

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

**A. PROJECT IDENTIFICATION**

**1. Applicant/CON Action Number**

**Helen Homes of South Dade LLC d/b/a Homestead Manor A Palace Community /CON application #10839**

1330 NW 1<sup>st</sup> Avenue  
Homestead, Florida 33030

Authorized Representative: Oscar L. Roiz, CFO  
(305) 248-0271

**2. Service District/Subdistrict**

**District 11/Subdistrict 11-1 (Miami-Dade County)**

**B. PUBLIC HEARING**

No public hearing was requested or held.

**C. PROJECT SUMMARY**

**Helen Homes of South Dade LLC d/b/a Homestead Manor A Palace Community (CON application #10839)** also referenced as Helen Homes, or the applicant is a for-profit corporation seeking to add 120 beds to the existing 120-bed replacement facility previously approved under Exemption #s 240005, 240006, and 240007. This expansion will result in a total capacity of 240 beds within District 11, Subdistrict 11-1 (Miami-Dade County).

The 120 beds will be added by delicensing 120 beds at Miami Jewish Health Systems, Inc.'s existing 393 bed community nursing home. The application's Exhibit 1 includes a notarized letter from Dana Kulvin, General Counsel for Miami Jewish Health Systems, Inc., which grants authorization for the de-licensure of 120 beds upon approval of the CON. The proposed site for the replacement facility is at 3100 NE 8<sup>th</sup> Street, Homestead, Florida.

Helen Homes of South Dade LLC is affiliated with The Palace Group, which operates a range of properties across different service categories. These include 10 facilities that provide a range of healthcare services including independent living), assisted living facilities (ALF), skilled nursing facilities (SNF), and a home health agency.

Helen Homes indicates that the project will be licensed in June 2027 and begin service in July 2027.

The project includes 45,652 gross square feet (GSF) of new construction and a total construction cost of \$12,100,000. The total project cost is \$17,598,000, and includes land, building, equipment, project development, financing costs.

The applicant does not propose any conditions on the project.

*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 Devon 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 of zero community nursing home beds was published for Subdistrict 11 for the July 2027 planning horizon. As of August 9, 2024, Subdistrict 11 has 8,210 licensed and 781 CON approved community nursing home beds pending licensure. Subdistrict 11-1 facilities reported 90.61 percent occupancy in the six months, and 89.79 percent occupancy during the 12 months ending June 30, 2024.

The applicant's need analysis incorporates population demographics and dynamics to assess the potential need for nursing home beds in the subdistrict and addresses availability, utilization, and quality of like services; medical treatment trends and market conditions to assess the overall demand and supply dynamics for nursing home services in the subdistrict. Miami-Dade County, the most populous county in Florida, boasts a significant and rapidly growing senior population. As of January 2024, approximately 506,235 individuals aged 65 or older reside within the county. This represents the highest number of seniors in any Florida county, with projected increases over the next five years due to demographic shifts. Miami-Dade's age 65+ population is expected to experience a substantial growth rate of 16.41 percent between 2024 and 2029, adding 83,063 individuals to the age cohort of 65 years and older.

This information pertains to the most recent year for which data is available (2024) and provides projections for utilization in 2029, the proposed second year of operations for the project.

Currently, seniors make up 18.10 percent of the total population in Miami-Dade County. By 2029, the projected number of seniors will rise to 589,298, representing 20.28 percent of the anticipated total population of 2,905,306. This increase in the senior demographic signifies a growing need for residential and health care services tailored for this population. See Table 1-1 on page 1-3 for additional details.

Figure 1-1 on page 1-4 illustrates the projected elderly population age 65 and over by Zip Code for 2029. The map shows that the elderly population is dispersed across the county, with a notable concentration in the southern half of the county. Additionally, the map displays the locations of nursing homes, providing a visual representation of the availability of skilled nursing care in relation to the elderly population.

An examination of the Homestead area indicates a stronger population growth compared to the overall trends in Miami-Dade County. According to the Bureau of Economic and Business Research at the University of Florida, the City of Homestead had 83,767 residents in 2023, accounting for three percent of Miami-Dade County's total population of 2,768,954. Additionally, Homestead's population has increased by 3,030 (3.8 percent) since the 2020 census, which recorded 80,737 residents, while Miami-Dade County's population grew by 67,187 (2.5 percent) from a 2020 figure of 2,701,767. Consequently, Homestead contributed to 4.5 percent of the total population growth.

Further analysis of Claritas population estimates by Zip Code indicates that the elderly population aged 65 and over in Homestead is expected to grow at a rate surpassing that of the rest of Miami-Dade County over the next five years. Both the young and elderly populations will rise, with the number of residents aged 0-64 in Homestead projected to increase by 6,121 (3.1 percent), from 195,580 in 2024 to 201,701 in 2029. In contrast, the 0-64 population in the rest of Miami-Dade County and Monroe County is expected to decline during this period.

