and additional services to attract patients from competitors. Since Medicare and Medicaid are the primary payers in hospice, price-based competition is almost non-existent. With the revenue stream essentially fixed on a per patient basis, the available margin to increase quality and offer additional services is limited.

Conclusion:

Strictly, from a financial perspective, this project will not have a material impact on price-based competition. However, the introduction of more competition should improve quality and access.

- 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.**

There are no construction costs and methods associated in establishing the proposed hospice programs.

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

Hospice programs are required by federal and state law to provide hospice patients with inpatient care when needed (42 Code of Federal Regulations 418.108). Hospice care also must be provided regardless of ability to pay and regardless of age, race, religion, sexual orientation, diagnosis, payer source or financial status. Therefore, the Agency will not impose a charity care or Medicaid patient day condition on an applicant.

Heart'n Soul Hospice of Florida, LLC (CON application #10766) notes its Tennessee affiliate provided 11.6 percent revenue to Medicaid in 2023. Schedule 7A shows the applicant projects Medicaid will be eight percent of its total annual year one and year two patient days.

NHC/OP of Florida, LLC (CON application #10767) does not provide a monetary history of provision of service to these patients. Schedule 7A shows the applicant projects 3.8 percent of its total patient days provided to Medicaid days. Notes to this schedule indicate it is based on the Caris Healthcare of South Carolina's FY 2023 patient mix.

F. SUMMARY

The applicants projects are in response to the need for an additional hospice in SA 2B.

Heart'n Soul Hospice of Florida, LLC (CON application #10766) is a for profit entity affiliated with Heart and Soul Hospice, LLC, an entirely minority-owned, established hospice provider in both Tennessee and Washington. It began serving patients in Nashville, Tennessee in January 2021, and in Seattle, Washington in January 2023.

Total project cost is \$390,625 in total project costs and includes project development, start-up and equipment costs.

Heart'n Soul expects issuance of license on December 20, 2024, and initiation of service on January 1, 2025.

Heart'n Soul proposes 26 Schedule C conditions, many benefiting the community.

NHC/OP of Florida, LLC (CON application #10767) is a newly established Florida limited liability company and subsidiary of NHC. NHC is a long-term care company that has been providing senior care for over 52 years.

Total project cost is \$306,176 and includes project development, start-up and equipment costs.

NCH/OP anticipates issuance of license and initiation of service in October 2024.

NCH/OP proposes six Schedule C conditions.

Need/Access:

The co-batched applicants' proposed projects are in response to the fixed need pool for a new hospice program in SA 2B. Each applicant's specific response to need is briefly addressed below. The projected FNP is 637.

Heart'n Soul Hospice of Florida, LLC (CON application #10766) provides data and factors in support of the need for an SA additional hospice base showing

- Gap in service that led to fixed need pool which is driven primarily by lower Hospice penetration as compared to the state

CON Action Numbers: 10766 and 10767

- Concentrated gap in service to African Americans
- Outmigration, particularly in rural counties on edges of the service area.

Heart'n Soul projects to have 14.4 FTEs in year one and 31.5 FTEs in year two providing 9,398 year one and 23,532 year two patient days.

NHC/OP of Florida, LLC (CON application #10767) highlights additional factors driving the need for hospice services:

- Population Growth and Aging
- Elderly Living Alone
- Cause of Death
- Socioeconomic Disparities
- Health Literacy Levels
- Veteran Population
- Rural residents
- Disaster Preparedness
- Limited Existing Provider Reach

NHC/OP's projected year one 61 admissions and 121 year two admissions provided in response to admissions by payer, illness and age are extremely low in reference to 637 projected need. The applicant's Table 5.4 indicates it will have 91 year one and 183 year two admissions.

NHC/OP projects 13.0 FTEs in year one and 20.0 FTEs in two year. The applicant also projects 8,190 year one and 16,470 year two patient days.

