

STATE AGENCY ACTION REPORT ON APPLICATION FOR CERTIFICATE OF NEED

A. PROJECT IDENTIFICATION

1. Applicant/CON Action Number

**The Christian and Missionary Alliance Foundation, Inc.
d/b/a Shell Point Nursing Pavilion/CON #10391**

15000 Shell Point Blvd., Suite 100
Fort Myers, Florida 33908

Authorized Representative: Peter Dys, President
(239) 454-2156

2. Service District/Subdistrict

District 8/ Subdistrict 5 (Lee County)

B. PUBLIC HEARING

A public hearing was not held or requested on the proposed project to add 20 sheltered nursing home beds through the conversion of 20 community nursing home beds in Lee County.

C. PROJECT SUMMARY

The Christian and Missionary Alliance Foundation, Inc. d/b/a Shell Point Retirement Community (CON application #10391) may also be referred to as the applicant or Shell Point throughout this application, seeks to add 20 sheltered beds through the conversion of 20 community nursing home beds. Shell Point has a total of 1,239 independent units and 357 assisted living facility (ALF) beds. Presently, Shell Point has 140 community nursing home beds and 79 sheltered nursing home beds. With this project, the number of community beds will be reduced to 120 while the number of sheltered beds will increase to 99. If the proposed project is approved, this will leave the total bed complement the same at 219. Shell Point states to have an average daily census (ADC) of 122 life

care residents in the nursing facility with only 79 beds designated as sheltered.

Based on section 651.18, Florida Statutes, Shell Point may develop up to 399 total sheltered nursing home beds using the ratio of the one nursing home bed to every four residential units. The reviewer notes that the facility has 79 sheltered nursing home beds currently, leaving a remainder of 320.

Total project cost is \$55,675.00. The project does not involve renovation or new construction. Total project cost includes project development costs.

The applicant proposes no conditions on its Schedule C.

D. REVIEW PROCEDURE

The evaluation process is structured by the certificate of need review criteria found in Section 408.035, Florida Statutes; and applicable rules of the State of Florida, Chapters 59C-1 and 59C-2, Florida Administrative Code. These criteria form the basis for the goals of the review process. The goals represent desirable outcomes to be attained by successful applicants who demonstrate an overall compliance with the criteria. Analysis of an applicant's capability to undertake the proposed project successfully is conducted by evaluating the responses and data 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 district, applications are comparatively reviewed to determine which applicant(s) best meets the review criteria.

Rule 59C-1.010(3) (b), Florida Administrative Code, prohibits any amendments once an application has been deemed complete. The burden of proof to entitlement of a certificate rests with the applicant. As such, the applicant is responsible for the representations in the application. This is attested to as part of the application in the Certification of the Applicant.

As part of the fact-finding, the consultant, Dwight Aldridge analyzed the application in its entirety with consultation from the financial analyst, Eric West of the Bureau of Central Services, who evaluated the financial data and Said Baniahmad of the Office of Plans and Construction, who reviewed the application for conformance with the architectural criteria.

E. CONFORMITY OF PROJECT WITH REVIEW CRITERIA

The following indicate the level of conformity of the proposed project with the criteria and application content requirements found in Florida Statutes, sections 408.035 and 408.037; applicable rules of the State of Florida, Chapter 59C-1 and 59C-2, Florida Administrative Code. Sheltered nursing homes are regulated under Chapter 651, Florida Statutes.

Pursuant to s. 651.118 (2), Florida Statutes: *The Agency for Health Care Administration shall issue a certificate of need to any holder of a provisional certificate of authority pursuant to s. 651.022 to construct nursing home beds for the exclusive use of the prospective residents of the proposed continuing care facility if the holder of the provisional certificate of authority meets the Agency's applicable review criteria, utilizing the bed need provisions of subsection (4).*

Subsection (4) contains the following language: *The Agency for Health Care Administration shall approve one sheltered nursing home bed for every four proposed residential units, including those that are licensed under part III of chapter 400, in the continuing care facility unless the provider demonstrates the need for a lesser number of sheltered nursing home beds based on proposed utilization by prospective residents or demonstrates the need for additional sheltered nursing home beds based on actual utilization and demand by current residents.*

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.