While the senior population aged 65 and older is experiencing growth across Miami-Dade and Florida, Homestead's seniors are anticipated to rise by 5,956 (23.4 percent), from 25,487 in 2024 to 31,443 in 2029. This growth rate stands in contrast to the overall increase of 65,398 seniors (13.7 percent) in Miami-Dade County, where the older population is expected to grow from 503,312 in 2024 to 574,666 in 2029. A summary of this information can be found in Table 1-2 on page 1-6.

Most of the senior population throughout Miami-Dade County is of Hispanic origin, with projections indicating that this demographic will exceed 70 percent of the population aged 65 and over the next five years. The Palace Communities, which include Homestead Manor, offer a diverse range of activities for residents and cater to those who speak various languages, including Spanish, Creole, Filipino, French, German, Sign Language, and others. Table 1-3 on page 1-7 indicates the current and projected population, along with the Hispanic population aged 65 and over, for the Homestead Zip Codes, Miami-Dade County, District 11, and Florida.

While the northern portion of Miami-Dade County holds the highest concentration of population, the southern area surrounding Homestead has experienced stronger growth. Notably, the senior population aged 65 and older is projected to increase by 23.4 percent over the next five years in this region, compared to a 13.7 percent increase in the senior population across the rest of the county. A map (Figure 1-2 on page 1-8) illustrates population growth by Zip Code, highlighting that growth is predominantly occurring to the west and south of the areas where most nursing homes are located. Homestead Manor is in a prime area of high growth, where there is a significant demand for skilled nursing care but limited availability. Nearby hospitals include Jackson South Medical Center and West Kendall Baptist Hospital within a 15-mile radius and Homestead Hospital, which is situated directly across from the Palace Gardens campus and the proposed site for the replacement nursing home at Homestead Manor.

Helen Homes provides a list of the seven nursing homes (eight, including Homestead Manor) within a 15-mile radius, which represents 15 percent of Miami-Dade's nursing homes and 14 percent of the available beds. Miami-Dade County, with a population of 2,796,773 residents, is the largest county in Florida in terms of population. It also has the largest nursing home capacity in the state, with 8,210 licensed community beds, representing about 10 percent of the total beds in the state.

Examining the bed availability within a 15-mile radius of the proposed relocation site, the numbers tell a different story. Currently, there are only 13 beds per thousand seniors aged 65 and over in this area, compared to 16 beds per thousand in the county and the state. This discrepancy in bed availability is evident when looking at Table 1-4 on page 1-9, which compares the bed availability for Miami-Dade County, the state of Florida, and the 15-mile radius of the relocation site. Despite the potential relocation of 120 beds, the bed availability in the 15-mile radius consistently remains lower than that of the county and the state.

A key factor driving the Homestead Manor project is the facility's persistent and consistent full occupancy, particularly during the COVID-19 pandemic when occupancy levels dropped across the state. This trend is evident in the facility's history of exemptions, including an exemption to replace and relocate Homestead Manor to the nearby Palace Gardens at Homestead (ALF), an exemption to add 10 beds due to high occupancy, and another exemption to add 22 beds for full replacement.

Table 1-5 on the application's page 1-10 reflects five years of utilization for Homestead Manor, Nursing Home Subdistrict 11-1, Miami-Dade County, and Florida. Recent data indicates that utilization for inpatient skilled nursing care is once again on the rise, with Miami-Dade nursing homes averaging 89.79 percent and Florida nursing homes averaging 84.36 percent for the 12-month period ending June 30, 2024. This trend exceeds pre-pandemic levels, and it is anticipated that utilization will continue to rise at least in proportion to the senior population growth rates, placing additional demand on nursing homes for both rehabilitation and long-term skilled nursing care.

Like Homestead Manor, high occupancy is evident at nearly all the nursing homes within a 15-mile radius. In the most recent 12-month period ending June 30, 2024, the nursing homes within a 15-mile radius average 90.4 percent occupancy and five out of eight exceeded 94 percent occupancy. Table 1-6 on the application's page 1-11 demonstrates that bed availability in the Homestead area is limited due to high occupancy. Therefore, transferring existing beds from the northern portion of Miami-Dade County to the Homestead area in the south, where nursing home occupancy is higher than the subdistrict, should improve access for the subdistrict and better meet the need in the Homestead area.

The applicant states that no nursing home in Miami-Dade has higher quality than Homestead Manor A Palace Community. Homestead Manor achieved the highest quality rating (5 STARS) in all components of care in the most recent Agency survey. As with all Palace facilities, Homestead Manor holds Joint Commission Accreditation. The Palace Group plans to relocate Homestead Manor to The Palace Gardens campus, currently serving assisted living and memory care residents. The site is across from Homestead Hospital and will add 120 beds to a 240-bed facility, built to maximize function and independence. Amenities include a Snoozelen Room for calming environments and multi-sensory care options. This complements The Palace Gardens' services, creating a continuum of care at a single location for residents with varying needs.

