

**STATE AGENCY ACTION REPORT**  
**ON APPLICATION FOR CERTIFICATE OF NEED**

**A. PROJECT IDENTIFICATION**

**1. Applicant/CON Action Number**

**Broward SNF LLC/CON application #10837**

2870 Stirling Road, Suite 201  
Hollywood, Florida 33020

Authorized Representative: Raphael Kintzer, CEO  
(206) 931-7017

**TBO Holdings LLC/CON application #10838**

1608 Route 88, Suite 301  
Brick, New Jersey 08724

Authorized Representative: Shlomo Freundlich, CPA  
(732) 903-1971

**2. Service District/Subdistrict**

District 10 (Broward County)

**B. PUBLIC HEARING**

No public hearing was requested or held.

**C. PROJECT SUMMARY**

**Broward SNF LLC (CON application #10837)** also referenced as Broward SNF, or the applicant is a Quantum Health Care Group affiliate proposing to establish a 365-bed community nursing home in District 10 (Broward County). Quantum Health Care Group is stated to be a seasoned operator and developer of eight skilled nursing facilities in Florida. Three Quantum SNFs are in Broward County and the applicant includes 12 letters of support from Broward health care professionals.

Broward SNF indicates that the project will be licensed in June 2027 and begin service in July 2027.

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The project includes 262,886 gross square feet (GSF) of new construction and a total construction cost of \$98,582,300. Total project cost is \$131,153,000, and includes land, building, equipment, project development, financing, and start-up costs.

The applicant does not propose any conditions on the project.

**TBO Holdings LLC (CON application #10838)** also referenced as TBO, or the applicant proposes to establish a 160-bed community nursing home in District 10 (Broward County). The proposed nursing home will occupy the existing space of Presidential Place located at 3880 South Circle Drive in Hollywood, Florida, an Alzheimer's and dementia ALF that the applicant is in the process of purchasing. TBO is an affiliate of Marquis Health Consulting Services and Tryko Partners, experienced operator and developer of nursing homes with 71 skilled nursing facilities in seven states, including Riverside Post Acute (Duval County) and West Gables Health Care Center (Miami-Dade County).

TBO expects the project will be licensed in June 2026 and begin service in August 2026.

The applicant states the project includes 20,500 gross square feet (GSF) of renovation in an existing ALF consisting of 80,634 GSF. Total renovation cost is \$3,634,500. Total project cost is \$14,913,664, and includes land, building, equipment, project development, financing and start-up costs.

### CONDITIONS PREDICATED UPON AWARD

#### 3. Special Programs

The Applicant commits to offer the specialized restorative and therapeutic programs discussed in pages 21 — 26 of this application and summarized in Appendix 2. These programs are intended to improve patient outcomes and to facilitate the return of rehabilitation patients to the community at a high level of functionality.

#### 4. Other

The Applicant has applied for 160 beds in this batch because it can rapidly place this number of beds in service through the conversion of the Presidential Place ALF to a skilled nursing facility. In this way, the applicant can place needed beds in service rapidly even if it does not use the entire inventory of available beds from the fixed need pool. If, however, need arises in Broward County in the next batching cycle, the Applicant will apply for the full complement of beds and will implement that project through conversion of other existing space that it either owns now or will acquire. By following this model, the applicant

believes that it can respond quickly to the need for additional services in the District and at the same time achieve economies of implementation.

The reviewer notes programs referenced on pages 21-26 include

- Pulmonary Specialty Care (Marquis Health Services Pulmonary Rehabilitation Program)
- Cardiac Specialty Care (Marquis Health Services Cardiac Rehabilitation Program)
- Neurologic Recovery Unit (Marquis Health Services Neurological Rehabilitation Program)
- Urgent SNF™ Service
- Contract Services
- Marquis Health Services Orthopedic Rehabilitation Program
- Bedside Hemodialysis Service

*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.*

*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. These criteria form the basis for the goals of the review process. The goals represent desirable outcomes to be attained by successful applicants who demonstrate an overall compliance with the criteria. Analysis of an applicant's capability to undertake the proposed project successfully is conducted by assessing the responses provided in the application and independent information gathered by the reviewer.

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

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

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

**E. CONFORMITY OF PROJECT WITH REVIEW CRITERIA**

The following indicate the level of conformity of the proposed project with the criteria and application content requirements found in Florida Statutes, Sections 408.035 and 408.037; applicable rules of the State of Florida, Chapters 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 195 of the Florida Administrative Register dated October 4, 2024, a fixed need pool (FNP) of 365 community nursing home beds was published for District 10 for the July 2027 planning horizon.

As of August 9, 2024, District 10 has 3,942 licensed community nursing home beds. There are no CON approved community nursing home beds pending licensure. District 10 community nursing homes reported 87.31 percent occupancy during the six months, and 84.67 percent occupancy during the 12 months ending June 30, 2024.

**Broward SNF LLC (CON application #10837)** cites the 365-bed FNP indicating its project is in response to published need. The applicant presents additional circumstances in support of its project including Broward County's population demographics, patient characteristics, availability, utilization and quality of care, and projected utilization.

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Broward SNF's Table 1-1 (CON application #10837, page 1-2) presents January 2024 and January 2029 Broward County population estimates. Broward County's age 65 and over cohort population is estimated to be 384,416 (19.26 percent of the county's total) in January 2024. By January 2029, the age 65+ population is projected to increase by 64,616 or 16.81 percent and 21.65 percent of the county's population. Notably, Broward County's 65 and older population growth will outpace that of the state, and the county's 0-64 age cohort (which is less than one percent). The applicant contends the elderly population growth will increase demand for age-related services, including skilled nursing care.

Broward SNF's Figure 1-2 on page 1-3 illustrates the distribution of nursing homes and acute care hospitals in Broward County. While the applicant indicates it displays 2024 population estimates for the age 65 and older cohort by zip code, the legend indicates it shows areas with five color codes stated to designate age 65+ population density. The map includes areas that do not match any color code in the legend. The applicant's Exhibit 2, Table 1-2 provides the actual population estimates by zip code. Broward SNF's narrative states that most of the age 65 and older population is concentrated along the east coast of the service area, predominantly in the southern region surrounding Pembroke Pines and the border with Miami-Dade County.

Broward SNF's Figure 1-3 (CON application #10837, page 1-4) also illustrates the distribution of nursing homes and acute care hospitals in Broward County. While the applicant indicates it displays 2029 population growth estimates for the age 65 and older cohort by zip code, the legend indicates it shows areas with five color codes stated to designate age 65+ population density. The map includes areas that do not match any color code in the legend. The applicant's Exhibit 2, Table 1-2 provides the actual population estimates by zip code. Broward County zip codes are projected to experience growth rates in the age 65 and older cohort ranging from 7.94 percent to 44.21 percent. Significant increases in the age 65 and older demographic are anticipated in the central part of the county. Broward County's age 65+ cohort is projected to increase by 15.42 percent and total population 1.88 percent by January 2029.

Broward SNF notes that as of August 9, 2024, Broward County has 33 nursing homes with 3,942 licensed community nursing home beds. The applicant states data indicates that Broward County has significantly fewer nursing home beds in relation to its senior population than the state average, highlighting the critical need to increase capacity in one of the largest nursing home planning areas in the state by population.

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Broward SNF states that as of August 9, 2024, there are 3,942 licensed community nursing home beds distributed across 33 facilities in Broward County. The reviewer notes Broward County has 29 community nursing homes. The applicant uses January 1, 2024, population estimates based on the midpoint of the 12-month period from July 1, 2023 to June 30, 2024 and January 2029 population projections.

<b>District 10 &amp; Florida - Beds to Age 65+ Population Ratio</b>				
<b>Area</b>		<b>Jan-24</b>	<b>Jan-29 Without the Project</b>	<b>Jan-29 With the Project</b>
<b>Broward</b>	<b>Beds</b>	3,942	3,942	4,307
	<b>Pop 65+</b>	384,416	449,032	449,032
	<b>Beds/1000</b>	<b>10</b>	<b>9</b>	<b>10</b>
<b>Florida</b>	<b>Beds</b>	82,438	85,811	86,176
	<b>Pop 65+</b>	5,064,776	5,865,659	5,865,659
	<b>Beds/1000</b>	<b>16</b>	<b>15</b>	<b>15</b>

Source: CON application #10837 from Florida Population Estimates by AHCA District 2020 to 2030 published January 2024 and Florida Nursing Home Bed Need Projections by and District and Subdistrict published October 4, 2024.

Note: While not statistically impactful, the reviewer adds the project’s 365 beds to Florida’s “Jan-29 With the Project” column to conform with the language in the heading.

The applicant’s table above shows Broward County has 10 beds per 1,000 population aged 65 and older as of January 2024. The ratio will drop to nine per thousand without the project and remain at 10 beds per thousand by January 2029. This supports the need for the proposed 365 beds to ensure continued availability and access to skilled nursing care. Broward SNF concludes that the project will allow Broward County to keep pace with the anticipated increases in the senior population, thereby improving the overall access for residents of Health Planning District 10 to essential nursing home services. The reviewer notes that January 2029 total without the applicant’s project rounds up from 8.78 beds per thousand to reach nine beds per thousand and with the project from 9.59 to reach ten beds per thousand.

In contrast, the State of Florida had a bed availability rate of 16 beds per 1,000 seniors, representing a 60 percent higher rate than Broward County. If the 365 additional beds are not developed by January 1, 2029, Broward County’s bed availability rate is projected to decline to only 9 beds per 1,000 seniors. Conversely, if all currently approved nursing home beds are developed and licensed, the state will have approximately 15 beds per 1,000 seniors.