No fixed need pool is applicable to this project. As noted above, this project is being reviewed under Rule 59C-1.004(2) (a), Florida Administrative Code. Expedited reviews may be submitted at any time and do not respond to fixed need pool publications. The applicant proposes to add 20 sheltered nursing home beds through the conversion of 20 community nursing home beds at an existing 219-bed skilled nursing facility (SNF).

2. Agency Rule Preferences

- a. Use of Sheltered Nursing Home Beds. Under subsection 651.118(7), Florida Statutes, sheltered nursing home beds may be used for persons who are not residents of the continuing care facility, and who are not a party to a continuing care contract, for a period of up to five years from the date of issuance of the initial nursing home license for sheltered beds constructed in conjunction with the non-nursing home portion of the continuing care facility. Applicants applying at a later time for additional sheltered nursing home beds without increasing the number of residential units shall restrict the use of the additional sheltered beds to continuing care residents. Applicants who are adding additional residential units shall be allowed to apply for additional sheltered nursing home beds not exceeding a ratio of one nursing home bed per four residential units. Nursing home beds approved under this condition may be used for community residents for a period of up to five years from the date of issuance of the initial license of these beds.**

The applicant notes that the ADC of life care residents for calendar year (CY) 2014 is 122 which exceeds the capacity of the current bed complement of 79 sheltered beds. The reviewer notes that for CY 2014, Shell Point reported an ADC of 31 (11,458 patient days) for its sheltered beds utilization to the Agency.

Shell Point indicates that it is not adding additional residential units. Shell Point notes that some life care contract holders will remain accommodated in community nursing home beds. The applicant states the re-designation of beds:

- Assures that both members of the public and continuing care contract holders have access to high quality skilled nursing care
- Better aligns capacity with demand while maintaining maximum flexibility
- Maintains continuous operations as both members of the public and contract holders are not segmented within the facility and that available beds are used for either type of resident

- b. Criteria and Standards. In addition to meeting the applicable review criteria in Section 408.035, Florida Statutes, and the provisions in this rule, applicants for certificates of need for sheltered nursing home beds shall comply with the criteria and standards outlined under Section 651.118, Florida Statutes.**

The Christian and Missionary Alliance Foundation, Inc. d/b/a Shell Point Village holds a certificate of authority (#97-59-1166437) issued

July 15, 1980. Shell Point has 1,239 independent units, 357 ALF beds, 140 community nursing beds and 79 sheltered nursing home beds. Based on section 651.118 F.S., the applicant could be approved for up to 399 sheltered beds total, thus Shell Point could file a certificate of need application for up to 320 additional sheltered beds. If approved, the proposed project will increase the current facility's number of sheltered beds to 99. The reviewer notes that Shell Point was approved by CON application #10240 on December 1, 2014 to convert 20 community nursing home beds to sheltered beds.

- c. **Data Collection and Reporting Procedures. Continuing care providers shall submit to the Agency, or its designated Agency, semi-annual bed utilization reports for the purpose of determining community and sheltered nursing home bed utilization based on historical use by residents and non-residents of the continuing care facility. Bed utilization data shall be reported on July 30 for the period of January 1 through June 30, and on January 30 for the period of July 1 through December 31 of each calendar year. Bed utilization data shall include:**
- (a) **Total number of resident admissions during the six-month reporting period.**
 - (b) **Total number of non-resident admissions during the six-month reporting period.**
 - (c) **Total admissions for the six-month reporting period.**
 - (d) **Total resident patient days for the six-month reporting period.**
 - (e) **Total non-resident patient days for the six-month reporting period.**
 - (f) **Total patient days for the six-month reporting period.**

Shell Point is actively engaged and reports utilization to the Health Planning Council of South West Florida, Inc. Continued reporting will occur. The reviewer notes that the data received by the Agency and the data stated by the applicant in CON application #10391 do not match in terms of ADC for life care residents in sheltered beds. The reviewer states that the applicant may be reporting these under community bed utilization as it is stated that some of these residents are currently in community nursing beds.

