

**MINUTES**  
**STATE HEALTH FACILITIES COUNCIL**  
**OCTOBER 19, 2011**  
**LUCAS STATE OFFICE BUILDING**  
**5<sup>TH</sup> FLOOR, ROOMS 517-518**  
**321 EAST 12<sup>TH</sup> STREET, DES MOINES**

**I. 9:00 AM ROLL CALL**

**MEMBERS PRESENT:** Bill Thatcher, Chairperson, Bob Lundin, Roberta Chambers Marc Elcock and Vergene Donovan.

**STAFF PRESENT:** Barb Nervig; Heather Adams, Counsel for the State

**II. ELECTION OF VICE-CHAIRPERSON**

Chairperson Thatcher called for nominations for vice-chairperson. Lundin nominated Chambers. Elcock seconded nomination. Chambers elected vice-chairperson on voice vote.

**III. PROJECT REVIEW**

1. Deerfield Retirement Community, Urbandale, Polk County: Add 25 nursing facility beds - \$3,781,250.

Staff report by Barb Nervig. The applicant was represented by Doug Fulton of Brick Gentry Law; Jay Bier; Cindi McNair; Kay Parkinson, administrator; and Burt Aden. The applicant made a presentation and answered questions posed by the Council.

No affected parties appeared at the hearing.

A motion by Chambers, seconded by Donovan, to Grant a Certificate of Need carried 5-0.

2. River Hills Village of Keokuk, Keokuk, Lee County: Build an addition, adding 26 nursing facility beds - \$2,394,800.

Staff report by Barb Nervig. The applicant was represented by David Darrell of Baudino Law; Jusdon Miller, administrator; Dr. James Holsinger, medical director; Ron Wilson, CFO; Debbie Merrit, Marketing director; Rita Hickey and SJ Wigg. The applicant made a presentation and answered questions posed by the Council.

A motion by Elcock, seconded by Lundin, to enter the brochure and slides, presented in support of oral testimony, into the record carried 5-0.

Appearing as affected parties in opposition to the proposal were Ken Watkins of Davis Law representing all facilities in Lee and Van Buren Counties, Burlington Care Center and Danville Care Center Prairie Ridge Care and Rehab in Des Moines County and New London Nursing & Rehab in Henry County; David Payne for Montrose health Center; Wayne Marble for Donnellson Health Center; Philip Maxey for Fort Madison Health Center; Michael Hocking for Pleasant Manor Care Center and West Point Care Center; Susan Grant for Lexington Square Healthcare and Rehab Center; and Alan Israel.

A motion by Donovan, seconded by Chambers, to Grant a Certificate of Need failed 2-3. Lundin, Elcock and Thatcher voted no.

A motion by Lundin, seconded by Elcock to Deny a Certificate of Need carried 3-2. Chambers and Donovan voted no.

3. Newton Village, Inc., Newton, Jasper County: Build 24-bed nursing facility - \$3,332,655.

Staff report by Barb Nervig. The applicant was represented by Doug Gross of Brown, Winick; Robert Dahl, CEO of Elim Care; Darla Ueding, nurse; Bill Ward, resident of Newton Village; Gary L. Shabeck and Bryan Friedman, director of development for the City of Newton. The applicant made a presentation and answered questions posed by the Council.

A motion by Lundin, seconded by Chambers, to enter the slides, presented in support of oral testimony, into the record carried 5-0.

Appearing as affected parties in opposition to the proposal were Matt Edwards for Heritage Manor; Eric Olson for Careage of Newton; Andrea K. Shepard and Jessica Gray for Newton Health Care and Gena Franklin for Nelson Manor.

A motion by Chambers, seconded by Donovan, to Grant a Certificate of Need carried 5-0.

4. St. Luke's Hospital, Cedar Rapids, Linn County: Acquire an intraoperative radiotherapy system - \$1,200,000.

Staff report by Barb Nervig. The applicant was represented by Doug Gross of Brown, Winick; Ted Townsend, CEO; Juliann Reiland, M.D. from Averra McKennan Hospital and University Health Center in Sioux Falls, South Dakota; Jeff Masten, physicist from South Dakota; Kim Ibestor, director of cancer services at St. Luke's; Robert Brimmer, M.D., general surgeon at St. Luke's; Michelle Niermann, VP St. Luke's; and Stephen Stephenson, M.D. with Iowa Health Des Moines. The applicant made a presentation and answered questions posed by the Council.

Affected parties appearing in opposition to the proposal were Ed McIntosh of Dorsey & Whitney representing Mercy Medical Center--Cedar Rapids; Tim Charles, CEO of Mercy Medical Center; Sallie Buelow, RN; Kevin Murray, MD, radiation oncologist; Mary Quash, member of Board of Trustees of Mercy and Kim Salzbrenner, R.T.T.

A motion by Elcock, seconded by Donovan, to Grant a Certificate of Need carried 3-2. Lundin and Elcock voted no.

5. Solon Nursing Care Center d/b/a Solon Retirement Village, Solon, Johnson County: Re-review of project approved 11/03/10 to add 24 nursing facility beds at a **new** cost of \$2,679,474. Cost over-run of \$419,474 (18.6% of approved \$2,260,000).

Staff report by Barb Nervig. The applicant was represented by Katie Cownie of Brown, Winick and Melissa Reed, administrator. The applicant made a presentation and answered questions posed by the Council.

No affected parties appeared at the hearing.

A motion by Lundin, seconded by Chambers, to approve the cost over-run of \$419,474 carried 5-0.

#### **IV. EXTENSIONS OF PREVIOUSLY APPROVED PROJECTS:**

1. Williamsburg Retirement Community, Inc., Williamsburg, Iowa County: Add 15 nursing facility beds for a Chronic Confusion and Dementing Illness (CCDI) unit -- \$1,882,504.

Staff reviewed the progress on this project. A motion by Chambers, seconded by Donovan to Grant a one year extension carried 5-0.

2. Green Hills Health Care Center, Inc, Ames, Story County: Renovate and add 6 skilled nursing beds -- \$4,428,842.

Staff reviewed the progress on this project. A motion by Lundin, seconded by Elcock to Grant a one year extension carried 5-0.

3. Solon Nursing Care Center d/b/a Solon Retirement Village, Solon, Johnson County: Add 24 nursing facility beds (12 skilled care and 12 CCDI) -- \$2,260,000.

Staff reviewed the progress on this project. A motion by Donovan, seconded by Lundin to Grant a one year extension carried 5-0.

4. University of Iowa Hospitals & Clinics, Iowa City, Johnson County: Acquire proton beam radiation therapy unit -- \$40,000,000.

Staff reviewed the progress on this project. A motion by Donovan, seconded by Lundin to Grant a one year extension carried 5-0.

5. Arbor Court Fairfield, Fairfield, Jefferson County: Establish 65-bed nursing facility -- \$2,300,000.

Staff reviewed the progress on this project. A motion by Chambers, seconded by Donovan to Grant a one year extension carried 5-0.

6. Sunnybrook Living Care Center, L.C., Fairfield, Jefferson County: Add 50 nursing facility beds -- \$2,743,080.

Staff reviewed the progress on this project. A motion by Elcock, seconded by Chambers to Grant a one year extension carried 5-0.

#### **V. REQUESTS FOR DETERMINATION OF NON-REVIEWABILITY AND THE DEPARTMENT'S RESPONSE**

The purpose of the Council's review under this portion of the agenda is to determine whether it affirms the Department's determination that a project is or is not subject to review under Iowa

Code chapter 135. The Council reviewed the Department's determination as to whether a project is exempt from review.

1. Manning Regional Healthcare Center, Manning, Carroll County: Replacement of critical access hospital in same town and county with no additional beds or new services.

Staff report by Barb Nervig. A motion by Elcock, seconded by Donovan, to affirm the Department's determination carried 5-0.

2. Southeast Iowa Open MRI, Burlington, Des Moines County: Lease a 3 Tesla MRI (magnetic resonance imaging) unit at a cost under \$1.5M.

Staff report by Barb Nervig. Staff reported that the current dollar amount submitted by the applicant exceeds \$1.5M; a final determination has not been made. No action required by Council at this point.

## **VI. APPROVE MINUTES OF PREVIOUS MEETING (AUGUST 2011)**

A motion by Donovan seconded by Lundin, to approve the minutes of the August 17, 2011 meeting passed by voice vote.

The meeting was adjourned at 6:30 PM.

The Council's next scheduled meeting is Wednesday, April 4, 2012.

**IOWA DEPARTMENT OF PUBLIC HEALTH  
STATE HEALTH FACILITIES COUNCIL**

IN THE MATTER OF THE )  
CERTIFICATE OF NEED EXTENSION FOR )  
  
ARBOR COURT FAIRFIELD )  
  
FAIRFIELD, IOWA )

**DECISION**

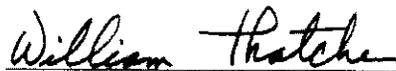
This matter came before the State Health Facilities Council for review on Wednesday, October 19, 2011.

The project, the establishment of a 65-bed nursing facility, was originally approved on January 29, 2009 at an estimated cost of \$2,300,000. A six-month extension was granted on December 2, 2009; a second six-month extension was granted on June 15, 2010 and a one year extension was granted on November 3, 2010. On April 12, 2011, the Council approved a modification to the original Certificate of Need increasing the cost by \$1,000,000 for a new total project cost of \$3,300,000.

The Council, after reading the extension request and hearing comments by staff, voted 5-0 to Grant an Extension of Certificate of Need per Iowa Administrative Code 641—202.13. The decision is based upon the finding that adequate progress is being made.

The extension is valid for one year from the date of these findings.