The application’s page 1-6 includes Table 1-4 which shows District 10’s the historical utilization rates compared to Florida for the 12-month periods during July 2019—June 2024. The table shows District 10

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facilities utilization dropped from 82.45 percent during the 12 months ending June 30, 2020, to 67.24 percent during the 12 months ending June 30, 2021. District 10’s SNF utilization since June 30, 2021, has been increasing, reaching 84.67 percent during the 12 months, and 87.31 percent in the last six months ending June 30, 2024. The applicant concludes its project maximizes the opportunity to positively impact the availability of skilled nursing services in Broward County.

Broward SNF states it will leverage the expertise of Quantum Health Care Group, which provides administrative and operational support and has a strong history of delivering quality care. The applicant notes that seven of Quantum Health Care’s eight Florida nursing homes have Joint Commission Accreditation.

The application’s Table 1-5 on page 1-7, provides Broward County and Florida SNF utilization data during the 12-months ending June 30, 2024. The table shows Broward County SNF patient days (1,239,783) per 1,000 persons 65+ (384,416) was 3,225 days compared to Florida’s 5,035 days. Broward County’s 3,225 use rate is compared to Florida’s to “demonstrate pent-up demand” with the applicant arguing the Florida use rate of 5,035 applied to the subdistrict would rise to 43.8 percent. Further, the projections affirm the need for skilled nursing beds in Broward County and the necessity of developing all of the FNP’s projected 365 beds.

The applicant’s Schedule 5 projected utilization shows July 2027 as the first month of operation. The facility is expected to experience a fill-up period during the first two years, reaching an average occupancy level of 40.84 percent year one and 80.33 percent in year two. Broward SNF states the projected utilization is consistent with recent nursing home openings in the area and around the state.

**Projected Utilization for the 365-Bed Facility  
Years one and two ending June 30 of 2028 and 2029**

<b>Year</b>	<b>Patient Days</b>	<b>Occupancy</b>	<b>ADC</b>
Year One	54,558	40.84%	149
Year Two	107,017	80.33%	293

Source: CON application #10837, Page 1-9, Table 1-7, and Schedule 5 in Exhibit 11

The analysis provided supports the establishment of a new 365-bed skilled nursing facility in Broward County. Broward SNF states the sustained population growth among individuals aged 65 and older, along with anticipated increases in nursing home utilization, establishes a strong justification for expanding the supply to meet the documented need for 365 beds. Further, its proposal addresses the statutory criteria by clearly demonstrating need and improving both access and availability of skilled nursing care within the service area.

**TBO Holdings LLC (CON application #10838)** states its 160-bed proposal aligns with bed need projections under Rule 59C-1.036 and addresses the anticipated demand for skilled nursing services in the area. The facility will be created by converting an existing Alzheimer's ALF, which TBO states is already largely compliant with skilled nursing building codes. The applicant contends this allows for relatively low-cost implementation and a quick turnaround, facilitating a rapid response to the growing need for skilled nursing capacity in the region while promoting cost savings in the health care delivery system.

The reviewer notes that the response above was applicant's direct response to the fixed need pool, and the following content is taken from the summary of the application. TBO contends its project has two key advantages over Broward SNF LLC's proposal. First, the project will utilize existing space that has already been constructed, allowing for a rapid deployment of services and while it will not fully meet District 10's 365-bed FNP, it can address a substantial portion of that need in a relatively short time frame. Second, TBO cites the size of the Broward LLC proposal noting that if approved, the 365-bed SNF would become one of the largest in the state and the largest in Broward County. TBO contends the construction of a facility of that magnitude will likely take significantly longer than its project, raising questions about its feasibility in the intermediate term.

TBO also contends that Broward County's existing SNF utilization levels are comparatively low, resulting in substantial slack capacity within the county's skilled nursing facilities and the county's use rate for skilled nursing services has been declining since at least 2020. The reviewer confirms that Broward County's reported patient days during the 12 months ending June 30, 2020 were 1,236,414 compared to the 1,239,783 days for the 12 months ending June 30, 2024. Further, several licensed and operational facilities did not report patient days during portions of CY 2019, which if included would have resulted in an even higher use rate per thousand. Further, Broward County largest nursing home—Sunrise Health and Rehabilitation Center (325 beds) reported 75,336 patient days or average daily census of approximately 206 ( $75,336/365=206.39$ ) residents during the 12 months ending June 30, 2024.

The applicant contends that given these factors, the need forecasted by the rule may not materialize, and the fixed costs associated with the Broward LLC project will be considerable. There is also the possibility that Broward LLC will not follow through on the complete construction of the 365-bed facility and may transfer some of its approved beds to another entity. If this occurs, the Agency would have approved those



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beds based on the application and representations of a party that might not fully implement the project. TBO argues that it may be more prudent for the Agency to approve a smaller, more actionable project that can be implemented immediately rather than potentially allocating unneeded capacity to an applicant that cannot activate its beds for several years, if at all.

TBO states it is requesting only 160 beds in this batch, despite the overall need for 365, to facilitate a prompt response to the current demand. Furthermore, TBO is committed to applying a similar model in future batching cycles. If the Agency does not allocate the full 365 beds in this cycle, one of two scenarios may unfold. In the first scenario, if utilization levels for skilled beds in the district continue to decline, no additional beds will be published, making the decision to award a smaller number of beds in this cycle justifiable by subsequent events. In the second scenario, should there be a projected need for additional beds in the next batch cycle, TBO is dedicated to identifying a new property for conversion to meet that need. In either case, the total need could likely be addressed before the larger project proposed by Broward LLC is completed, especially if Broward LLC opts to transfer some of its approved beds, which would necessitate lengthy review and construction processes for the new recipient to bring those beds into service.

The application's Table 3 on page 8, presents Broward County population estimates and projections showing Broward has the second largest population of any county in Florida and is projected to have a total population of 1,602,199 by July 2024, with 390,643 residents aged 65 and older, and 170,771 aged 75 and older. Residents aged 65 and above constitute 24.4 percent of the county's total 2024 population, while those aged 75 and over represent approximately 10.7 percent. The reviewer notes that Broward County's population for July 2024 is 2,005,015, which changes the percentage changes from 24.4 to 19.5 percent from 10.7 to 8.5 percent. The applicant indicates that by July 2029, the county's population aged 65 and over is expected to reach 455,389, marking a 16.6 percent increase. Meanwhile, the number of residents aged 75 and older is anticipated to grow to 206,977, representing a 21.2 percent increase from 2024 levels. Regardless, this projected growth supports increasing need for expanded health services tailored to the senior population.

The applicant states Broward County's availability of nursing home beds can be assessed by examining the ratio of beds to the senior population. Broward County has only 10.1 licensed and approved skilled nursing home beds per 1,000 residents aged 65 and older, compared to 16.6 beds per 1,000 residents aged 65 and older for the state. A similar discrepancy arises when considering the ratio of beds for residents aged 75 and older:

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Broward County reports only 23.1 licensed and approved skilled nursing home beds per 1,000 residents aged 75 and over, while the state average is 35.7. The applicant concludes these figures highlight a significant shortage of skilled nursing home beds in Broward County compared to the state average. This shortage may indicate an actual deficit in resources, but it could also reflect a shift toward alternative care options among some of the service area's population.

TBO's Table 5 (CON application #10838, page 10) and Table 7 (CON application #10838, page 13) show Broward County's nursing home utilization during the 12-month periods ending June 30, 2020—2024. The applicant's table 7 shows that in 2020, Broward County recorded 3.73 skilled nursing patient days per resident aged 65 and over, which decreased to 3.23 patient days in 2024. As indicated in the tables, nursing home utilization saw a significant decline in 2021 due to the COVID-19 pandemic. However, utilization levels have since rebounded, reaching slightly above pre-COVID figures. The applicant contends it is reasonable to assume that the drop in utilization during 2021 distorted the utilization trends that would have otherwise emerged. Nevertheless, the applicant notes that despite the rapid growth of the elderly population, Broward County's 2024 skilled nursing days are roughly on par with those recorded in 2020. TBO continues that it is no longer tenable to attribute the lower nursing home utilization solely to the effects of the COVID-19 pandemic. Instead, it is essential to consider the possibility that the stagnant volume of patient days may reflect more enduring changes in care models for the elderly.

The applicant states its facility will benefit from the expertise of Marquis Health Consulting Services, which offers comprehensive administrative and operational support. TBO Holdings LLC is part of a well-established network of high-quality skilled nursing facilities managed by TBO-affiliated organizations across seven states. The applicant states Marquis track record underscores the commitment to quality care and operational excellence that the proposed facility will bring to the community.

TBO Holdings Table 6 (CON application #10838, page 12) shows the highest number of acute hospital discharges for Broward County residents for the year ending September 30, 2023, was in Major Diagnostic Category (MDC) 8, which includes Diseases and Disorders of the Musculoskeletal System and Connective Tissue, accounting for 20.2 percent of all nursing home discharges (2,862 cases). This category primarily includes orthopedic surgeries, such as hip and knee replacements and fall-related injuries.

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MDC 5 (Diseases & Disorders of the Circulatory System) followed with 1,859 cases (13.1 percent), while MDC 18 (Infectious & Parasitic Diseases) accounted for 1,729 discharges (12.1 percent). Other significant categories included MDC 1 (Nervous System), MDC 4 (Respiratory System), and MDC 10 (Kidney and Urinary Tract).