3. Statutory Review Criteria

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

Shell Point indicates that availability with respect to sheltered nursing home beds are a facility-specific measure. Shell Point notes that it has more community nursing home beds than sheltered beds so continuing care contract holders can and will occupy community nursing home beds. The applicant states that the result of the proposed project will better align existing capacity with actual use.

Access is not impeded as contract holders occupy community beds, which are indistinguishable within the nursing facility. The applicant notes that accessibility is not an overriding factor as the beds are in existence and merely change status from community to sheltered beds within an existing nursing facility. The proposed 20 sheltered beds will be used for continuing care contract holders. The increase in sheltered beds results in a concomitant reduction of community beds, whose reported occupancy rate will go from 65 percent to 86 percent if approved. The applicant states that this project does not decrease accessibility for members of the general public to access care at Shell Point as access will be maintained for both the public and life care residents.

Shell Point notes that it achieved an overall inspection score of three-stars out of a possible five stars on their most recent Agency inspection. The reviewer confirmed this information on FloridaHealthFinder.gov. The Agency's Nursing Home Guide was last updated April 2015.

The applicant states that there are a wide array of services and amenities to provide the residents with the means to live healthy and active lifestyles thus reducing the need for nursing care. The project's proposed conversion of 20 community beds to sheltered beds will not reduce the number of overall beds (219) thus quality of care will remain constant. Shell Point asserts that it actively works to meet current and prospective residents' expectations and includes the following as some of the common accessible amenities:

- Dining options and locations with food service directed by experienced chefs
- On-site exercise facilities, health care clinics and physician offices
- Transportation available
- Refund options on the continuing care contract

- Housing options on the campus, such as independent homes, apartments and ALF's
- Golf course, putting greens, tennis courts, swimming pools, lakes jogging trails, etc.
- Concierge services, banking options on the campus and other service related providers
- Assistance moving throughout the campus

Shell Point also notes that several Community Care Retirement Community's (CCRC) have aligned with local universities and colleges resulting in "life-long learning". The applicant maintains that residents are either able to attend a selection of classes at the university or that the university arranges for classes to be taught at the CCRC.

The applicant states that life care days in CY 2014 were 44,537 resulting in an ADC of 122 persons, which means that life care contract holders occupy approximately 43 community nursing home beds. The reviewer notes that the applicant only reported a utilization of 11,458 patient days for their sheltered nursing home beds for CY 2014, resulting in an ADC of 31—the remaining 33,079 days were reported to the Agency as community nursing home bed days.

Shell Point notes that continuing care contract holders are entitled to a minimum of 360 days of care in the nursing center as established in statute at rates that are at or below 80 percent of the rates charged to the public—with the buy-in and the monthly operating fees covering the entitlement to care offered within the CCRC. Shell Point indicates that the proposed project are for beds that are to be designated as sheltered beds and used only for life care residents.

- b. Does the applicant have a history of providing quality of care? Has the applicant demonstrated the ability to provide quality of care? Is the applicant a Gold Seal Program nursing facility that is proposing to add beds to an existing nursing home? ss. 408.035 (1) (c) and (j), Florida Statutes.**

The applicant indicates that quality within the nursing facility is confirmed through the affirmation it receives from agents and members of the public. Shell Point provides some examples of the recognition and awards it has received on pages 4-2 through 4-3 of CON application #10391.

Shell Point states that quality is monitored and measured through the Quality Assurance and Risk Management Program. The applicant notes that the Quality Assurance and Risk Management Committee (QARMC) is charged with the identification of quality deficiencies and the development of plans of action to correct and respond quickly to any deficiencies. The applicant maintains that the purposes of the program are:

- To assess resident care practices
- To review facility quality indicators and measures
- To review incident reports
- To identify and respond to deficiencies in practice and operations as reported by others, including review agencies
- To address resident grievances
- To develop plans of corrective action
- To respond to identified quality issues in submitted reports

The applicant also explains its Quality Care Initiatives which will deploy to each department to enhance resident services. Quantitative reports of the monitoring process will be shared with the QARMC. Reports include surveys of resident satisfaction and action taken to address resident concerns.