Quality of care is proposed to be enhanced by a new facility built to modern standards. The existing Homestead Manor includes two private and 43 semi-private rooms. The proposed three-level replacement will

feature 36 semi-private and eight private rooms on each floor, totaling 240 beds. Each semi-private room will include a shared bath, wall separation for privacy, and window views to maximize independence. The new design also ensures each resident has a shower in their room, promoting quality and comfort.

The applicant’s Table 1-7’s shows that during the 12 months ending June 30, 2024, subdistrict 11-1, Miami-Dade County SNFs had 2,712,431 patient days, averaging an 89.79 percent occupancy rate (7,411 daily census). By comparison, facilities within a 15-mile radius had 388,556 patient days, averaging a 90.4 percent occupancy rate (1,062 daily census). The reallocation of existing resources will address the area's unmet demand while not adversely impacting current providers. Using the current utilization rate of 5,358 days per 1,000 population aged 65 and older, projections suggest that occupancy rates could exceed 95 percent by the second year of operation (July 1, 2027 to June 30, 2028), assuming all approved beds are licensed by that time. The planned bed utilization aligns with future population estimates, preserving the balance of beds without oversaturating the subdistrict.

The applicant states that anticipated rise in occupancy rates indicates that existing facilities, particularly in the Homestead area, will not suffer negative impacts, where average occupancy already exceeds 90 percent. Helen Homes applies the current nursing home use rate to the projected period to estimate 3,157,459 patient days by June 30, 2028, leading to an average occupancy rate of 95.8 percent for the subdistrict. The applicant concludes that the increasing occupancy trends and assumptions support the demand for nursing home beds in Miami-Dade County is set to rise in the coming years.

The applicant’s table 1-9 below shows projected admissions and patient days for the total facility of 240 beds during the first two years of operations, assuming an opening date of July 1, 2027. Existing residents are expected to transfer upon opening, and the additional beds are anticipated to experience a fill-up period during the initial two years. The applicant states this pattern is consistent with the fill rates observed in recent nursing home openings in South Florida and Miami-Dade County, reflecting the area's strong demand for nursing home services.

**Projected Utilization for the 120-Bed Addition and 240-Bed Facility  
First Two Years of Operation**

Year	The Project (N=120)				Total Facility (N=240)			
	Admits	Patient Days	Occup. Rate	ADC	Admits	Patient Days	Occup. Rate	ADC
Year One	666	26,174	59.59%	72	1,412	55,551	63.24%	152
Year Two	1,018	40,119	91.60%	110	2,038	80,243	91.60%	220

Source: CON application # 10839, Page 1-15, Table 1-9

Based on the details provided in Schedule 5 appearing in Exhibit 10, the initial occupancy rate for the 240-bed expanded replacement facility is projected to rise from 41.46 percent in the first quarter (July through September 2027) to 85.16 percent by the fourth quarter (ending June 30, 2028) averaging 63.24 percent occupancy during year one. Year two occupancy is projected to be 91.60 percent.

The applicant concludes that the anticipated increase in the population aged 65 and older and the service area's increasing nursing home utilization underscores the necessity for expanding capacity. Helen Homes adds that approved replacement facility and the project's 120-beds will allow it to address the limitations of the current outdated facility, which lacks sufficient space and modern amenities.

**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.**

Homestead Manor participates in both the Medicare and Medicaid programs, offering a range of services for short-term rehabilitation and long-term care. The proposed facility is designed to provide comprehensive nursing and restorative care to manage both short-term rehabilitation needs as well as long-term care and complex medical conditions. Key services include 24-hour nursing care, medication management, and physical, speech, and occupational therapies.

For residents with Alzheimer's, the facility will implement a structured program where staff monitor nutrition and hydration, administer medications, evaluate health status, and ensure that residents are



actively involved in their care. This will be complemented by therapeutic activities conducted in a safe and secure environment, including access to a multi-sensory room, which is equipped with familiar everyday objects that provide various forms of stimulation to promote calmness. The sensory room, also known as a Snoezelen® room, aims to engage multiple senses simultaneously to enhance the therapeutic experience for residents. The program will incorporate individualized music therapy, exercise therapy, tactile objects, lighting effects, and essential oils.

The stroke rehabilitation unit will focus on restoring skills lost due to strokes through various therapies. The rehabilitation can include physical, speech, and occupational therapy aimed at improving motor skills, balance, and cognitive function. Physical activities involved in stroke recovery may consist of motor-skill exercises to boost muscle strength and coordination, mobility training for using assistance devices like walkers and wheelchairs, constraint-induced therapy to enhance the function of the affected limb, and range-of-motion therapy. Cognitive rehabilitation will address skills such as memory, problem-solving, social skills, and communication abilities through targeted therapies.

For patients recovering from hip replacements, an interdisciplinary team will design treatment plans that prioritize recovery. These plans will incorporate advanced technologies to enhance mobility and balance, along with medical care and pain management offered by rehabilitation physicians. Therapies will focus on daily activities and personal care, alongside fall prevention education. Various devices will be utilized to support recovery, including stationary recumbent bikes, cold therapy equipment, walking treadmills, and continuous passive motion machines.