These diagnoses—and other acute medical conditions—often necessitate short-term rehabilitation in skilled nursing facilities, highlighting the ongoing care needs of frail seniors with chronic conditions. The anticipated growth in the elderly and very elderly populations underscores the need to enhance the scope of services offered by skilled nursing programs in the area.

The applicant has developed a comprehensive range of rehabilitative programs tailored to address the specific needs of various medical disorders, which will be implemented in the proposed facility in Broward County. As demonstrated in its financial projections, the applicant anticipates a significant proportion of Medicare and other rehabilitation patients within its program. This shift reflects a trend in skilled nursing programs moving from a primarily residential focus to accommodating a higher volume of patients in need of short-term restorative care.

As previously stated, the applicant's Table 7 shows the utilization data for existing skilled nursing homes in Broward County from 2020 to 2024. The table indicates that the volume of skilled nursing days in 2024 was only marginally higher than the volume recorded in 2020. However, of particular significance is the decline in the nursing home use rate among the elderly, as detailed in the table.

The proposed facility features 68 private and 46 semi-private resident rooms, designed to enhance privacy and support resident-centered care. This layout not only provides more space for residents and their families but also promotes best practices in skilled nursing, such as infection control through isolation. The larger rooms accommodate medical equipment and mobility devices, while the 160-bed capacity allows for operational efficiencies without compromising a home-like environment or quality of care.

The applicant contends the observed decline in nursing home utilization among the elderly in Broward County can be partially attributed to a decreased election of nursing homes as a long-term care option. One relevant metric to assess this factor is the relationship between Medicaid utilization and overall skilled nursing utilization over the past five years.

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Given that Medicaid patient days are closely tied to residential nursing home usage rather than rehabilitative short-term services, they serve as a useful proxy for gauging the volume of long-term residents compared to short-term Medicare patients accessing rehabilitative care.

The applicant's Table 8 (CON application #10838, page 14) shows Medicaid patient days in Broward County nursing homes represented approximately 64 percent of all skilled nursing days in 2020 but the Medicaid share had declined to 57 percent and Medicaid patient days decreased by 10.0 percent from 2020 to 2024, while total skilled nursing days saw only a modest increase of 0.3 percent. TBO contends these findings are significant for reviewing this application as they may indicate a broader trend away from long-term residential care in nursing homes towards episodic rehabilitative services.

Table 9 (CON application #10838, page 16) projects future utilization of skilled nursing beds under the assumption that 2024 use rates will not decline further. If no new nursing home is approved and use rates remain stable, it is anticipated that by 2027, the average occupancy of the County's licensed beds would reach 96.3 percent, exceeding available capacity by 2029. If the TBO program is approved, average occupancy would reach 92.6 percent by 2027 and 96.1 percent by 2029. For the Broward LLC program, occupancy would be projected at 88.2 percent in 2027 and 93.4 percent in 2029.

Table 10 (CON application #10838, page 17) outlines an alternative scenario where use rates decline in 2025 and 2026 before stabilizing at the 2026 levels. In this case, approval of the TBO project would result in an average county-wide occupancy level of 87.3 percent in 2027 and 92.5 percent in 2029, while the Broward LLC program would see only 83.1 percent in 2027 and 88.1 percent in 2029.

The applicant states its presentation of this scenario is not intended to contest the need for existing services but rather to evaluate the potential impacts of both proposals on the availability and utilization of skilled nursing services in the area. Notably, the TBO project offers a quicker response to the pressing need for additional nursing home services compared to the Broward LLC program. If the trend of declining historical use rates continues, the approval of the TBO project would likely have a less adverse effect on current skilled nursing providers in the service area.

Additional relevant factors include the decline in the inventory of licensed beds in the district since 2020, with three skilled facilities—the Court at Palm Aire, the Forum at Deer Creek, and Park Summit at Coral Springs—permanently closing in 2023. Moreover, none of the existing

nursing homes have applied for new beds in the current cycle, despite a significant projected need. The combination of these closures and the apparent hesitation among existing providers to expand their bed inventories underscores a shift in care models for elderly residents towards alternatives to traditional skilled nursing facilities. This observation further bolsters the argument for approving a proposal that repurposes existing space for its program and applies for a bed inventory more reflective of future demand for skilled nursing services in the area.

TBO plans to establish its project in an already constructed space that is largely compliant with nursing home building codes. Any necessary renovations can be completed within 18 months post-approval, allowing the facility to be operational by August 1, 2026. According to the district-wide utilization projections presented in Table 10, TBO anticipates reaching an occupancy rate of 89.9 percent in its second year of operations. This is projected while still allowing other programs in the service area to achieve comparably high utilization levels.

In contrast, the Broward LLC program, if approved, is projected to achieve only 85.6 percent occupancy under the same growth assumptions. This lower occupancy would be realized primarily by absorbing most of the available growth, potentially limiting the benefits for other established providers in the area.

In summary, TBO's proposed project addresses the identified need in this batching cycle more effectively than other proposals, despite not attempting to claim the full 365-bed net need figure outlined under the regulatory guidelines. The TBO project stands out for its ability to be implemented quickly and at a relatively low cost. Furthermore, it is positioned to achieve its projected utilization rates even if the trend of declining nursing home election rates continues, without negatively impacting the existing skilled nursing facilities within the service area. This combination of quick implementation, cost efficiency, and sustainable utilization makes TBO's project a strong candidate in meeting the evolving needs of the community.

## **2. Agency Rule Criteria and Preferences**

### **Does the project respond to preferences stated in Agency rules? Rule 59C-1.036, Florida Administrative Code.**

Chapter 59C-1.036 of the Florida Administrative Code does not contain preferences relative to community nursing home beds nor does the Agency for Health Care Administration publish specific preferences for

these facilities. However, the rule does contain standards the Agency utilizes in assessing the applicant's ability to provide quality care to the residents.

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

**Broward SNF LLC (CON application #10837)** states that the proposed 365-bed skilled nursing facility by Quantum Health Care Group aims to achieve Medicare certification, focusing on nursing and restorative care for short-term rehabilitation. The facility is designed to support patient transitions to home or assisted living, addressing the growing need for skilled nursing care in the area.

Quantum Health Care Group is committed to providing high-quality care with a variety of services tailored to individual needs. Skilled nursing services will include 24/7 care from licensed nurses, wound care, medication management, and rehabilitation therapies (physical, occupational, and speech therapy), as well as long-term care for chronic conditions.

Specialized programs will address specific needs, including rehabilitation for hip replacement and stroke, cardiac recovery, and on-site dialysis services. The facility will also feature a robust infectious disease program, comprehensive wound care, and personalized respiratory care. Advanced therapy equipment, such as electronic stimulation devices and virtual reality therapy, will enhance rehabilitation outcomes.

Quantum's commitment to compassionate, personalized care ensures that each patient receives tailored support. Further details on the facility's programs and services can be found in Exhibit 3 in the Additional Information section at the end of this application. This comprehensive approach positions the proposed facility to significantly enhance the availability and quality of skilled nursing services in Broward County.

The facility is committed to implementing appropriate admission guidelines in accordance with federal regulations. Upon admission, each resident's condition will be evaluated and documented, physician orders confirmed, and necessary demographic and contact information collected.

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Prospective residents' care needs will be assessed against the facility's clinical capabilities, and this information will be communicated to the facility staff prior to admission. At the time of admission, the facility must have physician orders for the resident's immediate care. If a resident arrives without specific instructions, nursing staff will contact the medical director or the assigned physician to obtain necessary care orders. Only qualified medical professionals—physicians, physician assistants, nurse practitioners, or clinical nurse specialists—are authorized to provide immediate care instructions.

Each resident will receive an admission packet that outlines the agreement between the facility and the resident or their legal representative. This packet includes essential documents such as the admission agreement, resident rights, smoking policy, discharge and transfer policies, grievance reporting procedure, and HIPAA privacy notices, among others. Broward SNF's admission policy is included in the application's Exhibit 4.

The facility will develop and implement a baseline care plan for each resident within 48 hours of admission, outlining necessary instructions for providing person-centered care that meets professional standards of quality care. This plan will be shared with the resident and their representative. The baseline care plan will cover initial goals, physician and dietary orders, therapy services, social services, and any necessary PASARR recommendations.

In addition, the facility will conduct a comprehensive assessment of each resident's needs, strengths, and preferences using the resident assessment instrument (RAI) specified by CMS. The assessment will include demographic information, medical conditions, medications, and discharge planning details. The assessment process will involve direct observation and communication with the resident as well as communication with direct care staff members on all shifts. The facility will document all assessment results and make necessary adjustments to the care plan. Broward SNF's Exhibit 4 includes discharge policies care planning policies, patient assessment tools, resident rights and discharge policies.

Upon admission, residents are made aware of their rights and are provided with information about the Florida Long-Term Care Ombudsman Program. The facility ensures that staff are trained on the Nursing Home Federal Requirements for resident rights, preparing them to provide residents with dignity, courtesy, and good care. The facility's policy is to treat residents with kindness, respect, and dignity, promoting the exercise of their rights, including those with barriers such as communication or cognitive limitations. Residents are allowed to exercise

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their rights without interference, coercion, discrimination, or reprisal from the facility. "Discharge Planning" begins at admission, focusing on identifying residents' goals and needs for a smooth transition to post-discharge care while reducing preventable readmissions. The facility will implement an effective discharge planning process that emphasizes resident involvement.