Dated this 15<sup>th</sup> day of December 2011



William Thatcher, Chairperson  
State Health Facilities Council  
Iowa Department of Public Health

cc: Health Facilities Council  
Department of Inspections & Appeals, Health Facilities Division



4. Deerfield is proposing the addition of 25 nursing beds; 24 beds will be new construction and one bed will be in an existing room that was not originally licensed. Twelve of the new beds will be certified as a Chronic Confusion/Dementing Illness (CCDI) unit.
5. The existing 30 nursing facility beds (Health Center) had an occupancy rate of 93% over the last three years and 97-100% in 2011. In the last two years, Deerfield has placed 15 life care residents in facilities off the Deerfield campus due to high census.
6. The applicant states that actuarial estimates of the average life span of a nursing home resident are two to two and one half years; the average lifespan of residents in Deerfield's Health Center, according to the applicant, is three and one half to four years. Therefore, their bed turnover is not adequate for the needs of their campus.
7. The applicant also recognizes the need for a certified CCDI unit as they estimate the number of their 130 independent living residents with early to mid-stage dementia to be at least 16.
8. Deerfield has had to discharge six residents to outside specialized units for unmanageable dementia and currently has one resident who will need to be placed somewhere soon. The applicant states that this is not desirable for the resident or the community and therefore proposes 12 of the new beds to be certified as a CCDI unit.
9. The calculated bed need formula indicates a current underbuild in half of the eight counties surrounding the facility. The underbuild for Polk County is 1,059 beds. Overall, the eight-county region, as calculated by the bed need formula, is underbuilt by 1,933 beds. See the following table for additional bed information.

**Nursing Facility Beds by County**  
**Number Needed by CON Formula/Number Licensed/Difference**

<b>County</b>	<b>Projected 2014 Population Age 65+</b>	<b># of NF Beds needed per bed need formula</b>	<b># of licensed &amp; approved NF Beds as of 09/11</b>	<b>Difference – Formula vs. Licensed &amp; Approved*</b>
Polk	56,693	3,356	2,297**	-1,059
Boone	4,322	310	377	+67
Dallas	6,776	418	481	+63
Jasper	6,523	463	352	-111
Madison	2,674	191	209	+18
Marion	6,055	430	262	-168
Story	11,191	828	504***	-324
Warren	7,891	450	521	+71
<b>Totals</b>	<b>102,125</b>	<b>6,446</b>	<b>4,513</b>	<b>-1,933</b>

\*A positive (+) number means the county is overbuilt and a negative (-) indicates an underbuild  
 \*\*34 beds approved in January 2009 in Grimes; 16 beds approved in August 2011 in Pleasant Hill  
 \*\*\*6 beds approved in November 2010 in Ames

10. The bed numbers in the table above and below represent the number of beds in free-standing facilities. In addition to the beds in these tables, Polk County has 16 hospital-based SNF

beds, Marion County has 92 hospital-based SNF/NF beds and Story County has 80 hospital-based NF beds and 19 hospital-based SNF beds.

11. Over the span of the last three years the total number of beds in the eight-county area has increased by 84 beds. There has been an increase of 20 beds in Polk County in the last three years; an additional 50 beds have been approved for Polk County. See the following table for additional detail.

**Nursing Facility Beds by County**  
**Difference in Number Between September 2008 and September 2011**

<b>County</b>	<b># of NF Beds (facilities) as of 09/08</b>	<b># of NF Beds (facilities) as of 09/11</b>	<b>Difference in # of NF Beds</b>
Polk	2,227(26)	2,247(27)	+20*
Boone	379(4)	377(4)	-2
Dallas	453(8)	481(9)	+28
Jasper	334(6)	352(6)	+18
Madison	209(3)	209(3)	0
Marion	226(3)	262(4)	+36
Story	514(7)	498(7)	-16**
Warren	521(6)	521(6)	0
<b>Totals</b>	<b>4,863(63)</b>	<b>4,947(66)</b>	<b>+84</b>

\*34 beds approved in January 2009 in Grimes; 16 beds approved in August 2011 in Pleasant Hill

\*\*6 beds approved in November 2010 in Ames

12. There are currently 4,513 licensed and approved nursing facility beds in the eight counties, 569 licensed and approved beds (12.6% of all beds) in dedicated CCDI units.

**Number of CCDI Beds by County**

<b>County</b>	<b># of CCDI Beds (facilities)</b>
Polk	210(8)
Boone	56(2)
Dallas	87(3)
Jasper	18(1)
Madison	18(1)
Marion	32(2)
Story	48(2)
Warren	100(4)
<b>Totals</b>	<b>569(23)</b>

Data Source: Department of Inspections & Appeals –  
Summary of Long Term Care Facilities

13. The applicant indicates that the primary service area for this project is Polk County and more specifically, the Deerfield Retirement Community campus. Approximately 81% of the Health Center's residents over the past three years have been life care residents from Deerfield. The number of out of community residents admitted to the Health Center has declined from 6 residents in 2008 to 5 residents in 2009 to 2 residents in 2010.

14. As of September 16, 2011, 27 of the Health Center's 30 beds are occupied with Life Care residents, two beds are occupied by residents from outside the community who have been at the Health Center for several years and the final bed is occupied by a resident outside the community for rehabilitation before moving into assisted living on the Deerfield campus.
15. The applicant states they have determined there are no less costly or more appropriate alternatives given the target population and the need for services on the Deerfield campus. The applicant states that their 30-bed Health Center is running at 97% occupancy and the needs of their current independent living residents will soon be overwhelming the available services on campus. The applicant states that the proposed project will allow Deerfield to fulfill their contractual obligations to provide continuing care to their residents.
16. Deerfield Retirement Community has been open for a little more than six years. The applicant states they are the only retirement community in the Des Moines area to offer a true life-care option and the only community in the State to achieve CARF certification. CARF (Commission on Accreditation of Rehabilitation Facilities) is a national accrediting association.
17. The applicant states they have a transfer agreement with Mercy Health System; however, since both Mercy and Iowa Health Systems have hospitals less than two miles from Deerfield, both are utilized.
18. There are 26 additional freestanding nursing facilities in Polk County and an additional 9 free-standing nursing facilities in nearby Dallas County.
19. The data in the following table was collected in a phone survey of facilities conducted late summer 2011/October 2011.

Facility by County	Licensed Beds	Empty Beds	Percent Occupied
<b>POLK COUNTY</b>			
Altoona Nursing and Rehab Altoona	106	7	93.4%
Bishop Drumm Care Center Johnston	150	2	98.7%
Calvin Manor Des Moines	59	6	89.8%
Childserve Habilitation Center Johnston (children)	58	9	84.5%
Deerfield Retirement Community Urbandale	30	1	96.7%
Fleur Hts Ctr For Wellness & Rehab Des Moines	120	16	86.7%
Fountain West Health Center West Des Moines	140	28	80.0%
Genesis Senior Living Center Des Moines	80	12	85.0%
Iowa Jewish Senior Life Center Des Moines	72	21	70.8%

Facility by County	Licensed Beds	Empty Beds	Percent Occupied
Iowa Lutheran Hospital Des Moines	16	5	68.8%
Karen Acres Healthcare Center Urbandale	38	3	92.1%
Manorcare Health Services of WDM West Des Moines	120	57	52.5%
Mill Pond Retirement Community Ankeny	60	2	96.7%
On With Life Ankeny (brain injured & rehab)	26	0	100%
Parkridge Nursing & Rehab Ctr. Pleasant Hill	74	2	97.3%
Polk City Nursing And Rehab Polk City	68	16	76.5%
Prime Nursing And Rehab Center Des Moines	44	7	84.1%
QHC Mitchellville, LLC Mitchellville	65	9	86.2%
Ramsey Village Des Moines (9 not available constr.)	78	10	87.2%
Scottish Rite Park Health Care Ctr Des Moines	41	5	87.8%
Sunny View Care Center Ankeny	94	5	94.7%
The Rehab Ctr of Des Moines Des Moines	74	12	83.8%
Trinity Center at Luther Park Des Moines	120	2	98.3%
Union Park Health Services Des Moines	83	16	80.7%
University Park Nursing & Rehab Ct Des Moines	108	3	97.2%
Urbandale Health Care Center Urbandale (Downsizing to 130)	180 130	84 34	53.5% 73.8%
Valley View Village Des Moines	79	9	88.6%
Wesley Acres Des Moines	80	5	93.8%
<b>TOTALS</b>			
<b>All current licensed beds</b>	<b>2263</b>	<b>354</b>	<b>84.4%</b>
<b>Without Childserve &amp; OWL</b>	<b>2179</b>	<b>345</b>	<b>84.2%</b>
<b>With Urbandale downsize</b>	<b>2129</b>	<b>295</b>	<b>86.1%</b>

<b>BOONE COUNTY</b>			
Eastern Star Masonic Home Boone	76	1	98.7%
Madrid Home for the Aging Madrid	155	43	72.3%
Ogden Manor Ogden	46	9	80.4%
Westhaven Community Boone	100	3	97.0%
<b>TOTALS</b>	<b>377</b>	<b>56</b>	<b>85.1%</b>

Facility by County	Licensed Beds	Empty Beds	Percent Occupied
<b>DALLAS COUNTY</b>			
Adel Assisted Lining & Nursing Adel	50	12	76.0%
Arbor Springs of WDM L L C West Des Moines	56	10	82.1%
Edgewater West Des Moines	40	2	95.0%
Granger Nursing & Rehab Center Granger	67	16	76.1%
Perry Health Care Center Perry	48	16	66.7%
Perry Lutheran Home Perry	73	32	56.2%
Rowley Memorial Masonic Home Perry	57	2	96.5%
Spurgeon Manor Dallas Center	42	0	100%
The Village at Legacy Pointe Waukee	48	3	93.8%
<b>TOTALS</b>	<b>481</b>	<b>93</b>	<b>80.7%</b>

<b>JASPER COUNTY</b>			
Baxter Health Care Center Baxter	44	9	79.5%
Careage of Newton Newton	53	22	58.5%
Heritage Mano Newtonr	62	12	80.6%
Nelson Manor Newton	36	6	83.3%
Newton Health Care Center Newton	91	35	61.5%
Wesley Park Centre Newton	66	3	95.5%
<b>TOTALS</b>	<b>352</b>	<b>87</b>	<b>75.3%</b>

