

**MINUTES**  
**STATE HEALTH FACILITIES COUNCIL**  
**TUESDAY, FEBRUARY 21, 2017**  
**LOCATION: IOWA LABORATORY FACILITY, CONFERENCE CENTER, ROOM 208**  
**DMACC CAMPUS, ANKENY**

**9:00 AM: ROLL CALL**

**MEMBERS PRESENT:** Bob Lundin, Chairperson; Roberta Chambers; Brenda Perrin; Connie Schmett; and Roger Thomas

**STAFF PRESENT:** Becky Swift and Heather Adams, Counsel for the State

**I. PROJECT REVIEW**

1. University of Iowa Hospitals and Clinics, Iowa City, Johnson County: Purchase of a second bi-plane angiography system -  
\$3,666,000

Staff report by Becky Swift. The applicant was represented by Tessa Quintero and Colin Deryn M.D., University of Iowa Hospitals and Clinics. John Staley, University of Iowa Hospitals and Clinics, signed in but did not speak. The applicant made a presentation and answered questions posed by the council.

No affected parties appeared at the hearing.

A motion by Perrin, seconded by Schmett, to grant a Certificate of Need carried 5-0.

2. Northern Mahaska Specialty Care, Oskaloosa, Mahaska County: Addition of 16 nursing facility beds-  
\$2,900,000

Staff report by Becky Swift. The applicant was represented by Ed McIntosh, Dorsey & Whitney, Tabitha Tjaden, and Lesley Clark, Northern Mahaska Specialty Care. The applicant made a presentation and answered questions posed by the council. A motion by Schmett, seconded by Perrin to enter exhibits presented in support of oral testimony into the record carried unanimously by voice vote.

Affected parties in opposition include Ken Carlson, Oskaloosa Care Center.

A motion by Chambers, seconded by Schmett to grant a Certificate of Need carried 4-1. Thomas voted no.

3. Prairie Crossing of Winterset, LLC, Winterset, Madison County: Build a 40-bed nursing facility -  
\$8,178,892

Staff report by Becky Swift. The applicant was represented by Doug Gross, Brown Winick Law; Linda Juckette, Capstone Management; Vicki Irvin, Capstone Management and Sarah Nigg, Connect Home Care; and Tom Leners, Madison County Development Group. The applicant made a

presentation and answered questions posed by the council. A motion by Perrin, seconded by Chambers to enter exhibits presented in support of oral testimony into the record carried unanimously by voice vote.

Affected parties in support of the application included Margo Mallgren and Jean Saf.

Affected parties in opposition included Jerry Voyna, QHC Management, LLC.

A motion by Schmett, seconded by Perrin to grant a Certificate of Need carried 5-0.

4. Handicapped Development Center, Davenport, Scott County: Add six ICF/ID licensed beds - \$0

Staff report by Becky Swift. The applicant was represented by Jeff Ashcraft and Linda Gill, Handicapped Development Center. 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 Thomas to grant a Certificate of Need carried 5-0

5. Cottage Grove Place, Cedar Rapids, Linn County: Addition of 12 skilled nursing beds- \$4,375,000

Staff report by Becky Swift. The applicant was represented by Bill Boyd, Nyemaster Goode; Mark Bailey, Cottage Grove Place; and Jack Topp, OPN Architects. Abby Bruce and Greg Olbekson, Cottage Grove Place, signed in but did not speak. The applicant gave a presentation and answered questions posed by the council. A motion by Perrin, seconded by Schmett to enter exhibits presented in support of oral testimony into the record carried unanimously by voice vote.

No affected parties appeared at the hearing.

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

## **II. EXTENSIONS OF PREVIOUSLY APPROVED PROJECTS**

1. Mercy Sioux City, Woodbury County: Convert 20 medical/surgical beds to skilled nursing – \$619,795

Staff report by Becky Swift. The applicant was represented by Alissa Smith, Dorsey & Whitney and Christina Serverson, Mercy Sioux City. A motion by Perrin, seconded by Schmett, to grant a 12-month extension carried 5-0.

2. WesleyLife, Johnston, Polk County: Build a 36-bed nursing facility – \$6,332,791

Staff report by Becky Swift. A motion by Schmett, seconded by Thomas, to grant a 2-month extension, with the submission of a thorough progress report, carried 5-0.

3. CCRC of West Des Moines, Dallas County: Build a 40-bed nursing facility --\$4,923,000

Staff report by Becky Swift. The applicant was represented by Catherine Cownie, Brown Winick Law. A motion by Chambers, seconded by Perrin, to grant a 2-month extension, with the submission of a thorough progress report, carried 5-0.

4. Grand Care LLC, d/b/a Riverside North, Ames, Story County: Build a 40-bed skilled nursing facility addition – \$2,280,048

Staff report by Becky Swift. A motion by Chambers, seconded by Schmett to grant a three-month extension carried 5-0.

5. The Views, CCRC of Marion, Linn County: Build a 40-bed skilled nursing facility -- \$6,440,000.

Staff report by Becky Swift. The applicant was represented by Alissa Smith, Dorsey & Whitney. A motion by Thomas, seconded by Chambers, to grant a 12-month extension carried 5-0.

6. Vintage Living LLC, d/b/a The Gardens of Cedar Rapids, Linn County: Build a 40-bed skilled nursing facility – \$6,000,000

Staff report by Becky Swift. The applicant was represented by Catherine Cownie, Brown Winick Law. A motion by Chambers, seconded by Schmett to grant a 12-month extension carried 5-0

### **III. APPROVE MINUTES OF PREVIOUS MEETING (January 25, 2017)**

Discussion arose regarding punctuation in the minutes. Schmett asked that periods be removed from the list of staff and others present. A motion by Schmett, seconded by Thomas, to approve the minutes of January 25, 2017, as amended passed unanimously by voice vote.

A motion by Thomas, seconded by Chambers, to adjourn passed unanimously by voice vote.

The meeting was adjourned at 3:10 PM.



patients cared for within the UIHC and through its outreach programs; 2) serving as the primary clinical teaching site for the university; and, 3) providing a base for innovative research to improve health care.