NHC/OP's projects yield an average length of stay of 134.3 in year one and 136.1 in year two using its admissions. The existing SA providers reported an ALOS of 65.4 days. The applicant's projected 90-day ALOS in its Table 5.4 is more in line with the SA and what its Caris operations are stated to be.

Quality of Care:

Both co-batched applicants demonstrate the ability to provide quality care.

Heart'n Soul Hospice of Florida, LLC (CON application #10766) prioritizes delivering high-quality hospice services, evidenced by its impressive track record in Tennessee.

- Their Nashville location consistently surpasses national and state averages in key areas like patient assessments, end-of-life visits, and the Hospice Care Index.

CON Action Numbers: 10766 and 10767

- They continuously evaluate and improve their services through regular audits of key performance indicators.
- Their existing locations in Tennessee and Washington hold CHAP accreditation, demonstrating their dedication to meeting rigorous quality standards.
- As a condition of their application, Heart'n Soul Hospice commits to obtaining CHAP accreditation within 12 months of licensure.
- The applicant projects

NHC/OP of Florida, LLC (CON application #10767) states it is dedicated to exceptional hospice services by:

- Established team brings expertise in providing quality care and meeting patient needs.
- Provides a comprehensive training program ensuring consistent, compassionate care delivery through 20 core service promises.
- Caris Healthcare consistently surpasses national averages on key quality metrics, including patient assessments, end-of-life visits, and the Hospice Care Index (HCI).
- They prioritize understanding patient and family needs through the Consumer Assessment of Healthcare Providers and Systems (CAHPS) survey.
- Numerous prestigious awards acknowledge their commitment to continuous improvement and delivering world-class care.
- Their affiliated skilled nursing facilities and home health agencies consistently achieve high CMS star ratings, demonstrating their ability to deliver quality care across healthcare settings.

Financial Feasibility/Availability of Funds:

Both applicants appear capable of funding the project and all capital projects.

Both applicants appear to be financially feasible.

The co-batched projects, strictly, from a financial perspective, will not have a material impact on price-based competition. However, the introduction of a new provider in the SA should foster competition to improve quality and cost-effectiveness.

Medicaid/Indigent/Charity Care:

Hospice programs are required by federal and state law to provide hospice patients with inpatient care when needed (42 Code of Federal Regulations 418.108). Both applicants discussed their history or

parent's history of care to Medicaid and medically indigent patients and commits to serving all patients.

The applicant states it is committed to and demonstrated history of services to all patients regardless of ability to pay and states its Nashville hospice program's 11.6 percent of total revenue was from Medicaid in 2023. Heart'n Soul's Schedule 7A indicates 8.0 percent of year one and year two total patient days will be provided Medicaid patients.

NHC says 'Caris Healthcare' has generous charity and indigent care policies. NHC's Schedule 7A projects Medicaid at 3.8 percent of year one and year two total patient days provided to Medicaid days.

CON application #10766, Heart n' Soul of Florida, LLC on balance, best satisfied the statutory and rule criteria for a new hospice provider in SA 2B pursuant to published need—this included identifying:

- *The proposed populations that are being underserved for hospice*
- *Services proposed to make hospice accessible and available to underserved populations*
- *Conditions proposed to address the needs of the community*
- *Strong community support from SA health organizations, social services organizations and other entities.*

G. RECOMMENDATION

Approve CON #10766 to establish a new hospice program in Service Area 2B. The total project cost is \$390,625.

CONDITIONS:

1. Heart'n Soul Hospice will begin operations no later than 120 days after receiving final CON approval and license from AHCA.
2. Heart'n Soul Hospice will open its first office in Tallahassee after receiving the initial hospice license. Heart'n Soul Hospice will also open a satellite office in year 2 of operations in Monticello to promote hospice awareness and the open access program in the eastern portion of the Service Area.
3. Heart'n Soul Hospice developed the Senior Journey program to promote health equity and address the social determinants of health (SDOH) to ensure that all individuals receive the care and support they deserve, regardless of their background or

circumstances. Through the community service coordinator, which will be a social worker and LPN, Senior Journey will work with 911 dispatch and responders, police, hospitals, senior centers, and churches to offer services to the elderly who may live alone, have neurological disorders, lack many of the social determinants to have a true quality of life environment and live in underserved areas. To that end, Heart'n Soul Hospice will provide educational materials and host educational events for these populations highlighting the unique health challenges faced by elderly residents of Service Area 2B.