At Homestead Manor, a physician's order at the time of hospital discharge is critical for determining post-acute placement for residents. For Medicare beneficiaries, a hospital stay of three days or longer plays a significant role in assessing the necessity for admission. Both Medicare and Medicaid programs have established conditions of participation that govern nursing home admissions. Recent changes in federal regulations stipulate that orders for a resident's care must be provided by a physician, physician assistant, nurse practitioner, or clinical nurse specialist.

Upon admission, each resident receives an admission packet. This packet outlines the agreement between the facility representative and the resident, their legal representative, or another responsible party. Essential forms included in the admission process encompass a standard admission record, a health information disclosure agreement, and a choice of physician, among others. The packet also covers topics such as funeral arrangements, re-admission protocols, and explanations regarding Medicare and insurance coverage.

Additionally, it contains agreements related to the management of the resident trust fund, policies on financial agreements, and details about resident advocate groups. The packet ensures residents, and their families are informed about vital issues, including the facility's refund policy, visitation rights and visiting hours, and the smoking policy. This comprehensive approach aims to facilitate a smooth transition into the facility while ensuring clarity and compliance with all regulatory requirements.

As a 5-star facility, Homestead Manor is committed to adhering to Florida's Long-Term Care Ombudsman Program and the rights of residents. Upon admission, residents receive comprehensive information regarding their rights within the facility. Staff members undergo training to understand nursing home federal requirements for resident rights, ensuring they are well-equipped to provide care with the utmost dignity and respect expected by residents, families, and the community.

Care, treatment and services at Homestead Manor are tailored to meet the specific needs of each resident. The facility implements individualized interdisciplinary plans of care that consider the strengths, limitations, and goals of each resident. The care planning process begins with the development of a baseline care plan, which is initiated within 48 hours of a resident's admission. This plan includes key health information required by regulation, such as initial goals based on admission orders, physician and dietary orders, therapy services, social services, and applicable recommendations.

Within seven days of completing comprehensive assessments, a detailed plan of care is created by a registered nurse or licensed practical/vocational nurse under the supervision of a registered nurse. This plan is individualized based on the resident's diagnosis, assessment, and personal goals, considering data collected during assessments and integrating those findings into the care planning process. The plan outlines the frequency of required services and treatments, as well as discharge planning, whether it involves returning to the community or transitioning to a different level of care.

The plan of care is continuously monitored for effectiveness and is evaluated at quarterly intervals or more frequently when warranted by the resident's clinical condition or changes in care goals. The interdisciplinary team collaborates closely to address the resident's needs, including their learning requirements. Each discipline involved in the care contributes its expertise to enhance the care plan, ensuring a comprehensive approach.

Furthermore, at 90-day intervals or more often as needed, the interdisciplinary team assesses the resident's response to care plan interventions, progresses towards established goals, and revises the plan as necessary. Engagement with the resident and their family is an essential part of this process, ensuring that the care provided aligns with the resident's preferences and circumstances. This structured framework fosters an environment of ongoing evaluation and improvement, prioritizing the well-being and satisfaction of the residents at Homestead Manor.

Continuity of care at Homestead Manor is essential for providing high-quality healthcare. The entire health care team works collaboratively to assess each resident's ongoing needs, starting before admission and continuing through the admission nursing assessment. This team includes medical staff, nursing personnel, social workers, respiratory care practitioners, rehabilitation professionals, pharmacists, and case managers.

Discharge planning focuses on addressing residents' ongoing healthcare needs after leaving the facility, which may arise from the reason for admission or as outcomes of medical interventions, such as managing cast care following a fracture. The planning process identifies residents' physical, emotional, social, housekeeping, transportation, and safety needs. To ensure a smooth transition, various discharge services may be arranged, including home health, rehabilitation, hospice services, support groups, ambulatory care, and community agency services. Residents are discharged when they meet care goals outlined in their interdisciplinary plan. A strong emphasis is placed on resident education about after-care needs, which covers potential transfers, alternatives, the reason for discharge, and anticipated ongoing care.

Homestead Manor strictly adheres to the transfer and discharge rights of residents. Transfer refers to moving a resident to another legally responsible institution, while discharge involves moving a resident to a

non-institutional setting, signaling that the facility is no longer responsible for their care. For facilities involved in both Medicare and Medicaid, a move from either setting counts as a transfer.

These policies apply when the facility initiates a transfer or discharge, regardless of the resident's or physician's agreement. A social services staff member or nurse will inform the resident of the need for transfer or discharge and its reasons. Transfers or discharges are only permitted under specific circumstances: when necessary for the resident's welfare, when the resident no longer needs facility services due to improved health, if the safety of individuals is at risk, if payment has not been made after proper notice, or if the facility ceases operations.

Prior to a transfer or discharge, the facility must notify the resident and their family or representative of the reasons for this action, documenting these reasons in the clinical record. The notice must also inform residents of their right to appeal the transfer to the State and provide contact details for the State long-term care ombudsman. For residents with developmental disabilities or mental illness, the notice also includes contacts for relevant advocacy agencies. The applicant's Exhibit 4 includes Homestead Manor admission, discharge, and care planning policies.