4. UIHC provides services throughout all 99 counties of Iowa as well as other states and foreign countries. The target population is residents of all 99 counties in Iowa, with 7.6% of those patients traveling over 120 miles for care at UIHC.
5. UIHC has a long standing policy of meeting the needs of the medically underserved without regard to their age, sex, racial, ethnic, physical, domiciliary or financial characteristics.
6. In the most recently completed fiscal year, UIHC provided over \$25 million in uncompensated care to patients who were unable to pay for their health care.
7. Twenty percent of the total patients served by UIHC are covered by Medicaid.
8. UIHC proposes to add a second interventional neuroradiology (INR) unit through the purchase of a bi-plane angiography system. The location of the new INR unit would be within the existing Radiology Procedure suite, making it possible to consolidate ambulatory imaging procedures a central location.
9. The Siemens Artis Q biplane system has been selected for purchase because it is optimal for conducting minimally-invasive procedures that diagnose and treat cerebrovascular disorders involving the head, neck, spine, and spinal cord, including brain aneurysms and stroke.
10. Patient benefit when they are evaluated and treated at a comprehensive stroke center, of which UIHC is the only hospital in Iowa with this designation.
11. INR is a critical part of a comprehensive stroke center and requires the use of a biplane angiography system to guide various types of intravascular catheters while studying blood vessels in the brain and spinal cord. The Joint Commission's Comprehensive Stroke Center designation requires 24/7 access to INR capabilities.
12. In calendar years 2014 and 2015, UIHC provided 677 and 761 outpatient INR procedures respectively.
13. Between FY 2013 and FY 2016, the volume of inpatient procedures increased from 588 to 747.
14. UIHC is the only institution in Iowa that provides comprehensive INR services that uses the biplane angiography system. The biplane angiography system will be purchased at a cost of \$1.92 million. The estimated useful life of the system ranges between 7-10 years.

15. The existing INR resource at the hospital is being strained due to it being the only one of its kind in the state. The current unit is regularly scheduled 14 hours per day and is no longer capable of handling the current level of patient procedures. This has caused some patients to be referred to centers outside the state.
16. UIHC provides critical support to overstretched private practice neurosurgeons throughout the state and neurosurgeons in the community refer more patients to neurosurgery services than any other practitioners in the state.
17. UIHC has transfer agreement with nearly every hospital in the state and have entered into agreements with most managed care programs to assure that Iowans affiliated with those programs may be referred to UIHC when necessary.
18. New techniques have increase the volume of patients requiring less acute INR procedures, which can be provided in an ambulatory procedure setting. The planned ambulatory procedure suite-based INR system will address multiple critical needs, including additional capacity and meeting the needs of older people who are more likely to have conditions needing INR treatment.
19. The addition of a second INR suite will allow scheduled patients to be treated in a timelier manner and enhance the management of emergency cases.
20. The new INR resources will also be used in the capacities of health education and clinical research.
21. The new INR suite will be a dedicated neuroendovascular angiographic unit and its use will be limited to image-guided neurological interventions. The physicians that will use this equipment have undergone extensive training in these INR procedures and the care of patients with cerebrovascular disease.
22. There are six physicians that make up the neuroendovascular team, all of whom have completed dedicated fellowship training in INR.
23. UIHC will add two RN's, four Imaging Techs, one Nursing Assistant, and one Nurse Coordinator to staff the new INR unit.
24. Construction includes relocating a conference space from within the Department of Radiology to adjacent shell space and then constructing an imaging room to accommodate the proposed angiography unit and adjoining control room.
25. The cost of construction is estimated to be \$800,000. Also anticipated is a cost of \$940,000 in fees, furnishing costs and related facility equipment. Total cost of the project, including \$1.92 million for the angiography system, is estimated to be \$3,666,000.
26. The applicant has \$3,666,000 cash on hand for the project.

27. The applicant does not project an operating deficit.
28. There were no letters of support or opposition received.
29. Iowa Code section 135.64(3) states “In the evaluation of applications for certificates of need submitted the university of Iowa hospitals and clinics, the unique features of that institution relating to statewide tertiary health care, health science education, and clinical research shall be given due consideration. Further, in administering this division, the unique capacity of university hospitals for the evaluation of technologically innovative equipment and other new health services shall be utilized.”

### CONCLUSIONS OF LAW

In determining whether to issue a certificate of need, the Council considered 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 current INR unit at the UIHC is being used to its maximum capacity and that another unit is needed to allow scheduled patients to be treated in a timelier manner and to enhance the management of emergency cases. The Council further concludes that the UIHC is the only comprehensive stroke center in Iowa, and per the Joint Commission the UIHC must be able to provide 24/7 access to INR services using the biplane angiography system. 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 being and will continue to be used in an appropriate and efficient manner and will not be impacted by this project. The Council concludes that no other hospitals in Iowa offer the INR services provided by the UIHC and that the addition of the second INR unit will not have a negative impact on existing facilities. The Council notes that the UIHC has transfer agreements with all hospitals in the state and that they have entered into agreements with most managed care programs to assure that Iowans affiliated with those programs may be referred to UIHC when necessary. The Council further notes that no letters of opposition were received from area hospitals. Iowa Code Sections 135.64(1) and 135.64(2)b.

3. The Council concludes that the project does not involve new construction. Iowa Code Sections 135.64(1) and 135.64(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 notes that the current INR system at UIHC is used up to 14 hours per day and that it is no longer capable of meeting the needs of patients. The Council concludes that the addition of a second INR unit including the purchase of the biplane angiography system will improve patient access and care at the UIHC, without which patients may be forced to seek treatment out of state. 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) (2015), led the Council to find that a Certificate of Need should be awarded.

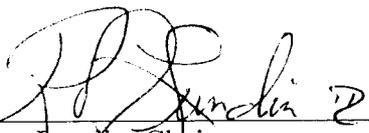
The decision of the Council may be appealed pursuant to Iowa Code Section 135.70 (2015).

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 31<sup>st</sup> day of March 2017



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Robert Lundin, 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 APPLICATION OF )  
 )  
NORTHERN MAHASKA SPECIALTY CARE ) **DECISION**  
 )  
OSKALOOSA, IOWA )

This matter came before the State Health Facilities Council for hearing on Tuesday, February 21, 2017.

The application proposes the addition of sixteen nursing facility beds at an estimated cost of \$2,900,000.

Northern Mahaska Specialty Care applied through the Iowa Department of Public Health for a Certificate of Need.

The record includes the application prepared by the project sponsor and written analysis prepared by Iowa Department of Public Health staff and all the testimony and exhibits presented at the hearing. Becky Swift of the Iowa Department of Public Health summarized the project in relation to review criteria. Ed McIntosh of Dorsey & Whitney; and Tabitha Tjaden, and Lesley Clark, Northern Mahaska Specialty Care, were present representing the applicant. The applicant made a presentation and answered questions.