Shell Point states having achieved an overall inspection score of three out of five possible stars, on their most recent Agency inspection. The reviewer verified the rating on FloridaHealthFinder.gov. The Agency's Nursing Home Guide was last updated April 2015. Shell Point is not a Gold Seal Program nor is it on the Nursing Home Watch List.

Shell Point had one substantiated complaint during the three-year period ending June 2, 2015 in the "Quality of Care" category.

c. What resources, including health manpower, management personnel and funds for capital and operating expenditures, are available for project accomplishment and operation? ss. 408.035 (1) (d), 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.

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

Below is an analysis of the audited financial statements of The Christian and Missionary Alliance Foundation, Inc. where the short-term and long-term measures fall on the scale (highlighted in gray) for the most recent year.

The Christian and Missionary Alliance Foundation, Inc.		
	Current Year	Previous Year
Current Assets	\$51,410,602	\$35,647,401
Total Assets	\$485,684,494	\$461,708,639
Current Liabilities	\$23,064,139	\$16,156,425
Total Liabilities	\$408,232,496	\$395,168,610
Net Assets	\$77,451,998	\$66,540,029
Total Revenues	\$109,385,661	\$105,801,107
Excess of Revenues Over Expenses	\$10,059,643	\$8,084,691
Cash Flow from Operations	\$36,792,447	\$29,362,483
Short-Term Analysis		
Current Ratio (CA/CL)	2.2	2.2
Cash Flow to Current Liabilities (CFO/CL)	159.52%	181.74%
Long-Term Analysis		
Long-Term Debt to Net Assets (TL-CL/NA)	497.3%	569.6%
Total Margin (ER/TR)	9.20%	7.64%
Measure of Available Funding		
Working Capital	\$28,346,463	\$19,490,976

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

Capital Requirements and Funding:

The applicant lists \$49,380,675 for capital projects which include a clubhouse, equipment, furnishings, renovations and maturities of long term-debt. The proposed project has little costs associated with it. The cost of the project primarily consists of the application fee and hiring a consultant to prepare the application.

Conclusion:

Funding for this project should be available as needed.

d. What is the immediate and long-term financial feasibility of the proposal? ss. 408.035 (1) (f), Florida Statutes.

The immediate and long-term financial feasibility of the project is tied to expected profitability. The purpose of our analysis for this section is to evaluate the reasonableness of the applicant's profitability projections and, ultimately, whether profitability is achievable for this project. Our analysis includes an evaluation of net revenue per patient day (NRPD), cost per patient day (CPD), nurse staffing ratios, and profitability. We compared the NRPD, CPD, and profitability to actual operating results from skilled nursing facilities as reported on Medicaid cost reports (2012 and 2013 cost report years). For our comparison group, we selected skilled nursing facilities with similar Medicaid utilizations to the utilization projected by the applicant on a per patient day basis (PPD). Comparison group data was adjusted for inflation to match the second year projection (inflation factor was based on the New CMS Market Basket Price Index as published in the 1st Quarter 2015, 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	16,172,552	224	460	400	218
Total Expenses	22,973,147	318	457	396	299
Operating Income	-6,800,595	-94	28	-29	-106
Operating Margin	-42.05%		Comparative Group Values		
	Days	Percent	Highest	Median	Lowest
Occupancy	72,293	90.44%	89.36%	80.65%	68.68%
Medicaid/MDCD HMO	7,952	11.00%	35.93%	30.87%	11.87%
Medicare	14,459	20.00%	58.06%	40.45%	12.36%

Staffing:

Section 400.23(3)(a)(1), Florida Statutes, specifies a minimum certified nursing assistant staffing of 2.5 hours of direct care per resident per day and a minimum licensed nursing staffing of 1.0 hour of direct resident care per resident day. Based on the information provided in Schedule 6, the applicant's projected staffing meets this requirement.