The facility accommodates both short- and long-term patients and accepts various payers, including Medicare, Medicaid, and private insurance. Projected utilization is shown in the table below.

**Helen Homes d/b/a Homestead Manor, A Palace Community  
Projected Year One and Year Two Utilization**

Factor	120 Beds		240 Beds	
	Year One	Year Two	Year One	Year Two
Admissions	666	1,018	1,412	2,038
Patient Days	26,174	40,119	55,551	80,243
ALOS	39.3	39.4	39.3	39.4
ADC	72	110	152	220

Source: CON# 10839, Page 2-8, Table 2-1

Admissions and patient days data for the proposed facility project an average length of stay of 39.4 days in the second year of operations, reflecting a blend of short-term and long-term residents. In the first year, the facility is anticipated to achieve an average daily census of 152, with the 120-bed addition contributing a census of 72. In the second year, the average daily census is expected to increase to 220, with the addition contributing a census of 110. The facility is projected to reach an occupancy rate of 91.6 percent in the second year, which is in line with occupancy levels at similar facilities in the Homestead area.

The applicant’s Schedule 6A indicates that the current staffing level of 103.60 Full-Time Equivalents (FTEs) will increase by 83 FTEs for the 240-bed facility in year one for a 191.10 total. However, adding 103.6 and 83 results in 186.60 FTEs. Year two is shown to have ‘current’ 140.60 FTE and add 120.10 to reach 260.70 FTEs.

To evaluate the level of need for specific services that nursing home residents require, the applicant analyzed hospital discharges to nursing homes for Miami-Dade County residents aged 65 and over. All Major Diagnostic Categories (MDCs) were reviewed to identify the types of conditions and disorders associated with nursing admissions. The reviewer condenses the applicant’s MDC table for Miami-Dade County residents aged 65 and over hospital discharges to SNFs during CY 2303.

**Florida Hospital Discharges to Skilled Nursing Facilities by MDC  
For Miami-Dade Residents Aged 65 and over, CY 2023**

<b>Major Diagnostic Category</b>	<b>Cases</b>	<b>Percent</b>
08 Diseases & Disorders – Musculoskeletal & Conn. Tissue	3,392	20.44%
05 Diseases & Disorders of the Circulatory System	2,292	13.81%
04 Diseases & Disorders of the Respiratory System	2,155	12.99%
01 Diseases & Disorders of the Nervous System	1,817	10.95%
18 Infectious & Parasitic Diseases, Systemic or Unspec. Site	1,647	9.92%
All Others	5,292	31.89%
<b>Total</b>	<b>16,595</b>	<b>100.0%</b>

Source: CON application #10839, Page 2-9, Table 2-2 from AHCA Hospital Discharge Database.

The applicant’s data highlights conditions related to CY 2023 admissions for residents aged 65 and over in skilled nursing facilities in Miami-Dade County. Helen Homes notes this information is essential for developing tailored programs in the proposed replacement facility.

MDC 8, related to musculoskeletal system diagnoses, includes fractures and joint replacements, representing a significant portion of discharges. The facility will implement weight-bearing exercises to improve range of motion, flexibility, and strength. Physical and occupational therapists will guide residents in rehabilitation, helping them regain mobility and independence.

MDC 5, concerning the circulatory system, accounts for 13.81 percent of discharges. This category primarily includes heart-related conditions such as heart failure and heart attacks. Exercise regimens will focus on cardiovascular health and stamina through walking and flexibility training, alongside occupational therapy to enhance daily living skills.

MDC 4, which focuses on the respiratory system, makes up 12.99 percent of discharges and involves conditions requiring respiratory support. Residents will participate in monitored exercise sessions with

cardio and weight-bearing activities, benefiting from respiratory aids like nebulizers and CPAP/BiPAP machines to improve pulmonary function.

Lastly, MDC 1 covers nervous system conditions, accounting for 10.95 percent of discharges, including Alzheimer's and Parkinson's disease. The proposed facility will feature a Snoezelen® Room to create a calming environment for residents with sensory processing issues, supporting cognitive function and personalized care.

In summary, these MDCs indicate shared therapeutic needs, allowing the facility to offer specialized programs that focus on common restorative activities. By emphasizing personalized assessments and holistic care strategies, the facility aims to enhance the quality of life and functional independence of its residents.

**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.**

Helen Homes of South Dade LLC has not had a nursing facility license denied, revoked, or suspended within the past 36 months, nor has any affiliate within the Palace Group.

**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.**

Helen Homes of South Dade LLC has not had a nursing facility placed into receivership within the past 36 months.

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

This item does not apply.