Affected party in opposition, Ken Carlson, representing Oskaloosa Care Center, appeared at the hearing.

The Council, after hearing the above-mentioned testimony and after reading the record, voted 4-1 to grant a Certificate of Need. As a basis for their decision the Council, considering all the criteria set forth pursuant to Iowa Code Section 135.64 (1 and 2) (2015) made the following findings of fact and conclusions of law:

**FINDINGS OF FACT**

1. Northern Mahaska Specialty Care (“Northern Mahaska”) is a 63-bed skilled nursing facility that has been operating in Oskaloosa, Iowa for over forty years. It is part of Care Initiatives, a not-for-profit skilled nursing and long term care provider in Iowa.
2. The proposal calls for an expansion of two existing residential wings to accommodate a total of 16 new beds. Northern Mahaska notes that the project will increase the licensed capacity of the facility from 63 to 79 beds, which will be in 41 private rooms and 19 semi-private rooms.

3. Northern Mahaska’s existing census is 42% Medicaid residents and they expect this trend to continue in the expanded center. The facility is certified for both Medicaid and Medicare.
4. Northern Mahaska does not deny admission based on ability to pay, race, sex, age or other status; discharge a resident due to inability to pay; or deny services, therapy, equipment or drugs based on ability to pay.
5. The primary service area for this project is Mahaska County, the current service area. Northern Mahaska stated in their application that while they draw a few residents from surrounding counties, they believe their primary service area will not change.
6. The target population includes persons currently residing in their own homes, with or without supportive services; those living in assisted living facilities and retirement communities; and individuals referred by hospital discharge planners.
7. The additional bed capacity will improve convenience and accessibility of health care services for persons in Mahaska County, a rural county.
8. Northern Mahaska has long established patterns of community cooperation and sharing of services with providers, including hospice, Mahaska Health Partnership, Pella Community Hospital, Mercy Des Moines, and Iowa Methodist.
9. Northern Mahaska has had to turn down admissions due to a lack of beds. They have a waiting list of approximately 80 individuals who have expressed either an immediate need or an interest in admission.
10. The calculated bed need formula indicates a current underbuild in three of the six contiguous counties. The underbuild for Mahaska County is 65 beds. Overall the seven-county area, as calculated by the bed need formula, is underbuilt by 535 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 2022 Population Age 65+</b>	<b># of NF Beds needed per bed need formula</b>	<b># of licensed &amp; approved NF Beds as of Feb 2017</b>	<b>Difference – Formula vs. Licensed &amp; Approved*</b>
Mahaska	4,300	303	238 <sup>1</sup>	-65
Jasper	7,461	524	355	-169
Keokuk	2,304	160	160	0
Marion	6,363	450	306	-144
Monroe	1,620	113	147	+34
Poweshiek	4,363	304	307	+3
Wapello	6,653	470	276	-194
<b>Totals</b>	<b>33,064</b>	<b>2,324</b>	<b>1,789</b>	<b>-535</b>

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

11. Over the span of the last three years, the total number of beds in the seven-county area has decreased by 14 beds. There has been no increase in beds in the past three years for Mahaska County. See the following table for additional detail.

**Nursing Facility Beds by County  
Difference in Number Between February 2014 and February 2017**

<i>County</i>	<b># of NF Beds (facilities) Feb 2014</b>	<b># of NF Beds (facilities) Feb 2017</b>	<b>Difference in # of NF Beds</b>
Mahaska	210 (3)	210 (3)	0
Jasper	361 (6)	355 (7)	-6
Keokuk	168 (3)	160 (3)	-8
Marion	306 (5)	306 (5)	0
Monroe	147 (2)	147 (2)	0
Poweshiek	307 (5)	307 (5)	0
Wapello	276 (3)	276 (3)	0
<b>Totals</b>	<b>1,775 (27)</b>	<b>1,761 (28)</b>	<b>-14</b>

12. There are currently 1,789 licensed and approved nursing facility beds in the seven counties with 132 licensed beds (7.4% of all beds) in dedicated CCDI units. There are no SNF/NF beds in hospital-based settings.
13. There are three freestanding nursing facilities in Mahaska County, ranging in occupancy from 96% to 86% (91% overall). Below are the results of a phone survey conducted in February 2017 of facilities in the seven-county area. The six contiguous counties report occupancies ranging from 65% to 89%. In the phone survey there were several facilities in the contiguous counties with low daily census. Reasons for low census numbers include using double rooms as single, residents going home, deaths, not getting referrals, and, in one case, remodeling and not accepting new residents until the remodel is complete.

**Phone Survey of Nursing Facilities Located in Mahaska County  
& Counties Contiguous to Mahaska County  
Conducted February 2017**

<b>Facility &amp; Phone by County</b>	<b>Licensed Beds</b>	<b>Current Occupancy</b>	<b>Percent Occupied</b>
<b>MAHASKA COUNTY</b>			
Crystal Heights Care Center	78	71	91%

Northern Mahaska Specialty Care	63	54	86%
Oskaloosa Care Center	69	66	96%
<b>TOTALS</b>	<b>210</b>	<b>191</b>	<b>91%</b>
<b>JASPER COUNTY</b>			
Accura Healthcare of Baxter	44	32	73%
Accura Healthcare of Newton East	62	44	71%
Accura Healthcare of Newton West	53	41	77%
Nelson Manor	36	31	86%
Newton Healthcare Center	70	65	93%
Newton Village Health Care Center	24	23	96%
Wesley Park Centre	66	66	100%
<b>TOTALS</b>	<b>355</b>	<b>302</b>	<b>85%</b>
<b>KEOKUK COUNTY</b>			
Keota Health Care Center	42	20	48%
Manor House Care Center	72	47	65%
Sigourney Health Care	46	37	80%
<b>TOTALS</b>	<b>160</b>	<b>104</b>	<b>65%</b>
<b>MARION COUNTY</b>			
Accura Healthcare of Knoxville	75	51	68%
Accura Healthcare of Pleasantville	53	41	77%
Jefferson Place	36	32	89%
The Cottages	64	64	100%
West Ridge Specialty Care	78	70	90%
<b>TOTALS</b>	<b>306</b>	<b>258</b>	<b>75%</b>
<b>MONROE COUNTY</b>			
Monroe Care Center	60	53	88%
Oakwood Specialty Care	87	51	59%
<b>TOTALS</b>	<b>147</b>	<b>104</b>	<b>71%</b>
<b>POWESHIEK COUNTY</b>			
Brooklyn Community Estates	60	43	72%
Mayflower Home	60	42	70%
Montezuma Specialty Care	49	37	76%
St. Francis Manor	78	63	81%
Tru Rehab of Grinnell	60	24	40%
<b>TOTALS</b>	<b>307</b>	<b>209</b>	<b>68%</b>
<b>WAPELLO COUNTY</b>			
Good Samaritan Society – Ottumwa	146	136	93%
Ridgewood Specialty Care	70	58	83%
Vista Woods Care Center	60	52	87%
<b>TOTALS</b>	<b>276</b>	<b>246</b>	<b>89%</b>