<b>MADISON COUNTY</b>			
QHC Winterset North, LLC Winterset	90	26	71.1%
QHC Winterset South, LLC Winterset	49	11	77.6%
West Bridge Care & Rehabilitation Winterset	70	17	75.7%
<b>TOTALS</b>	<b>209</b>	<b>54</b>	<b>74.2%</b>

Facility by County	Licensed Beds	Empty Beds	Percent Occupied
<b>MARION COUNTY</b>			
Griffin Nursing Center Knoxville	95	37	61.5%
Jefferson Place Pella	36	NR	NR
Pella Regional Health Center Pella	92	NR	NR
Pleasant Care Living Center Pleasantville	53	3	94.5%
West Ridge Nursing & Rehab Ctr Knoxville	78	2	97.4%
<b>TOTALS</b>	<b>354</b>		

<b>STORY COUNTY</b>			
Bethany Manor Story City	180	38	78.9%
Colonial Manor of Zearing Zearing	40	11	72.5%
Green Hills Health Care Center Ames	40	3	92.5%
Mary Greeley Medical Center – SNF Ames	19	15	21.1%
Northcrest Health Care Center Ames	40	2	95.0%
Riverside Manor Ames	59	29	50.8%
Rolling Green Village Nevada	69	13	81.2%
Story County Hospital NF Nevada	80	27	66.3%
The Abington on Grand Ames	70	32	54.3%
<b>TOTALS</b>	<b>597</b>	<b>170</b>	<b>71.5%</b>

<b>WARREN COUNTY</b>			
Carlisle Ctr for Wellness & Rehab Carlisle	101	17	83.2%
Good Samaritan Society –Indianola Indianola	131	25	80.9%
Norwalk Nursing & Rehab Ctr Norwalk	51	10	80.4%
Regency Care Center Norwalk	101	18	92.1%
The Village Indianola	54	2	96.3%
Westview of Indianola Care Ctr Indianola	83	19	77.1%
<b>TOTALS</b>	<b>521</b>	<b>91</b>	<b>82.5%</b>

NR = Not reported

20. The following table displays other levels of service available in the eight-county area.

<b>County</b>	<b>RCF Beds (Facilities)</b>	<b>Home Health Agencies</b>	<b>Adult Day Services</b>	<b>Assisted Living Units (Facilities)</b>	<b>ALP/D</b>
Polk	201(5)	12	52(2)	1,131(14)	1,312(13)
Boone	125(1)	1	53(2)	174(3)	0
Dallas	123(2)	2	0	194(4)	32(1)
Jasper	0	2	28(1)	114(2)	0
Madison	18(1)	0	0	15(1)	76(1)
Marion	139(3)	4	0	122(1)	82(1)
Story	24(3)	1	30(1)	464(6)	70(1)
Warren	61(3)	2	0	132(3)	204(2)
<b>TOTALS</b>	<b>691(18)</b>	<b>24</b>	<b>163(6)</b>	<b>2,346(34)</b>	<b>1,776(19)</b>

Data source: DIA web site

21. One letter of opposition was received from Urbandale Health Care Center stating there is existing capacity in the geographic area served by the applicant. Urbandale Health Center is currently licensed for 180 beds; they recently contacted the CON staff with an inquiry as to the process to downsize by 50 beds.
22. The applicant currently has existing debt in a face amount of \$44,165,000, which the applicant does not plan to refinance. The applicant will receive funding for the proposed 25 beds from LifeSpace Communities, the parent corporation of Deerfield Retirement Community. LifeSpace has cash available to fund the cost of the Health Center. The applicant states the funding will be made as a non-interest bearing capital contribution.
23. Deerfield offers a life-care option called a Type A contract where a resident buys into the community and pays a monthly service fee similar to a monthly rent. If a higher level of care is needed as a resident ages, a resident can move into either assisted living or skilled nursing with the charges remaining the same as the routine monthly service fees plus charges for supplies and medications. The applicant states that this is a savings of 50-70% over private paying at most nursing facilities. When it comes time to leave the campus, a resident or a resident's estate receives 90% of the original buy in fee. When a life-care resident requires intermediate level of care in an outside facility due to lack of bed availability at Deerfield or the need for a CCDI unit, Deerfield pays the other facility.
24. Deerfield has other types of arrangements for entering the retirement community including a fee-for-service model. Deerfield does not have any beds certified for Medicaid.
25. The proposal calls for the construction of 13,666 square feet to house 24 nursing facility beds; 12 of these beds will be in a certified CCDI unit.
26. The land is already owned by the applicant and site costs are listed at \$150,000. The total facility costs are \$2,937,500 with an additional \$350,000 for movable equipment for a total of \$3,437,500. That is a turn-key cost of \$137,500.

27. The applicant states that the source of funds is cash available from Lifespace Communities, the parent corporation of Deerfield Retirement Community. The application includes a letter from Larry Smith of LifeSpace Communities stating that funds in the amount of \$4,200,000 are available to Deerfield for the proposed expansion. The funding will be made as a non-interest bearing capital contribution.
28. The applicant does not project an operating deficit. It is projected that for the combined existing beds and the proposed beds at the Health Center, revenues will exceed expenses the first year by \$557,556; by year two revenues will exceed expenses by \$678,391 and by \$553,391 in the third year.
29. The applicant indicates that the proposal will result in the need for an additional 25 FTEs; 18 of these in the nursing category (2 FTE RN, 4 FTE LPN and 12 FTEs certified nursing assistants.) Additional FTEs in dietary (3 FTE), housekeeping (2 FTE), laundry (1 FTE) and activities (1 FTE) completes the total forecasted need of 25 new FTEs.

### CONCLUSIONS OF LAW

In determining whether to issue a certificate of need, the Council considers the eighteen criteria listed in Iowa Code § 135.64(1)(a)-(r). In addition, the legislature has provided that the Council may grant a certificate of need only if it finds the following four factors exist:

- a. Less costly, more efficient or more appropriate alternatives to the proposed institutional health service are not available and the development of such alternatives is not practicable;
- b. Any existing facilities providing institutional health services similar to those proposed are being used in an appropriate and efficient manner;
- c. In the case of new construction, alternatives including but not limited to modernization or sharing arrangements have been considered and have been implemented to the maximum extent practicable;
- d. Patients will experience serious problems in obtaining care of the type which will be furnished by the proposed new institutional health service or changed institutional health service, in the absence of that proposed new service.

1. The Council concludes that less costly, more efficient or more appropriate alternatives to the proposed health service are not available and the development of such alternatives is not practicable. The Council takes note that residents of Deerfield with the life-care option can move into skilled nursing on campus at a savings of 50-70% over private paying at most nursing facilities. The Council concludes that the option of placing a life-care resident in an outside facility is more costly and less efficient. The Council concludes that the proposal is an appropriate option to accommodate admissions of life care residents from Deerfield who need nursing care or who will benefit from a designated CCDI unit. Additionally, other alternatives are not available within the broader service area as evidenced by high county utilization rates and

a significant underbuild of beds within the county. Iowa Code Sections 135.64(1) and 135.64(2)a.

2. The Council concludes that existing facilities providing health services similar to those proposed will continue to be used in an appropriate and efficient manner and will not be impacted by this project. The bed need formula indicates Polk County is underbuilt by 1,059 beds; while the eight-county region is underbuilt by 1,933 beds. The phone survey conducted by Department staff indicates a county wide occupancy of 84.4% for the free standing nursing facilities Polk County. Without the two special population facilities factored in and factoring in the pending downsize of Urbandale Health Care Center, the county wide occupancy is 86.1%. The Council has previously concluded that occupancy rates of over 85% indicate appropriate and efficient utilization of existing nursing facilities. The Council takes note that historically, Deerfield has provided nursing care to very few individuals outside their retirement community; therefore the Council concludes that Deerfield has little impact on the appropriate and efficient use of other nursing facilities. The Council further concludes that the proposed additional beds are necessary for the applicant to meet their contractual agreement with their continuing care residents. Iowa Code Sections 135.64(1) and 135.64(2)b.

3. The Council concludes that the proposed project involves the construction of 13,666 square feet to house 24 nursing facility beds; 12 of these beds in a certified CCDI unit. The Council takes notes that the applicant operates near capacity. The Council concludes that new construction is the most effective alternative for this facility to provide the necessary space to accommodate individuals from their continuing care community who need nursing care and those who will benefit from a designated CCDI unit. Iowa Code Sections 135.64(1) and 135.4(2)c.

4. The Council concludes that patients will experience problems in obtaining care of the type which will be furnished by the proposed changed health service, in the absence of that proposed service. The Council takes note that in the last two years the applicant has placed 15 life care residents in facilities off the Deerfield campus due to high census. The Council concludes that the high occupancy of existing nursing beds at Deerfield in addition to the lack of dedicated CCDI beds on the campus demonstrate that life care patients will experience problems in obtaining care absent the proposed addition. Iowa Code Sections 135.64(1) and 135.64(2)d.

The facts, considered in light of the criteria contained in Iowa Code Section 135.64 (1 and 2) (2011), led the Council to find that a Certificate of Need should be awarded.

The decision of the Council may be appealed pursuant to Iowa Code Section 135.70 (2011).

It is required in accordance with Iowa Administrative Code 641- 202.12 that a progress report shall be submitted to the Iowa Department of Public Health six (6) months after approval. This report shall fully identify the project in descriptive terms. The report shall also reflect an amended project schedule if necessary.

The Certificate of Need is valid for a twelve (12) month period from the date of these findings. This is subject to the meeting of all requirements of the Iowa Department of Public Health. Requests for extension of a Certificate of Need must be filed in writing to the Iowa Department

of Public Health from the applicant no later than forty-five (45) days prior to the expiration of the Certificate. These requests shall fully identify the project and indicate the current status of the project in descriptive terms.