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

This 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.**

This 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.**

The applicant will maintain compliance by providing the necessary data to the Health Council of South Florida and the Agency. This includes utilization reports, licensure documentation, and financial information required for 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.**

"Availability" typically refers to the quantity of a service, such as the number of nursing home beds in operation. Subdistrict 11-1 includes 53 licensed facilities with 8,210 beds and 786 beds under development, in addition to one sheltered nursing home catering to a continuing care retirement community. The proposed project will add 120 community nursing home beds to a new 120-bed replacement facility for Helen Homes of South Dade LLC d/b/a Homestead Manor A Palace Community, resulting in a total of 240 beds. Currently, Homestead Manor operates 88 beds and has consistently reached full capacity in recent years. Due to two exemptions, the expansion of the replacement facility will allow for 32 additional beds, increasing the total to 120. This project involves relocating 120 licensed beds from an unaffiliated facility

in northern Miami-Dade County to Homestead Manor in the southern region, which is experiencing strong population growth and has fewer nursing home beds.

Helen Homes is part of The Palace Group, a recognized provider of senior living communities delivering high-quality long-term care services in south Florida since 1980. The facility is Joint Commission accredited and has an experienced team equipped to maintain high nursing home standards. Notably, Homestead Manor achieved the highest quality rating (5 STARS) in all care components during the most recent Agency survey. Additionally, the facility has sustained a remarkable occupancy rate of 99 percent over the past five years, including during the COVID-19 pandemic, highlighting its status as a preferred provider within the community. The existing facility, built in 1963, requires replacement to meet the increasing demand for services and incorporate 120 beds from the Miami Jewish Health System, which is also restructuring its campus. This relocation enhances quality by moving beds from an older facility to a new nursing home designed to current codes and standards, promoting resident-centered care.

The concept of "access" in nursing homes refers to residents' ability to obtain necessary services without encountering obstacles. According to the Agency's recent data, Miami-Dade County community nursing homes are operating at high capacities, with an overall bed occupancy rate of 89.76 percent for the period ending June 30, 2024. Furthermore, facilities within a 15-mile radius of Homestead Manor report an even higher occupancy rate of 90.4 percent, while Homestead Manor itself was at 99.9 percent occupancy. The scarcity of available beds significantly restricts access to care, highlighting the need to relocate 120 beds to a new replacement facility in high demand, which would ultimately promote greater access to essential services.

The applicant's Table 1-2 shows the aged 65 and over population in the Homestead ZIP codes is projected to grow by 23.4 percent over the next five years, significantly higher than the Subdistrict's rate of 14.2 percent. Within a 15-mile radius of Homestead Manor, the growth rate is 17.8 percent. The applicant is currently in ZIP code 33030 and plans to relocate to 33033.

Access to care also includes economic factors and the applicant notes Homestead Manor participates in both Medicaid and Medicare programs. To enhance access, the facility aims for a minimum of 48 percent of total annual patient days to be for Medicaid residents by the end of its second operational year. The applicant concludes that the sustained occupancy of 99 percent in the 88 beds at Homestead Manor supports the



application. Helen Homes states studies have demonstrated that high occupancy rates result in nursing homes maintaining waiting lists, and when vacancies do occur, placements are made quickly.

Restating - nursing homes in Miami-Dade County averaged 89.79 percent occupancy, compared to Florida's average of 84.36 percent for the 12-month period ending June 30, 2024. Skilled nursing facilities in Miami-Dade are well utilized, indicating higher-than-average demand near the proposed site. Therefore, the proposed 120-bed addition to the approved 120-bed replacement nursing home would contribute positively to overall service utilization with minimal impact on existing facilities.

The applicant projects 63.24 percent occupancy in the first year and 91.6 percent by the second year of the project, aligning closely with current occupancy rates of facilities within the facility's 15-mile radius.

- 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.**

Homestead Manor A Palace Community, owned by Helen Homes of South Dade LLC, is affiliated with The Palace Group. Continuity of care, alongside staff training and development, is paramount for maintaining high standards in nursing home environments. This foundation supports the ongoing tracking of progress and the development of effective monitoring practices for the care provided within each nursing home. The nursing home administration establishes a culture wherein all employees prioritize the residents, ensuring that each individual benefits from the comprehensive activities and services available.

Helen Homes of South Dade LLC is part of The Palace Group, a reputable provider of senior living communities recognized for delivering high-quality long-term care services in the south Florida community since 1980. The company is overseen by founders Jacob and Helen Shaham and includes a variety of properties such as independent living ALFs, SNFs, and a home health agency.

Homestead Manor, a Palace Community, achieved a 5 STAR rating in all care components in the latest AHCA survey, highlighting its commitment to high-quality resident care. Its affiliate, The Palace at Kendall Nursing and Rehabilitation Center, received an overall score of 4 STARS, with 5 STARS in six of eight inspection categories. Both facilities are rated 5 STARS on [www.Medicare.gov](http://www.Medicare.gov) for overall quality and staffing and are Joint Commission Accredited.