To determine the discharge destination, the facility will ensure it meets the resident's health and safety needs, as well as their preferences. If a resident chooses an unsuitable location, the facility will discuss the risks and document that other suitable options were presented but refused by the resident. A referral to Adult Protective Services may be necessary at discharge. "Transfer and Discharge" refers to the movement of a resident to a different facility or location. The facility will ensure proper documentation and responsibility for transfers and discharges, providing adequate preparation to reduce resident anxiety. The destination will be clearly communicated to reduce anxiety and facilitate a smooth transition.

The applicant states it will collaborate with local hospitals to meet the high demand for rehabilitative services. To demonstrate the need for specific services, an analysis of acute hospital discharges to nursing homes in Broward County (District 10) was conducted, focusing on residents aged 65+. The analysis, based on 2023 data, identified the types of conditions and disorders requiring nursing home admissions, categorized by Medical Diagnostic Categories (MDCs).

**Florida Hospital Discharges to Skilled Nursing Homes by MDC  
For Broward County Residents Aged 65 and Over, CY 2023**

<b>Major Diagnostic Category</b>	<b>Cases</b>	<b>Percent</b>
08 Diseases & Disorders – Musculoskeletal & Conn. Tissue	2,597	21.71%
05 Diseases & Disorders of the Circulatory System	1,611	13.47%
18 Infections & Parasitic Diseases, Systemic or Unspecified Sites	1,506	12.59%
01 Diseases & Disorders of the Nervous System	1,243	10.39%
11 Diseases & Disorders of the Kidney & Urinary Tract	1,209	10.11%
All Others	3,740	31.73%
<b>Total</b>	<b>11,906</b>	<b>100.0%</b>

Source: CON application #10837, Page 2-8, Table 2-2, AHCA Hospital Patient Discharge Data, CY 2023

The data analysis reveals that the top conditions for admissions to skilled nursing facilities in 2023 were categorized into four Medical Diagnostic Categories (MDCs), which account for 58.17 percent of discharges among those aged 65 and over. These categories are MDC 8 (Musculoskeletal System), MDC 5 (Circulatory System), MDC 18 (Infectious & Parasitic Diseases), and MDC 1 (Nervous System).



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MDC 8 (Musculoskeletal System) accounts for 24.51 percent of discharges, including conditions such as fractures, hip and knee replacements. Treatment involves weight-bearing exercises, range of motion, flexibility, stability, and strength training to restore mobility. Residents also benefit from physical and occupational therapies that enhance flexibility in joints and strengthening exercises for the legs and back. MDC 5 (Circulatory System) accounts for 13.47 percent of discharges, including conditions such as heart failure, heart attacks, and pacemaker implantation. Therapies focus on improving overall conditioning and stamina through physical and occupational therapies. Residents with heart failure, heart attack, and coronary artery disease benefit from activities such as cardio-pulmonary exercises, walking, and flexibility exercises.

MDC 18 (Infectious & Parasitic Diseases) accounts for 12.13 percent of discharges. The facility's design includes private rooms to accommodate patients with infectious diseases, and care involves monitoring for pressure ulcers and providing isolation when necessary. MDC 1 (Nervous System) accounts for 10.39 percent of discharges, including conditions such as stroke, Alzheimer's Disease, and other degenerative neurological conditions. Therapies involve combining physical, speech, and occupational services to restore functions and improve cognitive communication.

The proposed facility will offer specialized programs, including a 40-bed Memory Care Unit for residents with Alzheimer's Disease and other dementias, and stroke rehabilitation programs to aid stroke patients in their recovery. A large therapy suite equipped for rehabilitation and occupational therapy will be available, with contracted personnel delivering therapies and innovative technologies allowing for personalized programming.

Admissions and patient days by payer are detailed in Schedule 7, while Schedule 6 reflects departmental staffing aligned with the necessary care levels for a diverse resident population, meeting or exceeding staffing standards. Schedule 6 indicates 199.3 FTEs for year one and 361.7 for year two. The average length of stay will be 34 days during the first two years, with an average daily census projected to be 149, increasing to 293 in the second year, resulting in an occupancy rate of 80.33 percent by the end of that year. See the table below.

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**Projected Admissions, Patient Days,  
Average Length of Stay and Average Daily Census  
First Two Years of Operation for the 365-Bed Facility**

<b>Factor</b>	<b>Year One</b>	<b>Year Two</b>
Admissions	1,607	3,152
Patient Days	54,558	107,017
ALOS	34	34
ADC	149	293

Source: CON application #10837, Page 2-7, Table 2-1

**TBO Holdings LLC (CON application #10838)** is affiliated with Marquis Health Consulting Services and its facilities provide a comprehensive array of specialized programs and services tailored to meet the clinical needs of patients receiving therapy and recovery care in a nursing home environment. These facilities offer post-operative subacute care, comprehensive physical therapy (PT), occupational therapy (OT), and speech-language pathology (SLP) services available seven days a week, along with orthopedic rehabilitation and cardiac care. They are equipped to manage pulmonary conditions, including tracheostomy care, CPAP/BIPAP support, and oxygen therapies, alongside stroke recovery programs, wound care, bariatric care, and restorative care, all aimed at enhancing patients' functional abilities.

With modern rehabilitation equipment and model activities of daily living (ADL) suites for practicing essential skills, the facilities boast an expert team of therapists who develop individualized care plans. Patients also benefit from access to consulting specialists and coordinated post-discharge care to facilitate seamless transitions. Additional amenities include restaurant-style dining, laundry services, a beauty salon, and a state-of-the-art therapy gym equipped with the latest rehabilitation technology. In-house services, such as hemodialysis, pain management, nutritional support, and hospice/palliative care, further enhance the patient experience.

The facilities emphasize innovative therapeutic programs and employ evidence-based protocols alongside advanced technologies, such as the NEUROGYMTECH Bungee Mobility Trainer and Vital Stim Therapy Services, to effectively treat conditions like dysphagia and improve balance through vestibular training. With a spacious therapy gym encompassing 2,200 square feet, these facilities focus on preventing hospital re-admissions through proactive care planning. Individualized interventions led by licensed professionals prioritize patient-centered care, emphasizing short-term rehabilitation and the restoration of patients to optimal function.

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Pulmonary Specialty Care is led by a pulmonologist with a respiratory therapist, providing care for residents on IV Salumedrol, High-Flow Oxygen Therapy, and nocturnal support devices such as CPAP, BIPAP, and Trilogy. Physician assessments for respiratory failure and COPD are conducted, resulting in decreased hospitalizations and in some cases, a complete prevention of return to the hospital. This program's maturation allows for bedside four-channel sleep studies to ensure the effectiveness of prescribed nocturnal support devices.

Cardiac Specialty Care involves a consulting cardiologist, enabling the use of Life Vest Therapy for residents with a Left Ventricular Assist Device (LVAD). The program also provides high-end monitoring of pacemakers, allowing specialty-trained nurses to check function and battery status. Residents receive IV Lasix Therapy, inotropic drips, bedside EKGs, and remote telemetry for cardiac monitoring.

Neurologic Recovery Unit is led by a consulting neurologist and a physiatrist, who participate in assessments and develop individualized treatment plans. The program utilizes specialty equipment, including neurogym therapy, vital stim therapy for dysphagia, and vestibular training for improved balance. Urgent SNFIXI Service provides timely care to prevent hospital admission or transition to a long-term care facility. Early intervention addresses physical histories such as ambulation dysfunction, COPD exacerbation, falls, and uncontrolled diabetes, among others. This program offers a comfortable environment, multi-discipline therapy services, specialty cardiopulmonary care, and individualized discharge planning.

The facility will offer a range of services, including skilled nursing care, specialized activities, psychological services, family support, and assistance with activities of daily living. Medical services under the medical director ensure timely responses to acute, chronic, or latent conditions, and ongoing assessments produce an interactive environment for delivering appropriate services. Contract services include physician consultations, dental consultations, X-ray services, laboratory tests, podiatry services, and optometric or ophthalmic consultations. Additionally, psychiatric consultations are available to address the mental health needs of residents.

In accordance with federal requirements, nursing homes are obligated to meet the individual needs of each resident. While the listed services reflect the most utilized arrangements, the facility recognizes that additional support may be required. For instance, when a resident needs oxygen, a supplier is engaged to provide this as part of their personalized care plan. The facility is also responsible for ordering assistive devices

and durable medical equipment, ensuring these are tailored to the specific needs outlined in each resident's care plan. Further details and program overviews for specialty services can be found in Appendix 2.

The admissions process at the facility coordinates an evaluation of each resident in collaboration with their family, establishing a foundational plan of care that is revised as needed throughout their stay. This plan aims to facilitate discharge planning, ideally enabling a return home or transition to a less restrictive setting. During the admission process, various professionals contribute to the Minimum Data Set (MDS) assessment, including the attending physician, director of nursing, nursing assistants, dietary manager, social services manager, activities director, and therapists, among others. An initial assessment conducted by the admitting nurse identifies the resident's specific needs, covering medical diagnoses, activity levels, cognitive status, diet orders, weight, performance in activities of daily living (ADLs), and physical impairments.

Following the guidelines in the Resident Assessment Instrument (RAI) manual, the care planning process addresses functional status, rehabilitation, health maintenance, discharge potential, medications, and daily care needs. This involves creating problem statements that highlight care issues, developing clear and measurable goals in consultation with the resident and staff, and outlining specific approaches to assist the resident in achieving these goals. Each approach identifies the discipline responsible and includes a review date. Ongoing communication with family members ensures that they are informed about the resident's progress and can provide feedback for necessary modifications to the care plan.