**No changes that vary from or alter the terms of the approved application including a change in the approved dollar cost shall be made unless requested in writing to the department and approved. Failure to notify and receive permission of the department to change the project as originally approved may result in the imposition of sanctions provided in Iowa Code section 135.73 (Iowa Administrative Code [641]202.14).**

Dated this 15<sup>th</sup> day of December 2011



William Thatcher, Chairperson  
State Health Facilities Council  
Iowa Department of Public Health

cc: State Health Facilities Council  
Iowa Department of Inspections and Appeals:  
Health Facilities Division

**IOWA DEPARTMENT OF PUBLIC HEALTH  
STATE HEALTH FACILITIES COUNCIL**

IN THE MATTER OF THE )  
CERTIFICATE OF NEED EXTENSION FOR )  
 )  
GREEN HILLS HEALTH CARE CENTER, INC. )  
 )  
AMES, IOWA )

**DECISION**

This matter came before the State Health Facilities Council for review on Wednesday, October 19, 2011.

The project, renovation and addition of 6 nursing facility beds, was originally approved on November 3, 2010 at an estimated cost of \$4,428,842.

The Council, after reading the extension request and hearing comments by staff, voted 5-0 to Grant an Extension of Certificate of Need per Iowa Administrative Code 641—202.13. The decision is based upon the finding that adequate progress is being made.

The extension is valid for one year from the date of these findings.

Dated this 15<sup>th</sup> day of December 2011



William Thatcher, Chairperson  
State Health Facilities Council  
Iowa Department of Public Health

cc: Health Facilities Council  
Department of Inspections & Appeals, Health Facilities Division



3. The applicant states that in mid-September 2011, they had 25 individuals on the waiting list for an independent living unit and 10 individuals waiting for an assisted living unit.
4. Over the past three years admissions to the 50 independent living units have been 9 in 2008, 15 in 2009 and 13 in 2010. During the same time period admissions to the 35 assisted living units have been 31 in 2008, 31 in 2009 and 22 in 2010. The turnover in the 35 assisted living units has been greater than 60% in each of the last three years. Admissions to the 9 memory care assisted living units have been 2 in 2008, 3 in 2009 and 2 in 2010.
5. The applicant states that there are currently 28 former Newton Village residents who are in existing nursing facilities due to their health care needs. At least 20 of these residents are in facilities in Newton.
6. The applicant states that the analysis completed by Health Planning & Management Resources, Inc. (company retained by applicant to assess demand for nursing beds) determined there was a need for 34 additional beds in Newton which would primarily serve the residents of Newton Village. The applicant states that this number includes 29 beds for former residents of Newton Village who have relocated from Newton Village to obtain care in a nursing facility. It also includes 1.5 beds for persons who are in need of post-hospitalization care, plus 10% to account for fluctuation in demand.
7. Due to space limitation on Newton Village's current land, the applicant is proposing to construct only 24 nursing facility beds.
8. The calculated bed need formula indicates a current underbuild in six of the eight counties surrounding the facility. The underbuild for Jasper County is 111 beds. Overall, the eight-county region, as calculated by the bed need formula, is underbuilt by 1,756 beds. See the following table for additional bed information.

**Nursing Facility Beds by County**  
**Number Needed by CON Formula/Number Licensed/Difference**

<b>County</b>	<b>Projected 2014 Population Age 65+</b>	<b># of NF Beds needed per bed need formula</b>	<b># of licensed &amp; approved NF Beds as of 09/11</b>	<b>Difference – Formula vs. Licensed &amp; Approved*</b>
Jasper	6,523	463	352	-111
Mahaska	3,621	259	210	-49
Marion	6,055	430	262	-168
Marshall	7,300	517	349****	-168
Polk	56,693	3,356	2,297**	-1,059
Poweshiek	3,782	266	322	+56
Story	11,191	828	504***	-324
Tama	3,409	240	307	+67
<b>Totals</b>	<b>98,574</b>	<b>6359</b>	<b>4603</b>	<b>-1,756</b>

\*A positive (+) number means the county is overbuilt and a negative (-) indicates an underbuild  
 \*\*34 beds approved in January 2009 in Grimes; 16 beds approved in August 2011 in Pleasant Hill  
 \*\*\*6 beds approved in November 2010 in Ames  
 \*\*\*\*Additional 702 beds at Veterans Home

9. The bed numbers in the table above and below represent the number of beds in free-standing facilities. In addition to the beds in these tables, Polk County has 16 hospital-based SNF beds, Marion County has 92 hospital-based SNF/NF beds, Marshall County has 15 hospital-based SNF beds and Story County has 80 hospital-based NF beds and 19 hospital-based SNF beds.
10. Over the span of the last three years the total number of beds in the eight-county area has increased by 30 beds. There has been an increase of 18 beds in Jasper in the last three years. The 18 beds are the result of converting 20 residential care beds at Wesley Park Centre to 18 nursing care beds. These beds were approved by the Council in June 2008. See the following table for additional detail.

**Nursing Facility Beds by County**  
**Difference in Number Between September 2008 and September 2011**

<b>County</b>	<b># of NF Beds (facilities) as of 09/08</b>	<b># of NF Beds (facilities) as of 09/11</b>	<b>Difference in # of NF Beds</b>
Jasper	334(6)	352(6)	+18
Mahaska	224(3)	210(3)	-14
Marion	226(3)	262(4)	+36
Marshall	355(4)	349(4)**	-6
Polk	2,227(26)	2,247(27)	+20
Poweshiek	324(5)	322(5)	-2
Story	514(7)	498(7)	-16
Tama	313(5)	307(5)	-6
<b>Totals</b>	<b>4517(59)</b>	<b>4547(61)</b>	<b>+30</b>

\*\*additional 702 beds at Veterans Home

11. There are currently 4,547 licensed nursing facility beds in the eight counties, 466 beds (10.2% of all beds) in dedicated CCDI units.

**Number of CCDI Beds by County**

<b>County</b>	<b># of CCDI Beds (facilities)</b>
Jasper	18(1)
Mahaska	10(1)
Marion	32(2)
Marshall	96*(2)
Polk	210(8)
Poweshiek	16(1)
Story	48(2)
Tama	36(2)
<b>Totals</b>	<b>466(19)</b>

\* 78 of these at Veterans Home

Data Source: Department of Inspections & Appeals –  
Summary of Long Term Care Facilities

12. The applicant states that their primary service area for this proposal is Jasper County and the secondary service area includes the seven counties that are contiguous to Jasper County. In the last three years, Newton Village has admitted a total of 129 individuals to the campus. Of these admissions 118 individuals (or 91.5%) were from Jasper County. There were 3 admissions from outside the secondary service area. The remaining admissions were from within the secondary service area; there were no admissions from Mahaska County, Story County or Tama County in the last three years.
13. Currently, Newton Village residents in need of nursing level of care may access this care at five existing nursing facilities within the city of Newton. This proposal for nursing care beds on the Newton Village campus would be convenient for residents of Newton Village.
14. The applicant has been providing independent living and assisted living services to seniors at Newton Village since October 2003. The applicant states they work closely with the discharge planners at Skiff Medical Center in Newton to arrange for appropriate housing arrangements for patients upon discharge from the hospital.
15. Elim Care of Eden Prairie, Minnesota, the parent company of Newton Village, operates 13 retirement community campuses throughout Iowa, Minnesota, and North Dakota; ten of these campuses currently include skilled nursing care. There are two Elim Care campuses in Iowa; Newton Village and Valley View Village in Des Moines.
16. The applicant submitted 63 letters of support for the proposal. The majority of these are from current residents (27 letters) of Newton Village or family members (29 letters) of current or former residents of Newton Village. Letters of support were also received from the Mayor of Newton, the Newton Development Corporation, the Newton Chamber of Commerce, the CEO of Skiff Medical Center, a care manager with Aging Resources and two employees of Newton Village.
17. There are 6 freestanding nursing facilities in Jasper County; five of these are located in the city of Newton. The results of a phone survey of facilities in Jasper County and counties contiguous to Jasper County are in the table below.

	<b>Conducted July/August 2011</b>		<b>Conducted October 2011</b>	
<b>JASPER COUNTY</b>	<b>Licensed Beds</b>	<b>Empty Beds</b>	<b>Percent Occupied</b>	
Baxter Health Care Center Baxter	44	9	79.5%	
Careage of Newton Newton	53	22	58.5%	
Heritage Manor Newton	62	12	80.6%	
Nelson Manor Newton	36	6	83.3%	
Newton Health Care Center Newton	91	35	61.5%	
Wesley Park Centre Newton	66	3	95.5%	
<b>TOTALS</b>	<b>352</b>	<b>87</b>	<b>75.3%</b>	

<b>MAHASKA COUNTY</b>	<b>Licensed Beds</b>	<b>Empty Beds</b>	<b>Percent Occupied</b>
Crystal Heights Care Center Oskaloosa	78	1	98.7%
Northern Mahaska Nursing & Rehab Oskaloosa	63	1	98.4%
Oskaloosa Care Center Oskaloosa	69	3	95.7%
<b>TOTALS</b>	<b>210</b>	<b>5</b>	<b>97.6%</b>

<b>MARION COUNTY</b>	<b>Licensed Beds</b>	<b>Empty Beds</b>	<b>Percent Occupied</b>
Griffin Nursing Center Knoxville	95	37	61.5%
Jefferson Place Pella	36	NR	
Pella Regional Health Center Pella	92	NR	
Pleasant Care Living Center Pleasantville	53	3	94.5%
West Ridge Nursing & Rehab Ctr Knoxville	78	2	97.4%
<b>TOTALS</b>	<b>354</b>		

<b>MARSHALL COUNTY</b>	<b>Licensed Beds</b>	<b>Empty Beds</b>	<b>Percent Occupied</b>
Grandview Heights Marshalltown	109	22	79.8%
Iowa Veterans Home Marshalltown (Vets and family members)	702	197	71.9%
Marshalltown Medical & Surgical Ctr. Marshalltown	15	11	26.7%
Southridge Nursing & Rehab Ctr Marshalltown	82	0	100%
State Center Nursing & Rehab Ctr State Center (only 4 available)	48	8	83.3%
Villa Del Sol Marshalltown	110	25	83.3%
<b>TOTALS</b>			
<b>All beds</b>	<b>1066</b>	<b>263</b>	<b>75.3%</b>
<b>Veteran's Home excluded</b>	<b>364</b>	<b>66</b>	<b>81.9%</b>