The applicant nursing home is part of a CCRC. A CCRC is made up of residential units, an assisted living facility, and a nursing home and is regulated as a type of insurance arrangement. The idea is that CCRC residents buy into the community and transition through life from residential, to assisted living, and finally to skilled nursing. Skilled nursing is also available for rehabilitation to residents. The business model for a CCRC in general shows the skilled nursing component as a loss with the residential living and assisted living generating enough profit to cover the loss. In this case, the applicant projected an overall profit both with and without the net earnings of the rest of the CCRC.

The range of actual results in our group for small nursing homes is wide due to the small volume of nursing homes in the group and associated scale of cost and revenue. The NRPD, CPD and operating margin all fall within the group ranges. CCRCs are regulated by the Florida Office of Insurance Regulation (OIR). OIR requires CCRCs to maintain a minimum liquid reserve and file financial statements on a regular basis. The existence of a Certificate of Authority issued by OIR and maintenance of a minimum liquid reserve indicates stability of the CCRC. The applicant CCRC has both.

Conclusion:

The projections appear reasonable.

e. Will the proposed project foster competition to promote quality and cost-effectiveness? ss. 408.035 (1) (e) and (g), Florida Statutes.

The type of competition that would result in increased efficiencies, service, and quality is limited in health care. Cost-effectiveness through competition is typically achieved via a combination of competitive pricing that forces more efficient cost to remain profitable and offering higher quality and additional services to attract patients from competitors. Since Medicare and Medicaid are the primary payers in the nursing home industry, price based competition is limited. With a large portion of the revenue stream essentially fixed on a per patient basis, the available margin to increase quality and offer additional services is limited. In addition, competitive forces truly do not begin to take shape until existing business' market share is threatened. The publication of need in this area suggests that there is an unmet and untapped customer base for a new entrant to absorb. Since nursing home services are limited to available beds and the need formula suggest excess capacity in the market to fill those beds, the impact on market share would be limited. The combination of the existing health care system's barrier to price based competition via fixed price payers and the existence of unmet need in the district 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? ss. 408.035 (1) (h), Florida Statutes; Ch. 59A-4, Florida Administrative Code.

The Office of Plans and Constructions notes that the codes and standards regulating the design and construction of skilled nursing facilities are the same for beds licensed as sheltered beds and community beds.

It is the position of the Office of Plans and Constructions that a review of the architectural submissions for this project is unnecessary since the existing nursing beds have already been reviewed and approved by the Agency for use as skilled nursing beds in accordance with Florida Statutes 400.232. and Florida Administrative Code 59A-4.133.

The reviewer notes that any modification or alterations of the physical plant due to a conversion would need to be reviewed by the Office of Plans and 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? ss. 408.035 (1) (i), Florida Statutes.**

Shell Point provided the following information on payer types for the past three calendar years.

Total Admissions and Patient Days by Payer at Shell Point Nursing Pavilion for Recent Calendar Years

Payer	CY 2012		CY 2013		CY 2014	
	Number	Percent	Number	Percent	Number	Percent
Admissions	875		838		280	
Patient Days						
Life Care	43,013	64.6%	42,317	65.2%	44,537	66.6%
Self-Pay	4,132	6.2%	2,989	4.6%	2,310	3.5%
Insurance	0	0.0%	0	0.0%	0	0.0%
Medicare	12,145	18.2%	11,826	18.2%	13,064	19.5%
Medicaid	7,293	11.0%	7,816	12.0%	6,928	10.4%
Total	66,583	100.0%	64,948	100.0%	66,839	100.0%

Source CON application #10391, page vii, project summary

The applicant provided forecasted patient days by payer for the entire 219-bed facility for the first two years of the proposed project. Shell Point asserts that in sheltered beds, all days are life care contract days at 100 percent. Life care resident days are projected to rise slightly from the CY 2014 experience by four percent per year for the two years after implementation. See the table below.