Discharge planning starts at the initial assessment and develops alongside the resident's progress. It encompasses medical services, follow-up appointments, and necessary prescriptions, including arranging adaptive equipment and securing referrals for home health services and community resources. Home health eligibility includes factors such as residing within the service area, being homebound when required, and having a safe caregiving environment.

Upon discharge, the case manager presents the final discharge plan, which the resident and family have previously reviewed to address any concerns. This plan summarizes the resident's care, outlining treatments, diagnoses, rehabilitation potential, and immediate care instructions. Copies are provided to the primary care physician and any relevant caregivers to ensure a coordinated transition to post-discharge care.

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To understand the level of need for specific services, the applicant analyzed discharges from Broward acute and long-term care hospitals to nursing homes among individuals aged 65 and over. The examination of MDCs revealed the types of conditions and disorders common among nursing home admissions. The table below shows the leading MDCs for Broward County resident hospital discharges to skilled nursing facilities during the 12 months ended September 30, 2023, which the applicant indicates determines the need for specific SNF services.

**Broward County Residents Age 65 & Over  
Hospital Discharges to SNFs by MDC  
12 Months Ended September 30, 2023**

<b>Major Diagnostic Category</b>	<b>Cases</b>	<b>Percent</b>
08 Diseases & Disorders – Musculoskeletal & Conn. Tissue	2,862	20.2%
05 Diseases & Disorders of the Circulatory System	1,859	13.1%
18 Infections & Parasitic Diseases, Systemic or Unspecified Sites	1,720	12.1%
01 Diseases & Disorders of the Nervous System	1,643	11.6%
04 Diseases & Disorders of the Respiratory System	1,373	9.7%
11 Diseases & Disorders of the Kidney & Urinary Tract	1,372	9.7%
<b>Subtotal</b>	<b>10,829</b>	<b>76.4%</b>
All Others	3,340	23.6%
<b>Total</b>	<b>14,169</b>	<b>100.0%</b>

Source: CON application #10838, Page 31, Table 6, AHCA Hospital Patient Discharge Data for all Broward County residents.

The applicant's analysis of MDCs for nursing home residents aged 65 and over identifies common diagnoses and corresponding rehabilitative programs. MDC 8, which addresses the musculoskeletal system, includes fractures and hip and knee replacements. Therapeutic programs focus on weight-bearing exercises to improve range of motion, flexibility, stability, lateral balance, and strength, ultimately restoring mobility. Residents engage in progressive therapeutic activities guided by physical and occupational therapists to enhance joint flexibility and core strength.

MDC 5, representing 13.1 percent of total discharges to nursing homes in Broward County, encompasses circulatory system conditions such as heart failure and heart attacks. Treatment emphasizes exercise routines that improve conditioning and stamina, with activities like walking, weight-bearing exercises, and strength training. Occupational therapy also aids in developing fine motor skills for daily tasks.

For MDC 18, related to infectious and parasitic diseases, the proposed facility includes 68 private rooms, and 46 semi-private rooms designed for effective isolation. This setup minimizes infection exposure and supports monitoring and care, especially for residents with mobility limitations requiring pressure ulcer management.

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MDC 1 focuses on nervous system disorders, employing restorative therapies that include physical evaluations, physical and occupational therapy, and pain management, supported by advanced equipment. Programs like NEUROGYMTECH for bungee mobility training and Synchrony for dysphagia management are integral to care. MDC 4 pertains to the respiratory system, utilizing monitored exercise sessions and equipment such as CPAP and oxygen concentrators to enhance respiratory health.

Finally, MDC 11 targets the kidneys and urinary tract, with a therapy suite for rehabilitation and activities of daily living. Contracted personnel will utilize innovative technologies for individualized therapy programs to prevent hospital admissions or readmissions, promoting improved health and quality of life for residents.

The chart below shows the facility's projected year one and two utilization.

**Projected Admissions, Patient Days, Average Length of Stay  
First Two Years of Operation for the 160-Bed Facility**

<b>Factor</b>	<b>Year 1</b>	<b>Year 2</b>
Admissions	1,116	1,500
Patient Days	37,960	50,983
ALOS	34	34
ADC	104.0	139.7

Source: CON application #10838, Page 29, Table 11.

The proposed facility's admissions and patient days indicate an average length of stay of 34 days and the facility is projected to reach full occupancy in the first year, achieving an average daily census of 87.3, with growth to 143.8 in the second year.

- b. Quality of Care. In assessing the applicant's ability to provide quality of care pursuant to 408.035(3), Florida Statutes, the Agency shall evaluate the following facts and circumstances:**
- 1. Whether the applicant has had a Chapter 400, Florida Statutes, nursing facility license denied, revoked or suspended within the 36 months prior to the application.**  
  
Neither applicant has had a nursing facility license denied, revoked, or suspended.
  - 2. Whether the applicant has had a nursing facility placed into receivership at any time during the period of ownership, management or leasing of a nursing facility in the 36 months prior to the current application.**

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Neither applicant has had a nursing home placed into receivership.

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

Both applicants - This provision does not apply.

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

Both applicants - This provision does not apply.

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

Both applicants - This item does not apply.

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

Both applicants state they will provide the necessary data to the Broward Regional Health Planning Council, Inc., which serves Health Planning District 10, and to the Agency. This data will include the utilization reports mentioned above, along with the required licensure and financial documentation associated with operating a licensed nursing facility.

**3. Statutory Review Criteria**

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

**Broward SNF LLC (CON application #10837)** states that "Availability" refers to the quantity of resources that exist and cites the 365-FNP concluding its project will meet the current demand and address the reduced availability.

As of August 9, 2024, there are 3,942 licensed community nursing home beds across thirty-three facilities in Broward County. Based on Agency population estimates and the latest nursing home bed data, Broward County had 10 beds per 1,000 persons aged 65 and older in January 2024. In contrast, the state of Florida had 16 beds per 1,000 seniors, representing a 60 percent higher availability. By January 1, 2029, if the 365 beds are not constructed, the availability rate in Broward will drop to 9 beds per 1,000 seniors, while the state rate could fall to 15 beds, assuming all current approved beds are developed and licensed.

However, incorporating the proposed 365 additional beds, the availability rate in District 10 will remain at 10 beds per 1,000 seniors by January 1, 2029. Therefore, the need for these proposed beds is clear, as they will help maintain access to skilled nursing care in the district. Establishing a new nursing home with the full 365 beds is essential to meet the growing senior population in Health Planning District 10, ensuring continued availability and access to care.

The proposed facility will leverage the experience of Quantum Health Care Group, which will provide comprehensive administrative and operational support. The applicant is part of a well-established network of skilled nursing facilities across Florida. Among Quantum's eight facilities, seven have achieved Joint Commission Accreditation, highlighting a commitment to high-quality care standards. The facility will be constructed to meet contemporary standards and codes, ensuring a safe and efficient environment that fosters quality and resident-centered care. This modern infrastructure will not only adhere to regulatory requirements but also enhance the overall experience for residents, promoting their well-being and improving outcomes.

The applicant's Need Analysis includes maps and demographic data that highlight Broward County as an area experiencing significant growth in its elderly population over the next five years. To illustrate geographic access in Broward County, five key hospitals have been identified. These



hospitals were selected because, as depicted in Figure 3-1 on page 3-3, they collectively accounted for 53.75 percent of all acute care hospital discharges to nursing homes for senior residents in Broward County. See Table 3-1 on page 3-4 for details. The accompanying map (Figure 3-1) shows the 30-minute drive time from each hospital, encompassing the zip codes in the county with the highest concentration of seniors.

This mapping clearly indicates that the areas within the reach of these hospitals are not only home to a significant number of elderly residents but are also projected to see the most considerable growth in the population aged 65 and older. By situating the new nursing home facility within these regions, access to care will be significantly enhanced for this growing demographic, ensuring that they receive timely and necessary services.

The proposed nursing facility aims to address a variety of patient conditions that require rehabilitation and the applicant, nearly 12,000 Broward County patients aged 65 and older were discharged from acute care hospitals in Florida in 2023. The primary conditions leading to these discharges include musculoskeletal/orthopedic issues, infectious/parasitic diseases, diseases of the circulatory system, kidney diseases, and disorders of the respiratory system.

This project is further strengthened by the expertise of Quantum Health Care Group, which has developed successful programs and services tailored to meet the clinical needs of patients who are discharged from local hospitals and subsequently require therapy and recovery services in a nursing home environment. By leveraging this specialized knowledge and experience, the facility will be well-equipped to provide high-quality care and support to its residents, enhancing their rehabilitation outcomes and overall well-being.

Another essential aspect of access to care is the consideration of economic barriers that may affect patients seeking rehabilitation services. To enhance access for elderly residents requiring these services, the proposed facility will be Medicare-certified.

Table 3-1 on page 3-5 illustrates the payer mix for Broward residents aged 65 and older who were discharged from Florida acute care hospitals to a nursing home in 2023. This data reveals that most discharges to skilled nursing facilities are covered by Medicare and Medicare Managed Care, indicating that financial constraints are less likely to impede access to rehabilitation services for this demographic. By aligning with Medicare standards, the facility is committed to ensuring that eligible residents can receive the care they need without facing economic barriers.

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As demonstrated in Table 3-1, Medicare Managed Care and traditional Medicare are the predominant payers for SNFs in Broward County, accounting for 11,471 discharges, which is nearly 96 percent of the total 5,605 discharges to nursing homes. In contrast, Veterans Affairs and Commercial Health Insurance represent only 0.23 percent and 2.22 percent of total SNF discharges, respectively.