<b>POLK COUNTY</b>	<b>Licensed Beds</b>	<b>Empty Beds</b>	<b>Percent Occupied</b>
Altoona Nursing and Rehab Altoona	106	7	93.4%
Bishop Drumm Care Center Johnston	150	2	98.7%
Calvin Manor Des Moines	59	6	89.8%
Childserve Habilitation Center Johnston (children)	58	9	84.5%
Deerfield Retirement Community Urbandale	30	1	96.7%
Fleur Hts Ctr For Wellness & Rehab	120	16	86.7%

Des Moines			
Fountain West Health Center West Des Moines	140	28	80.0%
Genesis Senior Living Center Des Moines	80	12	85.0%
Iowa Jewish Senior Life Center Des Moines	72	21	70.8%
Iowa Lutheran Hospital Des Moines	16	5	68.8%
Karen Acres Healthcare Center Urbandale	38	3	92.1%
Manorcare Health Services of WDM West Des Moines	120	57	52.5%
Mill Pond Retirement Community Ankeny	60	2	96.7%
On With Life Ankeny (brain injured & rehab)	26	0	100%
Parkridge Nursing & Rehab Ctr Pleasant Hill	74	2	97.3%
Polk City Nursing And Rehab Polk City	68	16	76.5%
Prime Nursing And Rehab Center Des Moines	44	7	84.1%
QHC Mitchellville, LLC Mitchellville	65	9	86.2%
Ramsey Village Des Moines (9 not available constr.)	78	10	87.2%
Scottish Rite Park Health Care Ctr Des Moines	41	5	87.8%
Sunny View Care Center Ankeny	94	5	94.7%
The Rehab Ctr of Des Moines Des Moines	74	12	83.8%
Trinity Center at Luther Park Des Moines	120	2	98.3%
Union Park Health Services Des Moines	83	16	80.7%
University Park Nursing & Rehab Ct Des Moines	108	3	97.2%
Urbandale Health Care Center Urbandale (Downsizing to 130)	180 130	84 34	53.5% 73.8%
Valley View Village Des Moines	79	9	88.6%
Wesley Acres Des Moines	80	5	93.8%
<b>TOTALS</b>			
<b>All current licensed beds</b>	<b>2263</b>	<b>354</b>	<b>84.4%</b>
<b>Without Childserve &amp; OWL</b>	<b>2179</b>	<b>345</b>	<b>84.2%</b>
<b>With Urbandale downsize</b>	<b>2129</b>	<b>295</b>	<b>86.1%</b>

<b>POWESHIEK COUNTY</b>	<b>Licensed Beds</b>	<b>Empty Beds</b>	<b>Percent Occupied</b>
Brooklyn Community Estates Brooklyn	60	9	85.0%
Mayflower Health Care Center Grinnell	60	9	85.9%
Montezuma Nursing & Rehab Ctr Montezuma	49	8	83.7%
St Francis Manor Grinnell	78	3	96.2%
Tru Rehab of Grinnell Grinnell (remodel & may reduce bed#)	75	41	45.3%
<b>TOTALS</b>	<b>322</b>	<b>70</b>	<b>78.3%</b>

<b>STORY COUNTY</b>	<b>Licensed Beds</b>	<b>Empty Beds</b>	<b>Percent Occupied</b>
Bethany Manor Story City	180	38	78.9%
Colonial Manor of Zearing Zearing	40	11	72.5%
Green Hills Health Care Center Ames	40	3	92.5%
Mary Greeley Medical Center – SNF Ames	19	15	21.1%
Northcrest Health Care Center Ames	40	2	95.0%
Riverside Manor Ames	59	29	50.8%
Rolling Green Village Nevada	69	13	81.2%
Story County Hospital NF Nevada	80	27	66.3%
The Abington on Grand Ames	70	32	54.3%
<b>TOTALS</b>	<b>597</b>	<b>170</b>	<b>71.5%</b>

<b>TAMA COUNTY</b>	<b>Licensed Beds</b>	<b>Empty Beds</b>	<b>Percent Occupied</b>
Carrington Place of Toledo Toledo	70	5	92.9%
Sunny Hill Care Center Tama	57	9	84.2%
Sunnycrest Nursing Center Dysart	50	18	64.0%
Sunrise Hill Care Center Traer	76	NR	
Westbrook Acres Gladbrook	54	3	94.4%
<b>TOTALS</b>	<b>307</b>		

NR = Not reported

18. The following table displays other levels of service available in the eight-county area.

<b>County</b>	<b>RCF Beds (Facilities)</b>	<b>Home Health Agencies</b>	<b>Adult Day Services</b>	<b>Assisted Living Units (Facilities)</b>	<b>ALP/D</b>
Jasper	0	2	28(1)	114(2)	0
Mahaska	59(2)	2	0	24(1)	44(1)
Marion	139(3)	4	0	122(1)	82(1)
Marshall	113(1)**	1	25(1)	44(1)	96(2)
Polk	201(5)	12	52(2)	1,131(14)	1,312(13)
Poweshiek	73(2)	1	0	17(1)	52(1)
Story	24(3)	1	30(1)	464(6)	70(1)
Tama	40(1)	1	0	30(1)	0
<b>TOTALS</b>	<b>649(17)</b>	<b>24</b>	<b>167(6)</b>	<b>1,946(27)</b>	<b>1,656(19)</b>

\*\* Veterans Home

Data source: DIA web site

19. Two letters of opposition were received from existing nursing facilities in Newton, Nelson Manor and Newton Health Care Center. Both letters point to the low occupancies and available beds at the six current facilities in Jasper County. Nelson Manor states they have admitted only one person from Newton Village in the last nine months. Representatives for these two facilities and representatives for Careage of Newton and Heritage Manor provided oral testimony in opposition to the proposal.
20. The applicant has existing long-term debt of \$8,977,379 in the form of tax-exempt Senior Housing Revenue Bonds, which are due in 2018 and bear interest at the rate of 5.99%. The applicant does not plan to refinance existing debt.
21. The applicant anticipates an operating deficit of \$45,391 the first year of operation. By year two a profit of \$163,499 is anticipated, increasing to \$180,029 by year three.
22. The applicant projects that about 50% of the residents will be private pay. 15% will be Medicare skilled care residents and 35% Medicaid recipients. The applicant indicates a proposed private pay rate of \$222.79 per day.
23. The proposal involves the construction of 20,050 square feet at a facility cost of \$2,980,055.
24. The land is already owned by the applicant and site costs are listed at \$25,500. In addition there are movable equipment costs of \$300,000 and financing costs of \$17.100 for a total project cost of \$3,322,655. The average cost per bed (turn key) is \$138,443.95.
25. The applicant states that the proposal will be funded through borrowing \$3,000,000 and \$337,655 cash on hand. The application includes a letter from Great Western Bank in Eden Prairie, MN indicating conditional interest in financing the proposed facility. The letter states the estimated construction cost to be about \$3,000,000 and that the Bank would typically finance approximately 75% of the lower of cost or appraised value of the facility.

26. The applicant projects the need for 12.5 FTEs to staff the proposed 24 nursing facility beds. Nine of these would be in the nursing category; 1 FTE RN, 2 FTE LPN and 6 FTE certified nursing assistants. Additional FTEs in dietary (1 FTE) and housekeeping (1 FTE) and one social worker and a part time activities aide (0.5 FTE) completes the total forecasted need of 12.5 new FTEs. The applicant states that the proposed nursing facility will share an administrator, a director of nursing, a chaplain, and a marketing director with the existing Newton Village (independent living and assisted living).
27. Newton Village's parent company, Elim Care Inc., operates a nursing facility in Des Moines that allows nursing students to complete their training rounds. The applicant expects they may be able to recruit recent nursing graduates from that program.

### CONCLUSIONS OF LAW

In determining whether to issue a certificate of need, the Council considers the eighteen criteria listed in Iowa Code § 135.64(1)(a)-(r). In addition, the legislature has provided that the Council may grant a certificate of need only if it finds the following four factors exist:

- a. Less costly, more efficient or more appropriate alternatives to the proposed institutional health service are not available and the development of such alternatives is not practicable;
- b. Any existing facilities providing institutional health services similar to those proposed are being used in an appropriate and efficient manner;
- c. In the case of new construction, alternatives including but not limited to modernization or sharing arrangements have been considered and have been implemented to the maximum extent practicable;
- d. Patients will experience serious problems in obtaining care of the type which will be furnished by the proposed new institutional health service or changed institutional health service, in the absence of that proposed new service.

1. The Council concludes that less costly, more efficient or more appropriate alternatives to the proposed health service are not available and the development of such alternatives is not practicable. The Council concludes that the proposal is an appropriate option to accommodate nursing care needs of residents currently residing at Newton Village. Iowa Code Sections 135.64(1) and 135.64(2)a.

2. The Council concludes that existing facilities providing health services similar to those proposed will continue to be used in an appropriate and efficient manner and will not be impacted by this project. The bed need formula indicates Jasper County is underbuilt by 111 beds; while the eight-county region is underbuilt by 1,756 beds. The phone survey conducted by Department staff indicates a county wide occupancy of 75.3% for the free standing nursing facilities Jasper County. The Council has previously concluded that occupancy rates of over 85% indicate appropriate and efficient utilization of existing nursing facilities and the Council

continues to rely on the 85% utilization rate as a guideline. However, if several other significant indicators of need exist – such as a considerable underbuild in the bed need formula, findings of an independent survey indicating sufficient need, and widespread support from city officials – the Council may rely on those factors to find sufficient need exists for the project, as it does in this application. Additionally, because the applicant will draw primarily from their existing retirement community, the Council concludes the project will have a nominal impact on existing facilities. Iowa Code Sections 135.64(1) and 135.64(2)b.