The Palace has garnered numerous awards (included in the application's Exhibit 6) for its aesthetic appeal and outstanding care, including:

- Top ratings from U.S. News & World Report in the inaugural Best Senior Living categories for its communities in Kendall, Coral Gables, Homestead, and Weston.
- Recognition as America's #1 Workplace in Aging Services by Fortune Magazine for 2023 and 2024.
- The 2023 Gallup Exceptional Workplace Award, marking six consecutive years of excellence.
- Great Place to Work certification for 2023/24 for all communities.
- The Gold Seal Award from the Governor's Panel of Excellence in Long-Term Care, the only nursing center in Miami-Dade and Broward Counties to receive this honor.
- The Palace at Home earned the Gold Seal of Approval™ from The Joint Commission for Medicare-certified home health services.

The Quality Assurance (QA) program at Homestead Manor is designed to systematically evaluate and analyze patient care, ensuring the highest quality and appropriateness of services within available resources. Its primary goal is to enhance patient care by identifying and resolving issues, thereby maintaining a standard of excellence for residents, staff, and visitors. The QA program encompasses all clinical and administrative departments, promoting an integrated approach to problem identification through ongoing monitoring and evaluation.

The Administrator oversees the QA program, with the option to delegate specific responsibilities to the Quality Assurance Committee. The committee compiles data and statistics to summarize reports and identify problem areas, reviews reports from other departments, provides technical assistance to various services, reviews meeting minutes from relevant committees, and maintains all QA logs and reports. When a problem is identified, the committee determines the appropriate assessment method—whether concurrent or retrospective—and engages departmental input to develop criteria related to care services. The committee meets quarterly to formulate action plans to resolve issues, which may involve education and training, implementation of new or revised policies, staffing changes, modifications to equipment or the physical plant, counseling, and revision of clinical privileges or staff status. Records of meeting dates and attendees, which include the director of nursing, a physician and three other designated staff members are maintained. Thorough records include informal minutes and reports, documenting findings, conclusions, recommendations, actions taken, and their outcomes related to quality assurance activities. Confidentiality is paramount; the committee is responsible for

maintaining the confidentiality of all collected data. QA reports and records are available only to the committee or its designee, and no information regarding QA activities can be disclosed without the Administrator's authorization. The application's Exhibit 7 includes Homestead Manor's QA Performance Improvement Plan.

Homestead Manor's mission is rooted in the principle of treating others as one would like to be treated. The staff is committed to delivering exceptional personal care to seniors in an upscale environment, aiming to exceed the expectations of residents, employees, and families. The organization focuses on enhancing residents' quality of life through genuine compassion and comfort. Care is delivered by an interdisciplinary team, ensuring efficient, effective, and individualized services supported by open communication, ongoing staff education, and teamwork.

Homestead Manor employs a customer-focused model guided by a mission statement, strategic planning, and core values that foster positive employee relations. This approach emphasizes resident relations, prioritizing their interests and needs, while also engaging with the community to improve health and well-being. Care services are delivered systematically to ensure safety and efficacy, with registered nurses assessing each resident's needs. Services range from nursing and therapy to dietary support, all aimed at maximizing resident function and independence. Objectives include coordinating care with interdisciplinary teams, ensuring compassionate staff behavior, continually evaluating service effectiveness, and managing care within established guidelines. Staffing plans align with the level of care required, with nursing services available around the clock.

All departments participate in performance improvement initiatives, emphasizing quality control and support services to ensure seamless resident care. Integration of care and support services promotes collaboration, with open communication encouraged among staff. The Activities Department provides tailored programs that foster self-care and engagement, ensuring accessibility for all residents. Staff training includes ongoing education about compliance and resident rights, reinforcing a culture of accountability and high standards.

In summary, Homestead Manor has consistently achieved the highest quality ratings in both federal and state systems, earning national recognition for its commitment to quality improvement. As a member of the Palace Group, Helen Homes of South Dade upholds a strong quality assurance program focused on continuous improvement. The facility's

numerous awards highlight its proven track record in quality care, and its consistently high occupancy rates reflect its popularity and preference among residents in the community.

The Palace Group affiliates, including Homestead Manor, A Palace Community and The Palace at Kendall Nursing and Rehabilitation Center, did not have any substantiated complaints during the 36 months ending December 19, 2024.

**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.**

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

<b>CON 10839 Helen Homes of South Dade, LLC</b>		
	<b>Current Year</b>	<b>Previous Year</b>
Current Assets	\$2,022,820	\$2,057,123
Total Assets	\$7,439,915	\$7,469,114
Current Liabilities	\$1,051,481	\$828,496
Total Liabilities	\$8,438,949	\$8,418,869
Net Assets	(\$999,034)	(\$949,755)
Total Revenues	\$9,171,685	\$8,731,958
Excess of Revenues Over Expenses	\$700,721	\$858,443
Cash Flow from Operations	\$1,174,376	\$1,285,768
<b>Short-Term Analysis</b>		
Current Ratio (CA/CL)	1.9	2.5
Cash Flow to Current Liabilities (CFO/CL)	111.69%	155.19%
<b>Long-Term Analysis</b>		
Long-Term Debt to Net Assets (TL-CL/NA)	-739.5%	-799.2%
Total Margin (ER/TR)	7.64%	9.83%
<b>Measure of Available Funding</b>		
Working Capital	\$971,339	\$1,228,627

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

**Capital Requirements and Funding:**

The applicant indicates on Schedule 2 capital projects totaling \$37,032,000 which includes this project (\$17,598,000). The entire capital budget appears to be related to a single 240 bed nursing home which includes the beds subject to this CON. Schedule 2 also listed cash on hand (\$660,600), and non-related company financing (\$36,371,400).