Eligibility criteria also play a crucial role in ensuring access to nursing home care. Admission to a nursing home necessitates a physician's order, an established payer source, adherence to specific admission criteria, and the nursing home's ability to meet the medical and nursing needs of the prospective resident.

To facilitate access to care, the facility is committed to addressing any potential financial barriers that may prevent individuals from entering a nursing home. This involves collaborating closely with hospital discharge planners and other professionals responsible for making direct admissions. By actively engaging with these stakeholders, the facility aims to streamline the admission process and ensure that eligible patients receive the support they need without unnecessary obstacles.

Broward SNF's responses confirm adherence to statutory health planning factors such as availability, quality of care, access, and utilization of existing nursing homes in the subdistrict. The proposed 365-bed community nursing home will enhance access and availability of nursing home care, addressing the increasing demand for skilled nursing facilities in the area.

**TBO Holdings LLC (CON application #10838)** provides Broward County's nursing home bed inventory and occupancy cited in Item E. 1. a. of this report. The applicant states the occupancy rate suggests a capacity to accommodate additional utilization; however, Broward County's elderly population is projected to grow significantly over the next five years, particularly among those aged 75 and older. The applicant notes that there has been a decline in the skilled nursing utilization rate among the elderly population, a trend that has continued beyond the peak of the COVID epidemic. This decline may indicate a long-term reduction in the choice of skilled nursing care for frail elderly individuals rather than a temporary decrease due to the pandemic.

In response to these dynamics, TBO Holdings proposes to establish a 160-bed skilled nursing facility by converting existing space currently used as the Presidential Place Alzheimer's Assisted Living Facility (ALF). Although this project scope is smaller than the 365-bed need calculated under the relevant regulations, it may better reflect future demand for

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skilled nursing services. The applicant also anticipates that the facility can be operational in approximately 18 months, allowing it to address the community's unmet needs more swiftly than other co-batched applicants in the current cycle.

The proposed facility will leverage the expertise of Marquis Health Consulting Services, which will provide administration and operational assistance. Marquis Health facilities include eight with a CMS 5-star rating, 10 with a 4-star rating, and 37 with Joint Commission accreditation) demonstrating exceptional performance. In Florida, West Gables Health Care Center, a skilled nursing facility managed by Marquis Health Consulting Services, has a CMS 4-star rating and is Joint Commission accredited. The applicant states Riverside Post Acute in Jacksonville, Florida, acquired in May 2024, will undergo quality assessment updates, following which its performance metrics are expected to become available.

TBO states that there may be limited access to skilled nursing care in the future due to a potential shortage of beds but geographic barriers do not currently hinder access to skilled nursing services in Broward County. The county is a densely populated metropolitan area with over 30 skilled nursing facilities, providing ample options for residents. However, the applicant recognizes that a lack of beds may become a constraint in the future, particularly if the rapid growth of the elderly population leads to increased demand for skilled nursing services. The proposed 160-bed facility will help address this potential issue by providing additional capacity for patients requiring various conditions, including rehabilitation.

The project will benefit from its partnership with Marquis Health Consulting Services, which will provide access to successful programs and services tailored to the clinical needs of patients discharged from local hospitals and requiring therapy and recovery services in a nursing home setting. These services, supported by trained and certified staff, modern equipment, and uniquely designed facilities, will include pulmonary specialty care, cardiac specialty care, neurologic recovery unit, and urgent SNF service.

The clinical protocols and treatment plans will follow specific standards of care for various diagnoses and aim to avoid hospital readmissions through proactive interventions. The focus on short-term rehabilitation, led by licensed professionals and certified assistants, will provide a range of physical, speech, occupational, and respiratory therapies, ultimately resulting in better outcomes and quality of care.

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Regarding economic barriers, TBO Holdings LLC has made a commitment to participate in both Medicare and Medicaid programs and will seek contracts with managed care providers and commercial insurance companies. Having multiple payment options will enable the facility to cater to a broader pool of residents and maximize access. As demonstrated in their financial projections (Schedule 7), the applicant expects to provide significant levels of care to Medicaid patients and underprivileged groups, addressing economic barriers that may otherwise impede access to nursing home care.

Eligibility criteria for nursing home placement require a physician's order, payer source, conformity with admission criteria, and the nursing home's capability to meet the medical and nursing needs of the resident. The proposed facility is sufficiently sized to provide a wide range of services such as short-term rehabilitation, complex care, and long-term care needs. The applicant will make every effort to remove any financial barriers that could impede access to nursing home care, working closely with hospital discharge planners and those who may make direct admissions.

As previously noted, the existing skilled nursing facilities in Broward County were operating at 84.67 percent occupancy for the 12-month period ending June 30, 2024. Given the rapid growth of the elderly population in the service area, it is reasonable to anticipate that the current inventory of skilled nursing home beds will soon face capacity constraints, even when factoring in potential declines in skilled nursing usage rates in the future.

TBO states its 160-bed facility aims to address this capacity issue in a cost-effective manner and within a short timeframe. Further, the facility will enhance the availability of care options for the increasing number of elderly residents who may require skilled nursing services. This initiative is crucial for accommodating the anticipated rise in demand for skilled nursing care, ensuring that residents have access to the necessary services in a timely manner.

The applicant concludes its project will significantly boost both availability and access to SNF services, particularly for Medicaid recipients. Further, its responses to health care access criteria demonstrate conformity with regulatory requirements and the facility will accept a diverse range of payers and cater to individuals needing skilled care and medical management for both acute and chronic conditions. This approach aligns with the Conditions of Participation established by the Medicare and Medicaid programs, ensuring that the facility meets the necessary standards for quality and access to care.

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

**Broward SNF LLC (CON application #10837)** is a newly established entity, formed on October 18, 2024, to construct and operate a 365-bed SNF in District 10 (Broward County). The applicant is affiliated with Quantum Health Care Group, which it contends brings a robust framework for delivering quality services to elderly residents in need of skilled nursing care. Broward SNF states Quantum Health has a proven history of quality, with many of its facilities holding Joint Commission Accreditation—only a small percentage of nursing homes nationally achieve this distinction. As of 2021, of over 15,000 nursing homes in the United States, only 1,059 held Joint Commission accreditation, which is linked to fewer inspection deficiencies and better performance ratings. Accreditation is crucial not only for quality management but also for eligibility to participate in various health plan networks.

Quantum affiliates Joint Commission accredited facilities include:

- Ft. Lauderdale Health and Rehabilitation Center
- Glades West Rehabilitation and Nursing Center
- Greenbriar Healthcare Rehabilitation and Nursing Center
- Kendall Lakes Healthcare and Rehab Center
- Sunset Lake Healthcare and Rehabilitation Center
- Village Place Healthcare and Rehabilitation Center
- Wilton Manors Healthcare and Rehabilitation Center

Quantum facilities have received accolades such as recognition from U.S. News & World Report for Best Nursing Homes for Long-Term Care in Florida. Notably, Glades West earned a 2020 AHCA/NCAL Silver National Quality Award, while Ft. Lauderdale received the 2022 Bronze National Quality Award, further highlighting their commitment to exceptional care. The applicant's Exhibit 6 contains Quantum SNFs Joint Commission Accreditations, AHCA NCAL Award and US News Best Nursing Homes ratings.

Quantum Health strives to foster a safe, supportive, and inclusive environment where residents can thrive physically, emotionally, and socially. Committed to compassion, integrity, excellence, and innovation, Quantum aims to be a trusted partner in the health care community, ultimately improving the health and well-being of residents and positively impacting their lives. The applicant lists Quantum Health Care Group's Mission and Vision statements and its core values. Quantum Health's

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management philosophy focuses on continuous quality improvement through uniform standards, the establishment of specific quality goals, and the use of evidence-based clinical pathways. The applicant states this approach not only meets regulatory expectations but also enhances resident care, ensures superior health outcomes, and enriches the quality of life for those they serve.

Quantum Health's quality assurance performance improvement plan and quality assurance and assessment program ensure that the facility meets the needs and expectations of patients while delivering exceptional person-centered care. This approach actively involves residents in their own care and addresses their individual needs. Guidance from the American Health Care Association helps create a consistent framework for measuring and assuring quality in nursing homes. The risk management/quality assurance committee meets monthly to monitor quality indicators. If an indicator falls below the established threshold, it signals a potential issue, prompting the development of corrective action plans. This approach aims to prevent deficiencies in care quality and ensure regulatory compliance by identifying problems early and minimizing adverse consequences. The overall goal of the quality improvement process is to enhance work processes and delivery systems related to clinical care, quality of life, and resident choice. Broward SNF's Exhibit 7 includes the QAPI plan and risk management/quality assurance committee forms.

The applicant states that due to recent major hurricanes across the state, emergency management and response have become top priorities for nursing homes. Facilities must implement comprehensive emergency action and environmental control plans to effectively manage events like hurricanes. The facility will be equipped with a generator to ensure residents remain safe and comfortable during power outages and have a comprehensive emergency management plan that details preparation protocols, monitoring, reporting, and evacuation strategies for natural disasters. Plans include procurement and storage of essential supplies, such as food, water, pharmaceuticals, and nursing supplies.