Forecasted Patient Days by Payer for First Two Years

Payer	Year One ending 12/16		Year Two ending 12/17	
	Percent of Total		Percent of Total	
	Resident Days	Days	Resident Days	Days
Self-Pay	2,781	4.0%	2,892	4.0%
Medicaid	7,646	11.0%	7,952	11.0%
Medicare	13,903	20.0%	14,459	20.0%
Life Care Residents	45,183	65.0%	46,990	65.0%
Total	69,513	100.00%	72,293	100.00%

Source: CON application #10391, page viii, project summary

F. SUMMARY

The Christian and Missionary Alliance Foundation, Inc. d/b/a Shell Point Retirement Community (CON application # 10391) proposes to add 20 sheltered beds through the conversion of 20 community nursing home beds.

Shell Point has 1,239 independent units, 357 ALF beds, 140 community nursing beds and 79 sheltered nursing home beds—approval of the proposed project will reduce the number of community nursing home beds to 120 while the number of sheltered beds will increase to 99.

Based on the formula for one sheltered bed for every four residential unit pursuant to section 651.118 (4), Florida Statutes, the applicant could be approved for up to 399 total sheltered beds. The applicant's proposed total sheltered nursing home bed complement of 99 is allowable.

Total project cost is \$55,675.00. The project does not involve renovation or new construction.

The applicant proposes no conditions on its Schedule C.

Need

The proposed project is not submitted in response to the fixed need pool.

Shell Point indicates that it is not adding additional residential units. Shell Point notes that some life care contract holders will remain accommodated in community nursing home beds. The applicant states that the re-designation of beds:

- Assures that both members of the public and continuing care contract holders have access to high quality skilled nursing care
- Better aligns capacity with demand while maintaining maximum flexibility
- Maintains continuous operations as both members of the public and contract holders are not segmented within the facility allowing available beds to be used for either type of resident

Quality of Care

Shell Point states that it has received recognition for its quality of care. The applicant states that quality is monitored and measured through the Quality Assurance and Risk Management Program.

Shell Point indicates that the facility achieved an overall inspection score of three stars out of a possible five stars on their most recent Agency inspection. Shell Point is not a Gold Seal Program nor is it on the Nursing Home Watch List.

Shell Point had one substantiated complaint during the three year period ending June 2, 2015. The applicant demonstrated the ability to provide quality care.

Financial Feasibility/Availability of Funds

Funding for this project should be available as needed. This project appears to be financially feasible. Based on the information provided in Schedule 6, the applicant's projected staffing meets requirements. This project is not likely to have a material impact on competition to promote quality and cost-effectiveness.

Medicaid/Charity Care

The applicant does not propose to condition the project to the provision of Medicaid or indigent care.

Shell Point states the facility's 219 licensed nursing beds, of which 140 are community nursing home beds and 79 are sheltered beds. Shell Point indicates that Medicaid recipients are served within the community bed allocation

For CY 2014, Medicaid patient days represented 10.4 percent of resident days in the entire 219 bed facility. The applicant projects 11 percent Medicaid utilization for the first two years after implementation of the proposed project.

Architectural:

The Office of Plans and Constructions notes that the codes and standards regulating the design and construction of SNFs are the same for beds licensed as sheltered beds and community beds. Therefore, a review of the architectural submission for this project was deemed unnecessary as the existing nursing beds have already been reviewed and approved by the Agency for use as skilled nursing beds in accordance with Florida Statutes 400.232 and Florida Administrative Code 59A-4.133

G. RECOMMENDATION

Approve CON #10391 to add 20 sheltered beds through the conversion of 20 community nursing home beds in District 8, Subdistrict 5, Lee County. The total project cost is \$55,675.00. The project does not involve renovation or new construction.

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: _____

Marisol Fitch

**Health Services and Facilities Consultant Supervisor
Certificate of Need**