The applicant indicates on Schedule 3 of its application that funding for the project will be provided by cash on hand (\$660,600) and non-related company financing (\$16,937,400). The applicant provided a letter of interest, dated December 9, 2024, from TD Bank stating their interest in providing construction financing. A letter of interest is not considered a firm commitment to lend.

The applicant’s overall financial position is adequate. While the applicant does have relatively large debt, it does have positive cash flow, working capital and profitability to attract additional debt financing.

**Conclusion:**

Funding for this project should be available as needed.

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

The immediate and long-term financial feasibility of the project is tied to expected profitability. The purpose of our analysis for this section is to evaluate the reasonableness of the applicant’s profitability projections and, ultimately, whether profitability is achievable for this project. Our analysis includes an evaluation of net revenue per patient day (NRPD), cost per patient day (CPD), nurse staffing ratios, and profitability. We compared the NRPD, CPD, and profitability to actual operating results from skilled nursing facilities as reported 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.

	PROJECTIONS PER APPLICANT		COMPARATIVE GROUP VALUES PPD		
	Total	PPD	Highest	Median	Lowest
Net Revenues	33,686,700	420	505	364	316
Total Expenses	32,466,800	405	496	369	292
Operating Income	1,219,900	15	48	2	-78
Operating Margin	3.62%		<b>Comparative Group Values</b>		
	Days	Percent	Highest	Median	Lowest
Occupancy	80,243	91.60%	99.92%	92.86%	67.35%
Medicaid	38,517	48.00%	88.50%	67.48%	40.08%
Medicare	33,702	42.00%	40.27%	14.79%	2.48%

**Staffing:**

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

The projected NRPD, CPD and profit 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.

Operating profits from this project are expected to increase from a net loss of \$800,800 in year one to a profit of \$1,219,000 in year two.

**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.**

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.**

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 appears to be reasonable.

A review of the architectural plans, narratives and other supporting documents revealed deficiencies that are likely to have significant impact on the design of the facility. The layout of semi-private resident "S" type rooms require travel through the clear floor area of the in-board resident by the resident in the out-board position. Such an arrangement is not permitted by reference standard FGI Guidelines for the Design and Construction of Residential Facilities Section 3.1-2.2.2.2 (3)(2). 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.**

**Helen Homes of South Dade LLC d/b/a Homestead Manor A Palace Community (CON application #10839)** presents its Medicaid utilization for during July 2019 – June 2024. Homestead Manor’s highest Medicaid occupancy was 94.37 percent during the 12 months ending June 30, 2020 and the lowest was 78.88 percent during the 12 months ending June 30, 2024.

Medicaid Managed Care is projected to be 48 percent of the 120-bed project and 240-bed facility total patient days in year one ending June 30, 2028, and year two ending June 30, 2029.

**F. SUMMARY**

**Helen Homes of South Dade LLC d/b/a Homestead Manor A Palace Community (CON application #10839)** proposes to add 120 beds to the 120-bed replacement facility approved by Exemption #s240005, 240006, and 240007 via transfer of 120 beds from Miami Jewish Health System Inc.’s facility in District 11, Subdistrict 11-1 (Miami-Dade County).

Total project cost is \$17,598,000. The project includes 45,652 GSF of new construction and a total construction cost of \$12,100,000.

The applicant indicates that the project will be licensed in June 2027 and begin service in July 2027.

**Need:**

- The project is using existing licensed beds that will be transferred from Miami Jewish Health Systems, Inc.’s 393 bed community nursing home.
- The applicant states senior population age 65 and older will increase 23.4 percent over the next five years.
- The applicant provides MDC discharges for types of care to be provided and specific zip code populations.

**Quality of Care:**

- The applicant provided a detailed description of the ability to provide quality care.



- The Palace Group affiliates had no substantiated complaints during the 36 months ending December 19, 2024.

**Financial Feasibility/Availability of Funds:**

- Funding for this project should be available as needed.
- 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**

- 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 revealed deficiencies that are likely to have significant impact on the design of the facility.

**Medicaid/Indigent Care:**

- The applicant provides its history of providing service to Medicaid patients.
- Helen Homes' Schedule 7 projects 48 percent of year one and year two patient days will be Medicaid HMO patient days.

**G. RECOMMENDATION**

Approve CON #10839 to add 120 community nursing home beds to the 120-bed replacement facility approved by Exemption #'s 240005, 240006 and 240007, through the delicensure of 120 community nursing home beds in District 11, Subdistrict 1, Miami-Dade County. The total project cost is \$17,598,000. The project involves 45,652 GSF of new construction and a total construction cost of \$12,100,000.

**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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