14. Northern Mahaska currently has 41.1 FTE's and will need 52.8 FTE's as a result of the project. Northern Mahaska will add staff in the areas of nursing (10.8 FTE's), maintenance (.5 FTE) and activities (.4 FTE).

15. Northern Mahaska will add approximately 7,200 square feet, 3,800 of which will make up the new resident rooms, to the existing 32,494 square foot facility. Northern Mahaska notes \$160,000 in site costs, \$2,610,000 in facility costs, and \$130,000 in movable equipment for a total of \$2,900,000. They indicate a turn-key cost of \$181,250.
16. Northern Mahaska has cash on hand for the project and expects no operating deficit.
17. There were two letters of support for this project, both from health care providers who cited the increased difficulty finding placement for discharged patients who are in need of long term or skilled care in the county, a high percentage of elderly residents, and the growing need for long term and skilled care in the area as reasons for their support.
18. There was one letter of opposition and testimony at the hearing received from Ken Carlson of Oskaloosa Care Center citing the need to take into consideration the 28 new nursing facility beds that have been approved, but not yet opened, in Mahaska County.

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 Northern Mahaska Specialty Care has a high occupancy rate (86%) and that they have a substantial waiting list. The Council also noted that the two other facilities in the community have high occupancy rates and the overall county occupancy rate is 91%. In addition, the Council notes that 42% of the current residents at Northern Mahaska Specialty Care are Medicaid recipients and that the facility does not deny residents based on payer source. The Council concludes that the proposal is an appropriate option to accommodate

admissions for those within the community who need skilled nursing care. 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 and will continue to be used in an appropriate and efficient manner and will not be impacted by this project. The bed need formula indicates the underbuild for Mahaska County is 65 beds; while the seven-county region is underbuilt by 535 beds. The phone survey conducted by Department staff indicates an average occupancy of 91% for the three free standing nursing facilities in Mahaska County. The Council has previously concluded that occupancy rates of over 85% indicate appropriate and efficient utilization of existing nursing facilities. The Council concludes that Northern Mahaska Specialty Care has a current occupancy of 86% and a long waiting list, and that the addition of 16 beds will have minimal impact on the appropriate and efficient use of other nursing facilities. Iowa Code Sections 135.64(1) and 135.64(2)b.

3. The Council concludes that the proposed project involves the addition of approximately 7,200 square feet, 3,800 square feet of which will make up the new resident rooms. The Council takes note that the applicant operates near capacity. The Council concludes that alternatives including modernization and sharing arrangements have been considered and implemented to the maximum extent practicable. Iowa Code Sections 135.64(1) and 135.64(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 Northern Mahaska Specialty Care has high occupancy with a long waiting list. The Council concludes that the high occupancy at Northern Mahaska, coupled with their long waiting list, and the high occupancies of the other nursing facilities in the primary service area demonstrate that patients will experience serious problems in obtaining care absent the proposed additional beds even in light of approved beds within the county that are not yet operational. 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) (2015), 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 (2015).

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 31<sup>st</sup> day of March 2017

  
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Robert Lundin, 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 APPLICATION OF )  
 )  
PRAIRIE CROSSING OF WINTERSET, LLC ) **DECISION**  
 )  
WINTERSET, IOWA )

This matter came before the State Health Facilities Council for hearing on Tuesday, February 21, 2017.

The application proposes the construction of a 40-bed nursing facility at an estimated cost of \$8,178,892.

Prairie Crossing of Winterset, LLC applied through the Iowa Department of Public Health for a Certificate of Need.

The record includes the application prepared by the project sponsor and written analysis prepared by Iowa Department of Public Health staff and all the testimony and exhibits presented at the hearing. Becky Swift of the Iowa Department of Public Health summarized the project in relation to review criteria. Doug Gross, Brown Winick Law; Linda Juckette and Vicki Irvin, Capstone Management; Sarah Nigg, Connect Home Care; and Tom Leners, Madison County Development Group were present representing the applicant. The applicant made a presentation and answered questions.

Affected parties in support of the application included Margo Mallgren and Jean Saf.

Affected party in opposition, Jerry Voyna, QHC Management, LLC, appeared at the hearing.

The Council, after hearing the above-mentioned testimony and after reading the record, voted 5-0 to grant a Certificate of Need. As a basis for their decision the Council, considering all the criteria set forth pursuant to Iowa Code Section 135.64 (1 and 2) (2015) made the following findings of fact and conclusions of law:

**FINDINGS OF FACT**

1. Prairie Crossing of Winterset, LLC (“Prairie Crossing”), will be a 40 bed new facility, built in northwest Winterset, Madison County, designed around a resident-centered care model, which will provide state of the art services and modern amenities to Madison County and the surrounding rural communities.
2. A resident centered model is one in which each resident is actively involved in his or her daily care and has the autonomy to determine how he or she wishes to spend each day. This

allows residents retain a high degree of independence while being provided the nursing care they require on a daily basis. The applicant notes that this is the modern standard of care.