Each new resident receives a residents' rights brochure from Florida's Long-Term Care Ombudsman Program upon admission. Staff members will be educated on residents' rights during orientation and annually thereafter. The facility will collaborate with the Ombudsman to ensure proper interactions adhere to policies, and aspects of residents' rights are reviewed as part of the continuous quality improvement process. Social, psychological, and functional needs are to be addressed through a focus on meaningful activities that encourage resident engagement. Activities are designed to reflect individual interests and facilitate adaptation, creativity, and independence. Daily activity schedules are shared through

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newsletters and posters, making participation clear for residents and their families. The activity director evaluates residents’ interests during admission assessments to inform personalized care plans.

Broward SNF concludes it demonstrates a strong commitment to quality assurance and continuous quality improvement. Quantum Health Care Group network facilities exemplify this approach and actively seek national recognition and Joint Commission Accreditation. These efforts ensure that residents receive high-quality care and that patient outcomes are prioritized through ongoing assessment and enhancement of care processes.

Quantum Health Care Group’s affiliated Florida nursing homes substantiated complaints during the 36 months ending December 19, 2024 are shown in the table below. A substantiated complaint can encompass multiple complaint categories.

**Broward SNF LLC (CON #10837) – Quantum Health Care Services Affiliates  
Substantiated Complaints  
December 19, 2021 – December 19, 2024**

<b>Complaint Category</b>	<b>Number Substantiated</b>
Administration/Personnel	1
Elopement	3
Life Safety Code	1
Physical Environment	2
Quality of Care/Treatment	15
Quality of Life	1
Resident/Patient/Client Abuse	2
Resident/Patient/Client Neglect	4
Resident/Patient/Client Rights	3
State Licensure	1
Unqualified Personnel	1
<b>Total</b>	<b>34</b>

Source: Agency for Health Care Administration complaint data.

**TBO Holdings LLC (CON application #10838)** states Marquis Health Consulting Services underscores a proven track record of delivering quality care within nursing facilities, evident through their numerous four and five-star ratings, as well as Joint Commission accreditation. The applicant states it will become part of a broad network encompassing 71 skilled nursing facilities spanning seven states; notably, eight of these facilities have earned a CMS five-star rating, and 10 have achieved a four-star rating. TBO states that 39 Marquis Health have Joint Commission Accreditation. The applicant states West Gables Health Care Center, is the only skilled nursing facility operated by Marquis Health Consulting Services in Florida and exemplifies this commitment to quality. West Gables is Joint Commission accredited and holds an overall three-star rating from the Agency for Health Care Administration's Nursing Home Guide Inspection Ratings. Additionally, it

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has achieved five stars in several categories, including quality of life, nutrition and hydration, restraints and abuse, pressure ulcers, and dignity, along with a four-star rating in administration. The reviewer notes that TBO's Table 1 on the application's page 4 lists Riverside Post Acute, a 240-bed SNF in Duval County (Subdistrict 4-2) is an affiliate.

Research indicates that a limited number of nursing homes obtain Joint Commission Accreditation; a 2021 article from McKnights Long-Term Care News reported that only 1,059 out of more than 15,000 community nursing homes nationwide held this prestigious accreditation. The article highlights the connection between Joint Commission status and reduced inspection deficiencies, better performance in five-star rating components, and enhanced corporate efficiency and quality initiatives. TBO states that Joint Commission accreditation is not only a framework for managing quality and infection control challenges but also often a prerequisite for participation in certain health plan networks. The applicant contends the service area will gain significant advantages from a provider committed to achieving Joint Commission Accreditation. Appendix 3 (CON application #10838) contains literature about the accreditation process.

The applicant shares Marquis Health's mission, values and vision stating *Marquis is dedicated to addressing the clinical, functional, psychological, and emotional needs of our residents. Residents and their families receive quality service in a caring and compassionate atmosphere that recognizes each individual's needs and rights.*

The applicant states Marquis brings industry-leading expertise to enhance the overall experience for patients, residents, and families. Further, *Providers are equipped with advanced technology, progressive tools, and strategies designed to enable reliable, efficient, and innovative care, ultimately driving exceptional outcomes and improving patient/resident satisfaction. Our vision is to provide the best resources to enhance the patient experience at every level.* TBO states Marquis core values serve as the guiding principles for providing health services that enrich patients quality of life and help them achieve the highest levels of functioning and happiness in their daily lives.

Marquis Health is dedicated to enhancing residents' comfort and rehabilitating them to optimal health, allowing them to regain their sense of self. This commitment drives their various services, including community guest services, concierge services, and the family matters program, which treat residents as valued guests. Guest service teams enhance the rehabilitation experience through family engagement activities, convenience services, dining options, and beauty treatments.



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The Family Matters Program facilitates communication and connection through virtual care navigation meetings, visitation options via Skype and Facetime, and a web-based application to track resident activities. Details of these programs are provided on the application's pages 46-48.

The applicant states Marquis Health infection control measures, telemedicine solutions, and post-discharge support ensure patient safety. Their rehabbing care approach combines expert rehabilitation with modern technology in a comfortable, five-star environment. Specialized rehabilitation services encompass pulmonary and cardiac care, neurologic recovery, and skilled nursing services. Through integrated care navigation, Marquis Health ensures effective communication among patients, families, and clinical staff, fostering a safe and supportive environment for relaxation and recovery. Ongoing discharge planning and post-discharge support are designed to help residents achieve their rehabilitation goals.

Each Marquis facility implements a formal Quality Assessment and Program Improvement (QAPI) program in accordance with state and federal regulations to foster continuous quality improvement. The QAPI process follows a cyclic model—PLAN, ACT, DO, STUDY—that emphasizes ongoing assessment and intervention based on monitoring results. This approach enables nursing homes to identify and address root causes of recurring problems, particularly those categorized as preventable adverse events.

As nursing homes adapt to increasingly complex care needs, characterized by a diverse mix of patients requiring both short- and long-term care. Staff training and education is provided to empower employees across all departments to recognize potential issues and take proactive measures to avoid them. The QAPI process equips nursing homes with the necessary tools to mitigate risks and enhance care quality. Activities play a vital role in addressing the social, psychological, and functional needs of residents. A structured variety of planned activities, highlighted in newsletters and posters, keeps residents and their families informed about participation opportunities. The activity director collaborates with residents during the admission assessment to identify their hobbies and social preferences, integrating this information into their personalized care plans.

The applicant concludes that Marquis Health's commitment to quality care is underscored by its quality assurance policies, which provide ongoing monitoring and evaluations to identify areas for improvement and ensure that residents receive the highest standard of care. Further, TBO's responses indicate its strong ability to implement a quality assurance program focused on continuous quality improvement.

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Marquis Health’s two affiliated nursing homes substantiated complaints during the 36 months ending December 19, 2024 are shown in the table below. A substantiated complaint can encompass multiple complaint categories.

**TBO Holdings LLC (CON #10838)  
Marquis Health Consulting Services Affiliates  
Substantiated Complaints  
December 19, 2021 – December 19, 2024**

<b>Complaint Category</b>	<b>Number Substantiated</b>
Administration/Personnel	1
Quality of Care/Treatment	2
Quality of Life	1
Resident/Patient/Client Rights	2
<b>Total</b>	<b>6</b>

Source: Agency for Health Care Administration complaint data.

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

**Both applicants:**

The purpose of our analysis for this section is to determine if the applicant has access to the funds necessary to fund this and all capital projects. Our review includes an analysis of the short and long-term position of the applicant, parent, or other related parties who will fund the project. The applicant is a development stage company with only \$250,000 in cash, with no operations. The applicant indicated that funding will be provided by cash on hand and non-related company financing. In the case of a development stage company with no historic operations in which to evaluate short- and long-term financial positions, we will evaluate the applicant’s access to capital on a standalone basis for this project and any others cited in the application.

**Capital Requirements and Funding:**

**Broward SNF LLC (CON application #10837)** indicates on Schedule 2 capital projects totaling \$131,203,000, which includes this project only. The applicant indicates on Schedule 3 of its application that funding for the project will be provided by cash on hand (\$250,000) and non-related company financing (\$130,953,000). The applicant provided a letter of interest dated December 17, 2024, from Huntington stating their interest in providing construction financing.

**TBO Holdings LLC (CON application #10838)** indicates on Schedule 2 capital projects totaling \$75,818,864, which includes this project (\$26,124,000), CON #10793 (\$13,614,500), CON #10838 (\$14,913,664), and other capitalization (\$21,166,700). The applicant indicates on Schedule 3 of its application that funding for the project will be provided by non-related company financing (\$14,913,664). The applicant provided a letter of interest, dated December 16, 2024, from CIBC stating their interest in providing construction financing.

**Both applicants** - A letter of interest is not considered a firm commitment to lend. Since this is a development stage company with no historic financial position to evaluate, we cannot make a determination on the likelihood of acquiring the debt funding necessary.

**Conclusion:** Funding for this project is in question.

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

**Both applicants:**

The immediate and long-term financial feasibility of the project is tied to expected profitability. The purpose of our analysis for this section is to evaluate the reasonableness of the applicant's profitability projections and, ultimately, whether profitability is achievable for this project. Our analysis includes an evaluation of net revenue per patient day (NRPD), cost per patient day (CPD), nurse staffing ratios, and profitability. We compared the NRPD, CPD, and profitability to actual operating results from skilled nursing facilities as reported in the Florida Nursing Home Uniform Reporting System. For our comparison group, we selected skilled nursing facilities within the district removing any outliers that were the result of low occupancy or unusual payer mix relative to the other skilled nursing facilities in the district. Comparison group data was adjusted for inflation to match the second-year projection (inflation factor was based on the New CMS Market Basket Price Index as published in the 2nd Quarter 2024, Health Care Cost Review).