3. The Council concludes that the proposed project involves the construction of 20,050 square feet to house 24 nursing facility beds. The Council takes notes that the applicant's current living units operate at capacity with a waiting list. The Council concludes that new construction is the most effective alternative for Newton Village to provide the necessary space to accommodate individuals from their independent and assisted living units who need nursing care. Iowa Code Sections 135.64(1) and 135.4(2)c.

4. The Council concludes that patients will experience problems in obtaining care of the type which will be furnished by the proposed health service, in the absence of that proposed service. The Council takes note that there are currently 28 former Newton Village residents that are in nursing facilities due to their health care needs; at least 20 of these are in facilities in the city of Newton. The Council concludes that the convenience of having nursing beds on the Newton Village campus would reduce any problems that may exist in locating appropriate care when needed. The Council further concludes that the many indicators of need establish that patients in this service area will experience problems in obtaining care of the type offered by the applicant if this project is denied. Iowa Code Sections 135.64(1) and 135.64(2)d.

The facts, considered in light of the criteria contained in Iowa Code Section 135.64 (1 and 2) (2011), led the Council to find that a Certificate of Need should be awarded.

The decision of the Council may be appealed pursuant to Iowa Code Section 135.70 (2011).

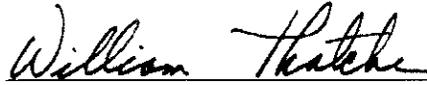
It is required in accordance with Iowa Administrative Code 641- 202.12 that a progress report shall be submitted to the Iowa Department of Public Health six (6) months after approval. This report shall fully identify the project in descriptive terms. The report shall also reflect an amended project schedule if necessary.

The Certificate of Need is valid for a twelve (12) month period from the date of these findings. This is subject to the meeting of all requirements of the Iowa Department of Public Health. Requests for extension of a Certificate of Need must be filed in writing to the Iowa Department of Public Health from the applicant no later than forty-five (45) days prior to the expiration of the Certificate. These requests shall fully identify the project and indicate the current status of the project in descriptive terms.

**No changes that vary from or alter the terms of the approved application including a change in the approved dollar cost shall be made unless requested in writing to the department and approved. Failure to notify and receive permission of the department to**

**change the project as originally approved may result in the imposition of sanctions provided in Iowa Code section 135.73 (Iowa Administrative Code [641]202.14).**

Dated this 15<sup>th</sup> day of December 2011



William Thatcher, Chairperson  
State Health Facilities Council  
Iowa Department of Public Health

cc: State Health Facilities Council  
Iowa Department of Inspections and Appeals:  
Health Facilities Division



2. River Hills Village of Keokuk is proposing the addition of a 26-bed skilled nursing short-term rehab wing and therapy /wellness center unit.
3. The applicant states there is insufficient space to provide therapy and wellness services to the residents of the Village. The applicant feels the additional 26 beds will allow them to provide services to the short-term rehab patient and allow the ability to provide private rooms for those residents who wish to have a private room. The applicant states that the proposed beds will be in 10 private rooms and 8 semi-private rooms. The applicant feels the short-term rehab patients need to be separated from other residents.
4. The applicant states that within the past year, there have been no less than 100 times that River Hills has been unable to admit a patient from Keokuk Area Hospital due to census. River Hills averages a waiting list of 5-10 people.
5. River Hills Village of Keokuk currently serves an elderly population. The percentage of Medicaid recipients served in the last three years averaged 44%. The applicant projects that number to drop to 37% with the addition of the proposed beds. All of the proposed beds will be certified for Medicaid. The proposal indicates the new beds will be for short-term rehabilitation, which most likely will be covered by Medicare.
6. The calculated bed need formula indicates a current overbuild in Lee County of 10 beds. Overall, the four-county region, as calculated by the bed need formula, is underbuilt by 187 beds. See the following table for additional bed information.

**Nursing Facility Beds by County**  
**Number Needed by CON Formula/Number Licensed/Difference**

County	Projected 2014 Population Age 65+	# of NF Beds needed per bed need formula	# of licensed & approved NF Beds as of 07/11	Difference – Formula vs. Licensed & Approved*
Lee	6,729	474	484	+10
Des Moines	7,729	546	390	-156
Henry	3,533	250	245	-5
Van Buren	1,591	111	75	-36
<b>Totals</b>	<b>19,582</b>	<b>1,381</b>	<b>1,194</b>	<b>-187</b>

\*A positive (-) number means the county is overbuilt and a negative (-) indicates an underbuild

7. The bed numbers in the table above and below represent the number of beds in free-standing facilities. In addition to the beds in these tables, Des Moines County has 18 hospital-based SNF/NF beds and Henry County has 49 hospital-based SNF/NF beds.
8. Over the span of the last three years the total number of beds in the four-county area has increased by 8 beds (see footnote). See the following table for additional detail.

**Nursing Facility Beds by County  
Difference in Number Between July 2008 and July 2011**

County	# of NF Beds (facilities) as of 07/08	# of NF Beds (facilities) as of 07/11	Difference in # of NF Beds
Lee	474(6)	484(6)	+10
Des Moines	265(4)	390(5)	+125*
Henry	247(5)	245(5)	-2
Van Buren	75(1)	75(1)	0
<b>Totals</b>	<b>1,061(16)</b>	<b>1,194(17)</b>	<b>+133*</b>

\*Great River Medical Center, these beds were changed from hospital-based SNF/NF beds to freestanding SNF/NF bed in the fall of 2010. No true gain in long-term care beds.

9. There are currently 1,194 licensed nursing facility beds in the four counties, 80 beds (6.7% of all beds) in dedicated CCDI units.

**Number of CCDI Beds by County**

County	# of CCDI Beds (facilities)
Lee	62(3)
Des Moines	0
Henry	0
Van Buren	18(1)
<b>Totals</b>	<b>80(4)</b>

Data Source: Department of Inspections & Appeals –  
Summary of Long Term Care Facilities

10. The applicant indicates that the primary service area is Lee County. In the past 12 months, River Hills Village has had 168 admissions, 64.8% of these from Lee County and 33.9% from out of state. Hancock County, Illinois accounts for 37 of the admissions in the past year.
11. The applicant states the addition is being constructed to serve the needs of the short-term rehab patient who needs extensive physical therapy, speech therapy or occupational therapy services. These services are more costly when provided in a hospital setting.
12. Letters and testimony from affected parties in opposition to the addition of 26 beds indicate that area skilled care facilities have capacity and offer physical therapy, speech therapy and occupational therapy services. Several of these facilities use the same provider of therapy services as the applicant.
13. Keokuk Village Drive, LLC purchased River Hills Village in Keokuk on June 1, 2010. The organization has experience operating many different size facilities ranging from 75 beds to 150 beds; the applicant feels that the optimum size of a skilled nursing facility is 100-120 beds. The applicant states that past owners of River Hills Village indicated that for the last three years they were turning away upwards of 20 admissions per month due to lack of bed availability.

14. There are five other free-standing nursing facilities in Lee County and no hospital-based long-term care units.
15. In a recent phone survey of facilities, four facilities in Lee County reported occupancies below 80% and the overall occupancy for the County was 80.8%. Additional details from the phone survey are provided in the following table.

**Survey of Nursing Facilities Located in Lee County  
& Counties Contiguous to Lee County  
Conducted July/August 2011  
Conducted October 14, 2011**

<b>LEE COUNTY</b>	<b>Licensed Beds</b>	<b>Empty Beds</b>	<b>Percent Occupied</b>
Donnellson Health Center Donnellson	65	14 18	78.5% 72.3%
Fort Madison Health Center Fort Madison	100	21 22	79.0% 78.0%
Lexington Square Keokuk	126	19 21	84.9% 83.3%
Montrose Health Center Inc Montrose	59	25 20	57.6% 66.1%
River Hills Village Keokuk	84	3	96.4%
West Point Care West Point	50	11 13	78.0% 74.0%
<b>TOTALS</b>	<b>484</b>	<b>93</b> <b>94*</b>	<b>80.8%</b> <b>76.5%*</b>

\*these numbers are for those facilities who reported (all but the applicant)

<b>DES MOINES COUNTY</b>	<b>Licensed Beds</b>	<b>Empty Beds</b>	<b>Percent Occupied</b>
Blair House Burlington	60	1	98.3%
Burlington Care Center Burlington	103	44	57.3%
Danville Care Center Danville	40	12	70.0%
Prairie Ridge Care & Rehab Mediapolis	62	13	79.0%
Great River Medical Center-Klein Burlington	125(NF)	20	84.0%
Great River Medical Center West Burlington	10(SNF/NF)	3	70.0%
<b>TOTALS</b>	<b>400</b>	<b>93</b>	<b>76.8%</b>

<b>VAN BUREN COUNTY</b>	<b>Licensed Beds</b>	<b>Empty Beds</b>	<b>Percent Occupied</b>
Good Samaritan Society Keosauqua	75	17	77.3%
<b>TOTALS</b>	<b>75</b>	<b>17</b>	<b>77.3%</b>

<b>HENRY COUNTY</b>	<b>Licensed Beds</b>	<b>Empty Beds</b>	<b>Percent Occupied</b>
Arbor Court Mount Pleasant	62	5	91.9%
New London Nursing & Rehab Ctr New London	49	17	65.3%
Parkview Home Wayland	34	4	88.2%
Sunrise Terrace Care Center Winfield	50	12	76.0%
Pleasant Manor Care Center Mount Pleasant	50	7	86.0%
Henry County Health Center Mouny Pleasant	49	11	77.6%
<b>TOTALS</b>	<b>294</b>	<b>56</b>	<b>80.9%</b>

16. The following table displays other levels of service available in the four-county area.

<b>County</b>	<b>RCF Beds (Facilities)</b>	<b>Home Health Agencies</b>	<b>Adult Day Services</b>	<b>Assisted Living Units (Facilities)</b>	<b>ALP/D</b>
Lee	0	5	0	198(2)	70(1)
Des Moines	45(2)	4	0	72(1)	155(2)
Henry	34(2)	0	19(1)	0	80(2)
Van Buren	48(1)	1	0	20(1)	0
<b>TOTALS</b>	<b>127(5)</b>	<b>10</b>	<b>19(1)</b>	<b>290(4)</b>	<b>305(5)</b>