3. Prairie Crossing will provide post-acute, Medicaid and long-term care primarily to persons 65 and older. They also state that all 40 beds will be dually certified for Medicare and Medicaid, with 30 private and five semi-private rooms.
4. Prairie Crossing will provide family centered care to all persons regardless of age, sex, race or color, creed, religion, ancestry, national origin, or disability.
5. According to the applicant, the 75+ population in rural Iowa is growing. Woods and Poole economic data indicates that the population of persons aged 75+ in Madison County has increased more than 10% over the past ten years. Woods and Poole projects that the population of persons aged 75+ will increase almost 35% in the next ten years, from 1,169 in 2016 to a projected 1,572 in 2026.
6. Woods and Poole also projects the population of persons 65-74 in Madison County will increase by over 40% in the next ten years. Prairie Crossing indicated that they would serve a limited number of persons in this age group.
7. A lack of beds in facilities with modern amenities in the area is causing older adults to leave the community to obtain skilled nursing care. The applicant indicates that half of Winterset residents currently leave the community for nursing facility care. Residents of the community report a shortage of updated programs and modern physical conditions.
8. A group of individuals from Madison County reached out to Capstone Management, the owners of Prairie Crossing and other properties in the Midwest, asking if they would bring a quality long-term care facility to the community. The owners met with a group of community members to discuss facility needs and opportunities. From the community member's perspective, many people were going outside the community for quality nursing care. Capstone Management also reached out to local business leaders, city officials and other area residents where they heard similar feedback.
9. The primary service area for this project is Madison County, with Dallas, Guthrie and Warren Counties as the secondary service area.
10. The target population are persons who would qualify for nursing facility level of care, including persons requiring skilled care following acute hospitalization.
11. The calculated bed need formula from February 2017 indicates a current underbuild in six of the seven contiguous counties. The underbuild for Madison County is 47 beds. Overall the eight-county area, as calculated by the bed need formula, is underbuilt by 1,247 beds. See the following table for additional bed information.

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

County	Projected 2022 Population Age 65+	# of NF Beds needed per bed need formula	# of licensed & approved NF Beds as of Feb. 2017	Difference – Formula vs. Licensed & Approved*
Madison	3,365	237	190	-47
Adair	1,725	120	169	+49
Clarke	1,894	133	90	-43
Dallas	9,196	544	529 <sup>1</sup>	-15
Guthrie	2,625	182	155	-27
Polk	60,133	3,527	2,423 <sup>2</sup>	-1,104
Union	2,626	184	151	-33
Warren	9,749	548	521	-27
<b>Totals</b>	<b>91,313</b>	<b>5,475</b>	<b>4,228</b>	<b>-1,247</b>

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

<sup>1</sup> Approved February 2016: 40 beds at CCRC of West Des Moines (Dallas County) which are included in this count;

<sup>2</sup> Approved February 2016: 36 beds at WesleyLife in Johnston; Approved October 2016: 60 beds at PHS Walnut Ridge in Johnston which are included in this count.

12. Over the span of the last three years, the total number of beds in the eight-county area has increased by 61 beds. There has been no change in the past three years for Madison County. See the following table for additional detail.

**Nursing Facility Beds by County**  
**Difference in Number Between February 2014 and 2017**

County	# of NF Beds as of Feb 2014	# of NF Beds as of Feb 2017	Difference in # of NF Beds
Madison	190	190	0
Adair	169	169	0
Clarke	90	90	0
Dallas	498	489	-9
Guthrie	155	155	0
Polk	2,257	2,327	+70
Union	151	151	0
Warren	521	521	0
<b>Totals</b>	<b>4,031</b>	<b>4,092</b>	<b>+61</b>

13. There are currently 4, 228 licensed and approved nursing facility beds in the eight counties; 479 of these licensed and approved beds (11.3% of all beds) are in dedicated CCDI units. Additionally, there are 16 SNF/NF beds in hospital-based settings.
14. In evaluation of the need, Prairie Crossing considered independent and assisted living, but determined that the greatest need was a quality physical facility with modern amenities that will meet the health care needs of the frail elderly in most need of assistance.

15. There are three freestanding nursing facilities in Madison County, ranging in occupancy from 60%-94% (74% overall). Both QHC Winterset Care Center North and South reported low census numbers (63% and 60% respectively), and cited recent deaths, the closing off of one hall at Winterset North, staffing issues at both facilities which reduced admissions and competition in the area as issues. They also noted that they were maintaining lower numbers (roughly 50 at North and 28-30 at South), which made their overall census lower. The seven contiguous counties report occupancies ranging from 67% to 99%. In the phone survey conducted in February there were several facilities in the secondary service area with low daily census numbers. Reasons cited include low numbers as typical, sale of a facility to new owners, deaths, semi-private rooms being used as private, a wing not being used and a relatively recently opened facility (September 2016).

**Phone Survey of Nursing Facilities Located in Madison County  
& Counties Contiguous to Madison County  
Conducted February 2017**

Facility by County	Licensed Beds	Current Occupancy	Percent Occupied
<b>MADISON COUNTY</b>			
QHC Winterset Care Center North	75	47	63%
QHC Winterset Care Center South	45	27	60%
West Bridge Care & Rehabilitation	70	66	94%
<b>TOTALS</b>	<b>190</b>	<b>140</b>	<b>74%</b>
<b>ADAIR COUNTY</b>			
Community Care Center	77	59	77%
Good Samaritan Society Fontanelle	46	40	87%
Greenfield Rehab & Health Care Ctr	46	42	91%
<b>TOTALS</b>	<b>169</b>	<b>141</b>	<b>83%</b>
<b>CLARKE COUNTY</b>			
Southern Hills Specialty Care	90	89	99%
<b>TOTALS</b>	<b>90</b>	<b>89</b>	<b>99%</b>
<b>DALLAS COUNTY</b>			
Adel Acres	50	42	84%
Arbor Springs of WDM	56	54	96%
Edgewater	40	35	86%
Granger Nursing & Rehab Center	67	48	72%
Perry Health Care Center	46	15	33%
Perry Lutheran Home	70	66	94%
Rowley Memorial Masonic Home	57	53	93%
Spurgeon Manor	55	48	87%
The Village at Legacy Pointe	48	44	92%
<b>TOTALS</b>	<b>489</b>	<b>433</b>	<b>89%</b>
<b>GUTHRIE COUNTY</b>			
Panora Specialty Care	91	43	47%
The New Homestead Care Center	64	61	95%