4. As part of the Senior Journey Program, Heart'n Soul Hospice will provide monetary support to the following organizations in the following amounts in order to address food insecurity and other issues facing the elderly population in Service Area 2B:
 - Franklin County Senior Center--\$500 in year 1 of operations.
 - Elder Care Community Council of Franklin County--\$500 in year 1 of operations.
 - Big Bend Cares--\$500 per year in years 1 and 2 of operations.
5. As part of the Senior Journey Program, Heart'n Soul Hospice will provide financial support to Bethel Missionary Baptist Church in Tallahassee in the amount of \$2500 in the first year of operation to help support their Medical Mobile Unit to provide much needed medical assistance to the underserved elderly in Leon and surrounding counties.
 - Year 1 - \$2500
6. In conjunction with the Senior Journey program, Heart'n Soul Hospice will provide financial support to the Gadsden County Sheriff's office in the amount of \$5000 each year for the first 3 years of operation to support their senior program (KISS) and incorporate the Senior Journey program with their senior program to give seniors the option to remain in their homes, safely and with support.
 - Year 1 - \$5000 Year 2 - \$5000 Year 3 - \$5000
7. Heart'n Soul Hospice will provide inpatient and respite services through the utilization of contracted scatter beds in local hospitals or dedicated units in local nursing homes in Service Area 2B.
8. Heart'n Soul Hospice will offer a \$6,000 nursing scholarship each year for the first four years of operation to FAMU nursing school students pursuing a nursing degree.

CON Action Numbers: 10766 and 10767

- 1st Year - \$6,000, Year 2 - \$6,000, Year 3 - \$6000
Year 4 \$6000
9. Heart'n Soul Hospice will provide clinical rotations to nursing students from FAMU School of Nursing to support the students' clinical education and to enable these students to better understand end of life and hospice issues and services.
 10. Heart'n Soul Hospice will offer 1-2 internship(s) each summer to young adults living in a complex, at-risk environment with the goal for them to see the community through a different optic and be able to identify with a female leader. This is the Move Forward Journey Program. The young adults will be provided with much needed support to understand the work environment and help prepare them to enter the work force. The Moving Forward program is a 6-week paid internship developed by Tracy Wood offering comprehensive guidance for interview preparation, resume preparation and basic office skills to serve as a steppingstone to future long-term employment. Heart'n Soul Hospice understands the impact of social determinants of health and their interplay with overall community wellbeing and offers this program to support young people in the community alongside the Senior Journey Program to support older generations.
 11. Heart'n Soul Hospice will offer the Caring Moments program to Service Area 2B patients. Caring Moments recognizes a special event or activity that occurred in the patient's life and re-creates that event or activity as a memory for the patient/family/caregivers. Some examples of these unique events include:
 1. Holding a birthday party for the patient with special foods that were their favorites.
 2. Bringing the sports event to the patient, watching on TV the game, having ballpark franks, hats or if the patient can go to a game in person, make them special at the game.In support of these activities, Heart'n Soul Hospice will allocate \$500 per year for the first 2 years of operations for Caring Moments.
 12. Heart'n Soul Hospice will expand the We Honor Veterans program to Service Area 2B and obtain Level 4 certification within 24 months of initial licensure. Heart'n Soul Hospice has also developed, and will offer, the Hero's Journey to patients in Service Area 2B, a program for veterans and first responders who need hospice services, recognizing their commitment.