Data source: DIA web site

17. Letters of opposition were received from all of the other five nursing facilities in Lee County as well as six facilities in contiguous counties; this represents 69% of the other 16 free-standing facilities in the four-county area. These letters indicated there is existing capacity in the geographic area and that rehab services are provided at all the skilled facilities in the area.
18. Approximately 34 letters of support for this proposal were received from physicians, citizens of Keokuk, the mayor of Keokuk, business professionals, the superintendent of the school district, the CEO of the hospital, other health care providers in the area, the past president of the economic development organization and a member of the county board of supervisors. An additional 22 letters of support (form letter) were signed by current residents of River Hills Village.
19. The applicant currently has no debt and the cost of the proposed addition will be covered with cash on hand. The applicant states the daily rate will increase from \$154 to \$157.
20. The proposal calls for the construction of 14,264 square feet to house therapy services and 26 additional nursing facility beds.
21. The land is already owned by the applicant and site costs for relocating utilities, paving and curbs and landscaping were listed at \$275,500. The total facility costs are \$1,952,600 with an additional \$166,700 for movable equipment for a total of \$2,394,800. That is a turn-key cost

of \$92,107.69. The applicant states that the turn-key cost per bed, not including the cost the therapy addition, is \$68,454.

22. The applicant states that the source of funds is cash on hand. The application includes a letter from a partner at McGladrey & Pullen, LLP stating they have prepared audited financial statements for Community Living Options, Inc. for the past 25 years and based on this past work states that they will be able to fund the \$2,394,800 commitment for the construction at River Hills Village.
23. The applicant projects that revenues will exceed expenses the first year by \$942,520 increasing to \$1,489,785 by the second year and \$1,527,960 in year three.
24. The applicant indicates that the proposal will result in the need for an additional 17 FTEs; 14 of these in the nursing category (2 FTE RN, 3 FTE LPN and 9 FTEs certified nursing assistants.) An additional FTE each in dietary, housekeeping and activities round out the total forecasted need of 17 FTEs.
25. The applicant states they are fully staffed and have applications on file from people who have applied for past job openings. The applicant does not anticipate any problems in finding the additional staff needed.

#### CONCLUSIONS OF LAW

In determining whether to issue a certificate of need, the Council considers the eighteen criteria listed in Iowa Code § 135.64(1)(a)-(r). In addition, the legislature has provided that the Council may grant a certificate of need only if it finds the following four factors exist:

- a. Less costly, more efficient or more appropriate alternatives to the proposed institutional health service are not available and the development of such alternatives is not practicable;
- b. Any existing facilities providing institutional health services similar to those proposed are being used in an appropriate and efficient manner;
- c. In the case of new construction, alternatives including but not limited to modernization or sharing arrangements have been considered and have been implemented to the maximum extent practicable;
- d. Patients will experience serious problems in obtaining care of the type which will be furnished by the proposed new institutional health service or changed institutional health service, in the absence of that proposed new service.

1. The Council concludes that less costly, more efficient or more appropriate alternatives to the proposed health service are available and the development of such alternatives is practicable. The Council concludes that existing facilities in the area have over 250 empty beds, 93 of these in Lee County, and are appropriate alternatives to building new beds. The Council further

concludes that short term rehab services are currently being offered at existing facilities and provide an appropriate alternative to the project for these services. Iowa Code Sections 135.64(1) and 135.64(2)a.

2. The Council concludes that existing facilities providing health services similar to those proposed are not being used in an appropriate and efficient manner and would be negatively impacted by this project. First, the Council has previously concluded that occupancy rates of over 85 % indicate appropriate and efficient utilization of existing nursing facilities. The phone survey conducted by Department staff indicates a county-wide occupancy of 80.8 %, lower than the 85 % rate historically relied on to indicate efficient utilization. Second, the bed need formula indicates Lee County is overbuilt by 10 beds. Finally, the Council also takes note and gives significant weight to the fact that there are currently over 90 empty nursing facility beds in the applicant's primary service area. The Council concludes that existing facilities have the capacity and capability to provide the services proposed by the applicant and that approval of this project would negatively impact their ability to operate efficiently. Iowa Code Sections 135.64(1) and 135.64(2)b.

3. The Council concludes that the proposed project involves the construction of 14,264 square feet resulting in an average cost per bed (turn-key) of \$92,107.69. The Council concludes that an alternative to new construction exists as the number of empty existing beds in the area is high. Iowa Code Sections 135.64(1) and 135.4(2)c.

4. The Council concludes that patients will not experience problems in obtaining care of the type which will be furnished by the proposed health service, in the absence of that proposed service. The Council concludes that with 90 plus empty nursing facility beds in the proposed service area that patients will not experience problems in obtaining care of the type which would be furnished by the proposed project. The Council concludes that the proposed rehab services to be offered by the applicant are currently offered by existing facilities and there is not evidence that patients in this service area will experience serious problems in obtaining these services in the absence of this project. Iowa Code Sections 135.64(1) and 135.64(2)d.

The facts, considered in light of the criteria contained in Iowa Code Section 135.64 (1 and 2) (2011), led the Council to find that a Certificate of Need should be denied.

The decision of the Council may be appealed pursuant to Iowa Code Section 135.70 (2011).

Dated this 15<sup>th</sup> day of December 2011

  
William Thatcher, Chairperson  
State Health Facilities Council  
Iowa Department of Public Health

cc: State Health Facilities Council  
Iowa Department of Inspections and Appeals:  
Health Facilities Division





4. On September 28, 2011, the department received an extension request from Solon stating that due to an arithmetic error in the value engineering calculations provided to them, the estimated cost of the project is now \$2,679,474, which exceeds 12% of the originally approved amount. With this extension request, Solon requested the Council's approval of its revised costs.
5. The estimated total cost of the project is now \$2,679,474, an 18.6% increase in the original total project costs.

#### CONCLUSION

The Council concludes that the proposed change to the originally approved project represents an increase of approximately 18.6% in the cost of the project but does not substantially alter the nature and scope of the originally approved project.

Pursuant to 641 IAC 202.14, the Council therefore approves the request to modify the certificate of need originally granted November 3, 2010 to \$2,679,474 as the approved cost of the project.

The decision of the Council may be appealed pursuant to Iowa Code section 135.70(2011).

**No changes that vary from or alter the terms of the approved application including a change in the approved dollar cost shall be made unless requested in writing to the department and approved. Failure to notify and receive permission of the department to change the project as originally approved may result in the imposition of sanctions provided in Iowa Code section 135.73 (Iowa Administrative Code [641|202.14).**

Dated this 15<sup>th</sup> day of December 2011



William Thatcher, Chairperson  
State Health Facilities Council  
Iowa Department of Public Health

cc: State Health Facilities Council  
Iowa Department of Inspections and Appeals:  
Health Facilities Division



2. The applicant states that the Mobetron is a portable, self-shielded electron linear accelerator which can be used in multiple operating rooms without the need to construct a dedicated vault.
3. The applicant states that IORT as a procedure has been performed for decades by transporting surgical patients to the radiation therapy department while the surgical site is exposed; however in 1993 IntraOp Medical developed mobile IORT to deliver electron therapy during surgery without additional shielding. This specific technology received FDA approval in 1998 and according to the applicant is available at 14 locations in the U.S. None of these are in Iowa.
4. The applicant states that St. Luke's Hospital performed 482 cancer surgeries in 2009 and 512 in 2010. Of these surgical cases, 82 and 107 respectively were known to have gone on to receive radiation therapy treatment of some form.
5. The applicant feels a number of surgical patients that did not go on to receive radiation therapy would be eligible candidates for IORT. The applicant provides the example of the 61 surgical mastectomy procedures performed in 2010 and states that the availability of IORT treatment would provide these patients with a breast conserving treatment approach.
6. St. Luke's projects that 48 IORT cases would be performed for breast cancer surgeries in year one, increasing to 62 cases by year three. The projections estimate about half of the breast surgeries performed would include IORT treatment. St. Luke's stated these projections are conservative for an emerging new technology and that they are based solely on current breast surgical cases and do not incorporate other cancer surgeries for which IORT may be clinically advantageous.
7. The applicant states that most patients treated with IORT Boost receive a shortened traditional radiation treatment series. The traditional course of radiation therapy involves five treatments per week over a course of six to seven weeks. IORT allows delivery of radiation directly into the high risk area where a patient's tumor has just been removed and requires only one single dose of radiation or a significantly shortened course of radiation. This reduction in the amount of time needed for the course of radiation therapy has a positive clinical impact by significantly reducing exposure of healthy tissue to radiation. The reduction in treatment time also results in reduced costs for the course of treatment. Finally, the reduction in treatment time results in a more positive patient care experience, especially for those patients who live in rural areas, have other travel barriers, or have conflicts due to work and family obligations.
8. Mammosite technology, an internal radiation treatment, is also an option for breast cancer patients according to the applicant. Mammosite was approved by the FDA in 2002 and is available at Mercy Medical Center in Cedar Rapids. The applicant states that a traditional course of Mammosite treatment is 2 treatments per day for 5 days, which is a shorter course of treatment than the traditional 6-week course of radiation treatment or the 3 week hypofractionated radiation therapy following IORT Boost treatment. The applicant states that

the eligibility criteria for breast cancer patients receiving Mammosite are more limiting than those that would be eligible for IORT Boost.