<b>TOTALS</b>	<b>155</b>	<b>104</b>	<b>67%</b>
<b>POLK COUNTY</b>			
Altoona Nursing and Rehab	106	91	86%
Bishop Drumm Care Center	150	125	83%
Calvin Community	59	52	88%
Deerfield Retirement Community *	30		
Fleur Heights Ctr for Wellness & Rehab	120	88	73%
Fountain West Health Center	140	89	64%
Genesis Senior Living Center	80	61	76%
Iowa Jewish Senior Life Center	72	52	72%
Iowa Lutheran Hospital SNF	16	12	75%
Karen Acres Healthcare Center	38	30	80%
Kennybrook Village	40	35	86%
Manorcare Health Services of WDM	120	95	79%
Mill Pond Retirement Community	60	53	88%
Parkridge Specialty Care	90	90	100%
Polk City Nursing and Rehab	68	57	84%
Prairie Vista Village	38	34	89%
QHC Mitchellville, LLC	65	50	77%
Ramsey Village	78	58	74%
Scottish Rite Park Health Care Ctr.	51	30	59%
Sunny View Care Center	94	88	94%
The Bridges at Ankeny	70	36	51%
The Rehabilitation Ctr. Of Des Moines	74	57	77%
Trinity Center at Luther Park	120	110	92%
Union Park Health Services	81	60	74%
University Park Nursing & Rehab Ctr.	108	96	89%
Urbandale Health Care Center	130	97	75%
Valley View Village	79	70	89%
Wesley Acres	80	73	91%
<b>TOTALS</b>	<b>2,227</b>	<b>1,789</b>	<b>80%</b>
<b>UNION COUNTY</b>			
Afton Care Center	43	30	70%
Crest Haven Care Centre	34	28	82%
Creston Specialty Care	74	57	77%
<b>TOTALS</b>	<b>151</b>	<b>115</b>	<b>76%</b>
<b>WARREN COUNTY</b>			
Carlisle Center for Wellness & Rehab	101	87	86%
Good Samaritan Society –Indianola	131	97	74%
Norwalk Nursing & Rehab Center	51	36	71%
Regency Care Center	101	70	69%
The Village	54	52	96%
Westview of Indianola Care Center	83	69	83%
<b>TOTALS</b>	<b>521</b>	<b>411</b>	<b>79%</b>

\*Deerfield Retirement Community did not return phone calls for census information. Their licensed beds were, therefore, are not included in the totals.

16. There were twelve letters of support for this proposal (one signed by 21 individuals). These letters cited lack of modern, well maintained facilities in the County; current facilities not being handicapped accessible; residents wanting private rooms; families of seniors not being satisfied with staff ratios; the physical deterioration of existing buildings; and residents leaving Madison County to find a modern care facility as reasons for their support of the Prairie Crossing application.
17. There were two letters of opposition received. One from the owners of QHC Management, which owns QHC Winterset Care Center North and QHC Winterset Care Center South, two of the three existing nursing facilities in Madison County; and one from the Director of Greenfield Rehabilitation and Health Care Center in Greenfield (Adair County). These letters cite low census numbers as a reason for their opposition. One letter also cited staffing shortages. QHC also appeared as an affected party in opposition to the project and offered testimony consistent with the letters of opposition.
18. Prairie Crossing notes the need for 32-33 FTE staff for this project, including 2.5 administrative positions, 19.2 nursing, 5 dietary, 1.5 housekeeping, 1 laundry, 1 maintenance, and 2 activities.
19. Prairie Crossing has begun to reach out to Mercy Hospital ACO, UnityPoint ACO, Madison County Hospital, and community services on how they can best partner to meet the needs of the community they'll serve.
20. The total facility costs are \$6,251,600 plus \$1,146,000 in movable equipment for a turn-key cost of \$204,472. Prairie Crossing also notes \$106,900 in financing costs.
21. The applicant state that they have \$2,066,892 cash on hand and that they will borrow \$6,112,000. Included in the application was a letter from Great Western Bank indicating intentions to provide the financing.
22. Prairie Crossing does not expect an operating deficit after year two.

## 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 Prairie Crossing of Winterset, LLC, took into consideration building an independent or assisted living facility but determined that the greatest need was a quality nursing facility with modern amenities that will meet the health care needs of the frail elderly in most need of assistance. The Council also notes that community members expressed a need for an up-to-date facility and stated that the current facilities are not adequate to meet the needs of the community. The Council finds that current facilities within the county with low occupancies are not more appropriate alternatives in light of the issues at those facilities expressed by the many letters of support for the project received by the Council and other testimony offered at hearing. The Council concludes that the proposal is an appropriate option to accommodate admissions for those within the community who need skilled nursing care. 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 being used in an appropriate and efficient manner. The bed need formula indicates Madison County is underbuilt by 47 beds; while the eight-county region is underbuilt by 1,247 beds. The proposed 40 bed project falls within the 47 beds needed for the County. The phone survey conducted by Department staff indicates a county wide occupancy of approximately 74% for the free standing nursing facilities in Madison County, with two facilities experiencing occupancy rates of approximately 60 % and one facility experiencing 94 % occupancy. The Council has previously concluded that occupancy rates of over 85% indicate appropriate and efficient utilization of existing nursing facilities. The Council notes that one of the three facilities in the county is well over the 85 % occupancy threshold, and that the other two facilities are maintaining lower numbers which lowers their overall census and that other issues with the physical facilities and staffing have impacted occupancy rates. The Council notes that there was strong community support for the new facility. The Council further notes that community members indicate the county lacks appropriate modern, well maintained facilities; current facilities are not handicapped accessible; families of seniors are not satisfied with staff ratios; physical deterioration of existing buildings in the area; and residents leave Madison County to find a modern care facility. The Council, therefore, concludes that the facility in the county providing health services similar to those proposed by the applicant is being used in an appropriate and efficient manner and that the other facilities within the county have experienced significant issues with the provision of nursing facility services and the utilization by residents

within the county appropriately reflects those issues. Iowa Code Sections 135.64(1) and 135.64(2)b.

3. The Council concludes that the proposed project involves construction of new, 32,625 square foot resident centered facility. The Council concludes that alternatives including modernization and sharing arrangements have been considered and implemented to the maximum extent practicable. Iowa Code Sections 135.64(1) and 135.64(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 Prairie Crossing of Winterset LLC, will be a modern facility built around a resident centered care model, which will provide state-of-the-art services and amenities to seniors over the age of 65 in Madison County and the surrounding rural communities. The Council further notes that Prairie Crossing will be the only facility in Madison County providing these services, and that residents of the area are currently leaving the community to find these services. The Council finds the significant growth in population in the County at the same time that the number of nursing facility beds in the county has remained stagnant further indicates patients will experience problems obtaining nursing facility care. The Council concludes that the absence of modern facilities in the area and the out migration of a significant number of county residents to other areas to receive nursing care demonstrate that patients will experience serious problems in obtaining care absent the proposed facility. 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) (2015), led the Council to find that a Certificate of Need should be awarded.