CON Action Numbers: 10766 and 10767

13. Recognizing the devastating effects of veteran suicide to communities and families, Heart'n Soul Hospice will partner with The Fire Watch, and support their efforts to reduce veteran suicide with a contribution of \$1000 in the first year of operations.
14. Heart'n Soul Hospice will offer the Heart'n Soul Access Program to Service Area 2B patients upon obtaining licensure and initiating patient care activity. Heart'n Soul Hospice will accept patients into its hospice service who are receiving complex medical treatments, such as palliative chemotherapy, as part of the patient's Goals of Care or who are working through difficult end of life conversations and have complex psychosocial needs yet are appropriate for the hospice benefit.
15. Heart'n Soul Hospice will provide advance care planning programs to churches and senior centers in underserved areas of Service Area 2B to assist the members with end-of-life needs.
16. An annual Bereavement Children's Camp will be scheduled in Service Area 2B within 12-18 months of the start of operations. The bereavement coordinator hired for the program will also oversee the camp.
17. Heart'n Soul Hospice has developed a series of patient programs that will be offered to Heart'n Soul hospice patients in Service Area 2B beyond the hospice benefit, that provide additional support to the patient and their families. Heart'n Soul Hospice will begin offering each of these special programs within the first 6 months of full operation. The series includes:
 1. Cardiac Journey- for cardiac patients
 2. COPD Journey- for COPD patients
 3. Comfort Journey- for cancer patients
 4. Memorable Journey- for dementia patients
 5. Calming Journey - an art and music intervention program that includes hand reflexology
 6. Caring Creatures -volunteer pet therapy program
 7. The Hero's Journey-for first responders and veterans
 8. Never Alone Journey- no patient dies alone
18. Heart'n Soul Hospice will extend its comprehensive telehealth/telemedicine services and capabilities to Service Area 2B to improve access to all patients throughout the Service Area.
19. Heart'n Soul recognizes the importance of fostering connection between patients and their family as well as challenges posed by the rural nature of many portions of Service Area 2B and the area's lack of Internet and communications connectivity. Heart'n Soul

CON Action Numbers: 10766 and 10767

Hospice will supply at least 10 iPads or other similar tablet devices to its staff within the first year of its operations specifically to facilitate virtual visits and internet-based communication between patients and non-local family members during visits with the patients.

20. Heart'n Soul Hospice will establish a palliative care program to serve Service Area 2B residents, including the provision of advanced illness management, within 12 months after initial licensure and receiving CHAP (Community Health Accreditation Partner) accreditation. The palliative care program will be provided in several settings, including underserved areas, to improve access to the service. Palliative care settings can occur in the patient's home, skilled nursing facility, assisted living facility or in a clinic setting.
21. Heart'n Soul Hospice will obtain CHAP (Community Health Accreditation Partner) accreditation within 12 months of initial licensure.
22. Heart'n Soul Hospice will become a Jewish Certified Hospice program through National Institute for Jewish Hospice (NIJH) within 12 months of starting the operation.
23. Heart'n Soul Hospice will offer bereavement support for all segments of the Service Area 2B population, including those not otherwise involved with the Heart'n Soul Hospice program. At least three community bereavement support groups will be held in the first 18 months of operations in the service area.
24. Heart'n Soul Hospice will provide continuing education units ("CEUs) at no charge to health care providers within Service Area 2B on end of life and hospice topics.
25. Heart'n Soul Hospice will develop and implement patient-specific caregiver training and support modules that will be provided for patients and caregivers.
26. Heart'n Soul Hospice will expand the existing Heart'n Soul foundation to Service Area 2B, to support not only unfunded programs such as Heart'n Soul Access but also to support expanded hospice activities in Service Area 2B.

Deny CON #10767.

AUTHORIZATION FOR AGENCY ACTION

Authorized representatives of the Agency for Health Care Administration adopted the recommendation contained herein and released the State Agency Action Report.

DATE: June 21, 2024



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



Certificate of Need
2727 Mahan Drive
Building 2
Tallahassee, FL 32308
Ph: 850-412-4401