9. The applicant has determined that there is no less costly or more effective alternative that would provide IORT to meet the needs of their current oncological surgery patients.
10. The applicant states the primary service area for the proposed service consists of Linn, Benton, and Jones Counties. The secondary service area includes Buchanan, Cedar, Delaware, Iowa and northern Johnson counties. Linn and Johnson Counties are both considered metropolitan areas. Based on data provided by the applicant, over 67.5% of the total breast surgical cases treated at St. Luke's in the past three years were from Linn County.
11. IORT is not available anywhere in Iowa. Radiation oncology services are currently available in Cedar Rapids (Mercy), Iowa City, Waterloo and Dubuque. Radiation oncology has been provided in Cedar Rapids at the Hall Radiation Center located on Mercy's campus since 1956.
12. St. Luke's recently announced a collaborative effort with other community healthcare organizations to form the Community Cancer Center of Iowa with a vision of becoming the community's recognized body for clinical protocol development and care coordination as related to cancer patients.
13. The applicant states that the patients treated with IORT that need additional forms of radiation therapy not offered at St. Luke's will continue to be referred to other radiation therapy services available within or near Cedar Rapids.
14. Four letters of support for the proposal of St. Luke's to offer IORT services were submitted. Letters were received from Dr. Brimmer of St. Luke's; Dr. Stephenson and Dr. Goebel, both with the Stoddard Cancer Center in Des Moines; and David Brandon, CEO of The Finley Hospital in Dubuque. All of these individuals are associated with Iowa Health System.
15. Dr. Juliann Reiland from Avera McKennan Hospital in Sioux Falls, South Dakota, also spoke in support of the application. Dr. Reiland utilizes IORT in her practice and testified that Avera is a similar facility to St. Luke's. Dr. Reiland believes IORT provides important benefits both for women who might otherwise needlessly choose a mastectomy or fail to undergo an entire course of radiation therapy due to its frequency and duration.
16. Three letters of opposition were submitted. Letters were received from Dr. Duven of the Breast Center in Waterloo, Dr. Tewfik of the Iowa City Cancer Center and Timothy Charles, CEO of Mercy Medical Center in Cedar Rapids.
17. Those in opposition feel that the proposal is a costly duplication of services and that the service should not be provided in a hospital that does not have a radiation oncology department. The opposition also stressed that this is experimental/investigative technology.

18. The proposed equipment will be purchased with cash on hand and has a useful life of 10 years. The applicant does not anticipate an operating deficit as a result of this proposal.
19. The applicant estimates the total surgery and radiation therapy charge for surgery with IORT single dose to be \$15,622 and surgery with IORT Boost treatment (hypofractionated therapy series) to be \$37,733. This compares to surgery followed by traditional radiation therapy services estimated to be \$51,035.
20. St. Luke's anticipates the addition of 2 FTEs, one medical physicist and one radiation therapy technologist, to support its proposed IORT program. The applicant stated that they are one of eight major affiliates of the Iowa Health System and can draw on the resources of that organization, including the services of a radiation oncologist.

### CONCLUSIONS OF LAW

In determining whether to issue a certificate of need, the Council considers the eighteen criteria listed in Iowa Code § 135.64(1)(a)-(r). In addition, the legislature has provided that the Council may grant a certificate of need only if it finds the following four factors exist:

- a. Less costly, more efficient or more appropriate alternatives to the proposed institutional health service are not available and the development of such alternatives is not practicable;
- b. Any existing facilities providing institutional health services similar to those proposed are being used in an appropriate and efficient manner;
- c. In the case of new construction, alternatives including but not limited to modernization or sharing arrangements have been considered and have been implemented to the maximum extent practicable;
- d. Patients will experience serious problems in obtaining care of the type which will be furnished by the proposed new institutional health service or changed institutional health service, in the absence of that proposed new service.

1. The Council concludes that less costly, more efficient or more appropriate alternatives to the proposed health service are not available and the development of such alternatives is not practicable. The Council concludes that IORT services are not currently provided in Iowa. The Council concludes that the proposal represents an alternative to the more standard course of treatment for breast cancer patients. Specifically, the proposal may represent a more appropriate alternative for women with breast cancer than undergoing a mastectomy. Additionally, IORT may be a more beneficial alternative than traditional radiation for women who have difficulty completing a standard six-week course of treatment due to travel, work and family commitments, or other issues. Finally, the proposal represents a less costly alternative to traditional radiation therapy. Iowa Code Sections 135.64(1) and 135.64(2)a.

2. The Council concludes that existing facilities providing health services similar to those proposed are currently being used in an appropriate and efficient manner and will not be impacted by this project. The Council concludes that radiation therapy services currently offered at the Hall Radiation Center on the Mercy campus will continue to be utilized for the follow-up radiation treatments that may be necessary after IORT. Iowa Code Sections 135.64(1) and 135.64(2)b.

3. The Council concludes that the proposed project does not involve new construction. Iowa Code Sections 135.64(1) and 135.4(2)c.

4. The Council concludes that patients will experience serious problems in obtaining care of the type which will be furnished by the proposed changed health service, in the absence of that proposed service. The Council concludes that patients in Iowa currently do not have access to IORT as an option in breast cancer treatment. The Council finds that IORT offers women who encounter serious difficulties in completing traditional radiation therapy with an appropriate option to such therapy. Iowa Code Sections 135.64(1) and 135.64(2)d.

The facts, considered in light of the criteria contained in Iowa Code Section 135.64 (1 and 2) (2011), led the Council to find that a Certificate of Need should be awarded.

The decision of the Council may be appealed pursuant to Iowa Code Section 135.70 (2011).

It is required in accordance with Iowa Administrative Code 641- 202.12 that a progress report shall be submitted to the Iowa Department of Public Health six (6) months after approval. This report shall fully identify the project in descriptive terms. The report shall also reflect an amended project schedule if necessary.

The Certificate of Need is valid for a twelve (12) month period from the date of these findings. This is subject to the meeting of all requirements of the Iowa Department of Public Health. Requests for extension of a Certificate of Need must be filed in writing to the Iowa Department of Public Health from the applicant no later than forty-five (45) days prior to the expiration of the Certificate. These requests shall fully identify the project and indicate the current status of the project in descriptive terms.

**No changes that vary from or alter the terms of the approved application including a change in the approved dollar cost shall be made unless requested in writing to the department and approved. Failure to notify and receive permission of the department to change the project as originally approved may result in the imposition of sanctions provided in Iowa Code section 135.73 (Iowa Administrative Code [641]202.14).**

Dated this 15<sup>th</sup> day of December 2011

  
William Thatcher, Chairperson  
State Health Facilities Council  
Iowa Department of Public Health

cc: State Health Facilities Council  
Iowa Department of Inspections and Appeals:  
Health Facilities Division

**IOWA DEPARTMENT OF PUBLIC HEALTH  
STATE HEALTH FACILITIES COUNCIL**

IN THE MATTER OF THE )  
CERTIFICATE OF NEED EXTENSION FOR )  
 )  
SUNNYBROOK LIVING CARE CENTER, L.C. )  
 )  
FAIRFIELD, IOWA )

**DECISION**

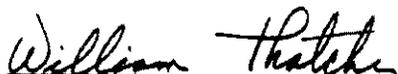
This matter came before the State Health Facilities Council for review on Wednesday, October 19, 2011.

The project, the addition of 50 nursing facility beds, was originally approved on January 29, 2009 at an estimated cost of \$2,743,000. A six-month extension was granted on December 2, 2009, a second six-month extension was granted on June 15, 2010 and a one year extension was granted on November 3, 2010.

The Council, after reading the extension request and hearing comments by staff, voted 5-0 to Grant an Extension of Certificate of Need per Iowa Administrative Code 641---202.13. The decision is based upon the finding that adequate progress is being made.

The extension is valid for one year from the date of these findings.

Dated this 5<sup>th</sup> day of December 2011

  
\_\_\_\_\_  
William Thatcher, Chairperson  
State Health Facilities Council  
Iowa Department of Public Health

cc: Health Facilities Council  
Department of Inspections & Appeals, Health Facilities Division

**IOWA DEPARTMENT OF PUBLIC HEALTH  
STATE HEALTH FACILITIES COUNCIL**

IN THE MATTER OF THE )  
CERTIFICATE OF NEED EXTENSION FOR )  
UNIVERSITY OF IOWA HOSPITALS & CLINICS )  
IOWA CITY, IOWA )

**DECISION**

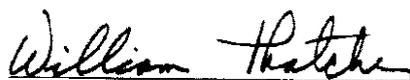
This matter came before the State Health Facilities Council for review on Wednesday, October 19, 2011.

The project, the acquisition of a proton beam radiation therapy unit, was originally approved on November 3, 2010 at an estimated cost of \$40,000,000.

The Council, after reading the extension request and hearing comments by staff, voted 5-0 to Grant an Extension of Certificate of Need per Iowa Administrative Code 641—202.13. The decision is based upon the finding that adequate progress is being made.

The extension is valid for one year from the date of these findings.

Dated this 15<sup>th</sup> day of December 2011

  
\_\_\_\_\_  
William Thatcher, Chairperson  
State Health Facilities Council  
Iowa Department of Public Health

cc: Health Facilities Council  
Department of Inspections & Appeals, Health Facilities Division

**IOWA DEPARTMENT OF PUBLIC HEALTH  
STATE HEALTH FACILITIES COUNCIL**

IN THE MATTER OF THE )  
CERTIFICATE OF NEED EXTENSION FOR )  
 )  
WILLIAMSBURG RETIREMENT COMMUNITY, INC. )  
 )  
WILLIAMSBURG, IOWA )

**DECISION**

This matter came before the State Health Facilities Council for review on Wednesday, October 19, 2011.

The project, the addition of 15 nursing facility beds, was originally approved on November 3, 2010 at an estimated cost of \$1,882,504.

The Council, after reading the extension request and hearing comments by staff, voted 5-0 to Grant an Extension of Certificate of Need per Iowa Administrative Code 641—202.13. The decision is based upon the finding that adequate progress is being made.

The extension is valid for one year from the date of these findings.

Dated this 15<sup>th</sup> day of December 2011

  
\_\_\_\_\_  
William Thatcher, Chairperson  
State Health Facilities Council  
Iowa Department of Public Health

cc: Health Facilities Council  
Department of Inspections & Appeals, Health Facilities Division