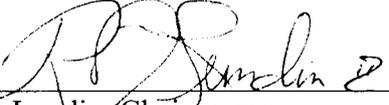
The decision of the Council may be appealed pursuant to Iowa Code Section 135.70 (2015).

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 31<sup>st</sup> day of March 2017

  
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Robert Lundin, 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 APPLICATION OF )  
 )  
HANDICAPPED DEVELOPMENT CENTER - ) **DECISION**  
RESIDENTIAL CENTER )  
 )  
DAVENPORT, IOWA )

This matter came before the State Health Facilities Council for hearing on Tuesday, February 21, 2017.

The applicant proposes to increase their Intermediate Care Facility for the Intellectually Disabled licensed beds from 54 to 60. There is no cost for this project.

Handicapped Development Center – Residential Center (“Handicapped Development Center”) applied through the Iowa Department of Public Health for a Certificate of Need.

The record includes the application prepared by the project sponsor and written analysis prepared by Iowa Department of Public Health staff and all the testimony and exhibits presented at the hearing. Becky Swift of the Iowa Department of Public Health summarized the project in relation to review criteria. Jeff Ashcraft and Linda Gill, Handicapped Development Center, represented the applicant. The applicant made a presentation and answered questions.

No affected parties appeared at the hearing.

The Council, after hearing the above-mentioned testimony and after reading the record, voted 5-0 to grant a Certificate of Need. As a basis for their decision the Council, considering all the criteria set forth pursuant to Iowa Code Section 135.64 (1 and 2) (2015) made the following findings of fact and conclusions of law:

**FINDINGS OF FACT**

1. Handicapped Development Center is a nonprofit organization providing services to individuals who function in the severe/profound range of intellectual disability, have multiple physical disabilities, and are medically fragile. The applicant proposes to increase its licensed Intermediate Care Facility/Intellectually Disabled (ICF/ID) beds from 54 to 60.
2. According to Iowa Code section 135C.1(9), an Intermediate Care Facility for the Intellectually Disabled means “an institution or distinct part of an institution with a primary purpose to provide health or rehabilitative services to three or more individuals, who primarily have an intellectual disability or a related condition and who are not related to the administrator or owner within the third degree of consanguinity, and which

meets the requirements of this chapter and federal standards for intermediate care facilities for persons with an intellectual disability established pursuant to the federal Social Security Act, §1905(c)(d), as codified in 42 U.S.C. §1396d, which are contained in 42 C.F.R. pt. 483, subpt. D, §410 – 480.”

3. Handicapped Development Center will utilize existing beds to accommodate the additional placements.
4. Handicapped Development Center will use the new beds for emergency placement. Reasons for the need for emergency placement include individuals currently living in a nursing facility for rehab with the inability to return to their previous living arrangement, displaying behaviors that are putting them at risk of losing their current living arrangement, experiencing health concerns that cannot be adequately addressed in their current living arrangement, the inability of a caregiver to continue to provide the necessary care, and the individuals need for ICF/ID care.
5. This project is designed to service individuals with a higher level of care need than they are currently receiving. The individuals that Handicapped Development Center intends to serve require 24 hour nursing care and supervision, which are services that are unable to be provided in a less restrictive environment.
6. The need for the additional beds is demonstrated by the high occupancy at Handicapped Development Center, which ranged from 97% to 99.5% for 2014-2016, and the Center’s current long waiting list.
7. Eligibility for requiring the ICF/ID level of care is determined by the Iowa Medicaid Enterprise based on Iowa Foundation for Medical Care criteria.
8. Handicapped Development Center has signed contracts with Amerigroup and Amerihealth Caritas with an agreed upon ICF/ID per diem of \$364.86.
9. Level of Care is approved by the Iowa Medicaid Enterprise, then the selected Managed Care Organization is responsible for the per diem for each approved individual. Individuals are recertified every 120 days by their MCO as needing the ICF/ID Level of Care.
10. Handicapped Development Center serves individuals from all 99 counties in Iowa.
11. Iowa Code section 135.63(2)(p)(4)(a) states “The new or changed beds shall not result in an increase in the total number of medical assistance certified intermediate care facility beds for persons with intellectual disability in the state, exclusive of those beds at the state resource centers or other state institutions, beyond one thousand six hundred thirty-six beds.”
12. There are currently a total of 2,944 ICF/ID beds in the state, including the beds at Glenwood and Woodward Resource Centers, the state institutions. If these beds, 851 and

639 respectively, are excluded there are a total of 1,454 beds in the state, leaving 180 bed slots available.

13. There is one additional ICF/ID in the Scott County area, which is licensed for 24 individuals. No letter of opposition was received from this facility.
14. Handicapped Development Center will incur no costs related to the project and does not project an operating deficit.
15. There was one letter of support received from the Scott County Community Services Director/Scott County Coordinator of Disability Services, as the designee of the county board of supervisors, as required by Iowa Code section 135.63(2)(p)(4)(b).
16. There were no letters opposition received.

### CONCLUSIONS OF LAW

In determining whether to issue a certificate of need, the Council considered 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 population to be served by Handicapped Development Center require 24 hour nursing care and supervision, and that there are no more appropriate, less costly services available in the area. 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 being and will continue to be used in an appropriate and efficient manner and will

not be impacted by this project. The Council concludes Handicapped Development Center provides services to a specific population needing 24 hour nursing care and supervision. The Council also notes that there are a total of 180 ICF/ID beds slots available in the state and that Handicapped Development Center will only be licensing six new beds. The Council notes that there is only one other ICF/ID in the Scott County area, and that there were no letters of opposition received from this or any other facility. Iowa Code Sections 135.64(1) and 135.64(2)b.

3. The Council concludes that this is not new construction. Iowa Code Sections 135.64(1) and 135.64(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 notes that Handicapped Development Center has a high occupancy rate, ranging from 97.5% to 99% from 2014 - 2016, and has a long waiting list. The Council concludes that Handicapped Development Center will use the new beds for emergency placements when there are no alternatives available and that individuals needing services would experience serious difficulty finding another appropriate placement. 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) (2015), 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 (2015).