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

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**Broward SNF LLC (CON application #10837)**

	PROJECTIONS PER APPLICANT		COMPARATIVE GROUP VALUES PPD		
	Total	PPD	Highest	Median	Lowest
Net Revenues	51,631,400	482	588	389	325
Total Expenses	50,207,800	469	522	426	336
Operating Income	1,423,600	13	55	-4	-71
Operating Margin	2.76%		<b>Comparative Group Values</b>		
	Days	Percent	Highest	Median	Lowest
Occupancy	107,017	80.33%	94.50%	88.91%	60.31%
Medicaid	42,807	40.00%	80.33%	56.62%	45.35%
Medicare	53,508	50.00%	47.07%	18.08%	6.53%

Operating profits from this project are expected to increase from a net loss of \$7,233,600 in year one to a net profit of \$1,423,600 in year two.

**TBO Holdings LLC (CON application #10838)**

	PROJECTIONS PER APPLICANT		COMPARATIVE GROUP VALUES PPD		
	Total	PPD	Highest	Median	Lowest
Net Revenues	23,548,031	447	572	378	316
Total Expenses	22,765,937	432	507	414	327
Operating Income	782,094	15	55	-4	-71
Operating Margin	3.32%		<b>Comparative Group Values</b>		
	Days	Percent	Highest	Median	Lowest
Occupancy	52,646	89.90%	94.50%	88.91%	60.31%
Medicaid	30,008	57.00%	80.33%	56.62%	45.35%
Medicare	14,741	28.00%	47.07%	18.08%	6.53%

Operating profits from this project are expected to increase from a net loss of \$892,309 in year one to a net profit of \$782,095 in year two.

**Both applicants:**

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

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

**Conclusion:**

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

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

**Both applicants** - Strictly from a financial perspective, the type of competition that would result in increased efficiencies, service, and quality is limited in health care. Cost-effectiveness through competition is typically achieved via a combination of competitive pricing that forces more efficient cost to remain profitable and offering higher quality and additional services to attract patients from competitors. Since Medicare and Medicaid are the primary payers in the nursing home industry, price-based competition is limited. With a large portion of the revenue stream essentially fixed on a per patient basis, the available margin to increase quality and offer additional services is limited. In addition, competitive forces truly do not begin to take shape until existing business' market share is threatened. The existing health care system's barrier to price-based competition via fixed price payers limits any significant gains in cost-effectiveness and quality that would be generated from competition.

**Conclusion:**

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

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

**Broward SNF LLC (CON application #10837)** - The applicant has submitted all information and documentation necessary to demonstrate compliance with the architectural review criteria. The cost estimate for the proposed project provided in Schedule 9, Table A and the project completion forecast provided in Schedule 10 appear to be reasonable. A review of the architectural plans, narratives and other supporting documents did not reveal any deficiencies that are likely to have significant impact on either construction costs or the proposed completion schedule.

The plans submitted with this application were schematic in detail with the expectation that they will be necessarily revised and refined prior to being submitted for full plan review. The architectural review of this application shall not be construed as an in-depth effort to determine complete compliance with all applicable codes and standards. The final responsibility for facility compliance ultimately rests with the applicant

**CON Application Numbers: 10837 & 10838**

owner. Approval from the Agency for Health Care Administration's Office of Plans and Construction is required before the commencement of any construction.

**TBO Holdings LLC (CON application #10838)** - The applicant has not submitted all the information and documentation necessary to demonstrate compliance with the architectural review criteria. The plans submitted with this application were illegible and could not be used to determine if the proposed schematic design is in substantial compliance with applicable codes and standards.

The cost estimate for the proposed project provided in Schedule 9, Table A and the project completion forecast provided in Schedule 10 appears to be reasonable. A review of the narratives and other supporting documents did not reveal any deficiencies that are likely to have significant impact on either construction costs or the proposed completion schedule. As noted above, the architectural plans were not legible, which prevented a review of the documents for compliance with the architectural criteria of this application. If the application is approved, the project must be reviewed by the Office of Plans and Construction before beginning construction. Compliance with current codes and standards will be verified as part of that review.

The plans submitted with this application were schematic in detail with the expectation that they will be necessarily revised and refined prior to being submitted for full plan review. The architectural review of this application shall not be construed as an in-depth effort to determine complete compliance with all applicable codes and standards. The final responsibility for facility compliance ultimately rests with the applicant owner. Approval from the Agency for Health Care Administration's Office of Plans and Construction is required before the commencement of any construction.

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

**Broward SNF LLC (CON application #10837)** presents Quantum Health Care Group's eight Florida affiliates SNF Medicaid patient days which were 180,787, 146,922 and 177,789 during the 12 months ending June 30 of 2022, 2023 and 2024. Medicaid as a percentage of total patient days during the 12 months ending June 30, 2022, 2023 and 2024, were 57.62, 51.8 and 55.62 percent, respectively.

## **CON Application Numbers: 10837 & 10838**

Broward SNF projects the 365-bed project will provide 40 percent of year one and year two (ending June 30 of 2028 and 2029) total annual patient days to Medicaid Managed Care residents.

**TBO Holdings LLC (CON application #10838)** presents TBO affiliate West Gables Operator LLC d/b/a West Gables Health Care Center's Medicaid utilization for the 12 months ending June 30 of 2021—2024. Medicaid patient days were 2,886, 2,591 and 6,246 during the 12 months ending June 30 of 2022, 2023 and 2024. Medicaid as a percentage of facility's total annual patient days during these 12-month periods were 14.31, 13.48 and 31.87 percent, respectively.

The applicant projects Medicaid Managed Care will be 57 percent of the 160-bed facility's year one and two total annual patient days (ending July 31 of 2027 and 2028).

### **F. SUMMARY**

**Broward SNF LLC (CON application #10837)** proposes to establish a new 365-bed community nursing home in District 10 (Broward County).

Broward SNF indicates that the project will be licensed in June 2027 and begin service in July 2027.

Total project cost is \$131,153,000. The project includes 262,886 GSF of new construction and a total construction cost of \$98,582,300.

The 365-bed facility will have 117 private rooms and 124 semi-private rooms.

The applicant does not propose any conditions on the project.

**TBO Holdings LLC (CON application #10838)** is a for-profit corporation proposing to establish a new 160-bed community nursing in District 10 (Broward County).

TBO expects the project will be licensed in June 2026 and begin service in August 2026.

Total project cost is \$14,913,664. The project includes 20,500 GSF of renovation. The total renovation cost is \$3,634,500.

The 160-bed facility will have 68 private rooms and 46 semi-private rooms.

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TBO Holdings LLC proposes two conditions for the project.

**Need:** - Both applications are filed in response to the published need.

- **Broward SNF** proposes to meet the entire 365-bed FNP and provides additional need/benefits of the project include:
- The applicant provides Broward County population demographics, patient characteristics, availability, utilization and quality of care, and projected utilization. Specific to population an availability the applicant offers that
  - Broward County's increasing 65 and over population is expected to increase demand for SNF care
  - The current rate of beds per one thousand seniors is 10 and without this project it is predicted to be nine, much lower than the state average of 15
  - Broward County residents MDC hospital discharges to SNFs support the programs, which it describes in detail, to be provided at its facility.
- **TBO Holdings** proposes to meet 160 of the 365-bed FNP and provides additional need/benefits of the project include:
  - The project will be housed in space that has already been constructed and can be placed into service quickly compared to Broward SNF's 365-bed project, which may not be constructed
  - Utilization levels at Broward County's existing facilities are comparatively low with considerable slack capacity
  - Broward County's SNF use rate per 1,000 has been in decline since 2020
  - The need forecast by the rule may not be realized, and the fixed costs associated with the Broward SNF project will be significant
  - By 2029 Broward County's population aged 65 and over and age 75 and over is expected to increase demand for SNF care
  - Broward County has only 10.1 licensed and approved skilled nursing home beds per 1,000 residents aged 65 and older

### **Quality of Care:**

- Both applicants provide a detailed description of the ability to provide quality care
- During the 36 months ending December 19, 2024:
  - **Broward SNF's** eight Quantum Health affiliated nursing homes had 34 substantiated complaints
  - **TBO Holding's** two Marquis Health affiliated nursing homes had six substantiated complaints



**Financial Feasibility/Availability of Funds:**

**Both applicants:**

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

**Architectural**

**Broward SNF LLC (CON application #10837)**

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

**TBO Holdings LLC (CON application #10838)**

- Did not submit all the information and documentation necessary to demonstrate compliance with the architectural review criteria.
- The plans submitted with this application were illegible and could not be used to determine if the proposed schematic design is in substantial compliance with applicable codes and standards.
- The cost estimate for the proposed project provided in Schedule 9, Table A and the project completion forecast provided in Schedule 10 appear to be reasonable
- A review of the architectural plans, narratives and other supporting documents did not reveal any deficiencies that are likely to have a significant impact on either construction costs or the proposed completion schedule

**Medicaid/Indigent Care:**

Both applicants provide affiliates history of providing service to Medicaid patients.

**Broward SNF LLC** projects 40 percent of year one and year two total annual patient days will be Medicaid HMO patient days.

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**TBO Holdings LLC** projects 57 percent of the facility's total annual year one and year two patient days will be Medicaid HMO patient days.

**G. RECOMMENDATION**

Approve #10837 establish a 365-bed community nursing home in District 10, Broward County. The total project cost is \$131,153,000. The project involves 262,886 GSF of new construction and a total construction cost of \$98,582,300.

Deny CON #10838.

**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: February 14, 2025



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