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 31 <sup>ST</sup> day of March 2017



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Robert Lundin, Chairperson  
State Health Facilities Council  
Iowa Department of Public Health

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



3. CGP currently has 237 apartments with 166 independent living units, 19 assisted living units and 52 skilled nursing beds. In addition to the 12 skilled nursing beds, the total expansion project will add 18 assisted living memory care units, 24 assisted living units and 35 independent apartments, bringing the campus to a total of 326 units.
4. CGP will build a 120,000 square foot addition, with 15,000 square feet of that being a 12 bed addition to their Skilled Nursing Facility. The cost of the SNF alone is estimated at \$4,375,000. The cost of the project in its entirety is anticipated to be \$35,000,000.
5. CGP serves residents with diverse ethnic and racial backgrounds and a wide range of disabilities. They are not Medicaid certified but they will accept Medicare. The applicant noted that residents of their skilled nursing facility are not asked to leave if they exhaust all of their resources.
6. In addition to serving their LifeCare Community residents, CGP also accepts skilled nursing facility admissions from acute care settings and has experienced an increase in inquires and referrals in the last two years.
7. In 2014, CGP secured a marketing assessment firm to conduct a study related to the senior living needs in the Cedar Rapids area. The study identified strong senior household growth especially in the 65-74 age cohort. The study also found that age 75+ senior households showed an increase of 404 households from 2015-2020, and that both cohorts 75-85 and age 85+ were projected to increase yearly through 2020.
8. There is no waiting list for SNF beds, but the current LifeCare residents on the campus have expressed concern about their own personal needs and whether there will be enough skilled nursing beds to manage their care when needed.
9. The resident agreement notes that all LifeCare residents are assured priority access to skilled nursing services. CGP noted that their Independent and Assisted Living services do have a waiting list. CGP also noted that the increase in independent and assisted living units on their campus will necessitate more skilled nursing beds as expanding their internal resident numbers will put an increased demand on the nursing center, especially rehab services.
10. The primary service area for CGP is Cedar Rapids and its suburbs; the secondary market is Linn County.
11. The target population for this project falls into two groups: current LifeCare and private pay residents, and rehab patients who are referred by local hospitals for inpatient therapy.
12. The mix of residents in the skilled nursing facility averages 50% LifeCare, 26% private pay and 12% rehab.
13. The calculated bed need formula indicates a current underbuild in all seven contiguous counties. The underbuild for Linn County is 674 beds. Overall the eight-county area, as

calculated by the bed need formula, is underbuilt by 1,977 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 2022 Population Age 65+</b>	<b># of NF Beds needed per bed need formula</b>	<b># of licensed &amp; approved NF Beds as of Feb 2017</b>	<b>Difference – Formula vs. Licensed &amp; Approved*</b>
Linn	36,388	2,081	1,407 <sup>1</sup>	-674
Benton	5,173	365	172	-193
Buchanan	3,958	280	136	-144
Cedar	3,813	268	238	-30
Delaware	3,812	266	191	-75
Iowa	3,501	245	237	-8
Johnson	21,695	1272	557	-715
Jones	4,499	314	176	-138
<b>Totals</b>	<b>82,839</b>	<b>5,091</b>	<b>3,114</b>	<b>-1,977</b>

\*A positive (+) number means the county is overbuilt and a negative (-) indicates an underbuild  
<sup>1</sup> Approved October 2015 CCRC of Cedar Rapids, Linn County: 40 beds; Approved February 2016: Vintage Living LLC, Linn County: 40 beds and The Views CCRC of Marion, Linn County: 40 beds. All 120 approved beds are included in the count.

14. Over the span of the last three years, the total number of beds in the eight-county area has increased by 88 beds. There has been an increase of 78 beds in the past three years for Linn County. See the following table for additional detail.

**Nursing Facility Beds by County  
Difference in Number Between February 2014 and February 2017**

<b>County</b>	<b># of NF Beds (facilities) as of February 2014</b>	<b># of NF Beds (facilities) as of February 2017</b>	<b>Difference in # of NF Beds</b>
Linn	1,209 (14)	1,287 (15)	+78
Benton	172 (3)	172 (3)	0
Buchanan	136 (2)	136 (2)	0
Cedar	238 (4)	238 (4)	0
Delaware	191 (2)	191 (2)	0
Iowa	237 (4)	237 (4)	0
Johnson	547 (7)	557 (7)	+10
Jones	176 (2)	176 (2)	0
<b>Totals</b>	<b>2,906 (38)</b>	<b>2,994 (39)</b>	<b>+88</b>

15. There are currently 3,114 licensed and approved nursing facility beds in the eight counties with 225 licensed beds (7.2% of all beds) in dedicated CCDI units. Additionally, there are 100 SNF/NF beds in hospital-based settings.
16. CGP works with clinical/social work staff at both St. Luke's and Mercy in Cedar Rapids and the University of Iowa to meet the needs of residents in rehabilitative therapy. They contract with Mercy Hospital for a Medical Director to support their SNF/long-term care residents. They also work with physicians, specialists and nurse practitioners from the community to coordinate care, to communicate resident needs/changes and to provide a high quality of satisfaction for resident outcomes.
17. There are 15 freestanding nursing facilities and one hospital-based facility in Linn County ranging in occupancy from 3% to 97% (72% overall). One nursing facility in Linn County, Rehab Center of Lisbon (3%), which had an occupancy of 2 out of 64, just opened January 23, 2017 and is working under a conditional license thus explaining its low percentage. If this facility is suppressed, the overall occupancy rate for Linn County is 76%. The contiguous counties report occupancies ranging from 62% to 90%.

**Phone Survey of Nursing Facilities Located in Linn County  
& Counties Contiguous to Linn County  
Conducted February 2017**

<b>Facility by County</b>	<b>Licensed Beds</b>	<b>Current Occupancy</b>	<b>Percent Occupied</b>
<b>LINN COUNTY</b>			
Cottage Grove Place	52	45	87%
Crestview Acres	100	75	75%
Hallmark Care Center MV	55	38	69%
Heritage Specialty Care	201	119	59%
Hiawatha Care Center	109	103	94%
Linn Manor Care Center	38	36	95%
Living Center East	67	49	73%
Living Center West	100	77	77%
Manorcare Health Services of Cedar Rapids	105	85	81%
Mercy Medical Center CR – HSP SNF	21	11	52%
Meth Wick Health Center	65	63	97%
Northbrook Manor Care	130	72	55%
Rehab Center of Lisbon	64	2	3%
West Ridge Care Center	60	49	82%
Willow Gardens Care Center	91	74	81%
Winslow House Care Center	50	45	90%
<b>TOTALS</b>	<b>1,308</b>	<b>943</b>	<b>72%</b>
<b>BENTON COUNTY</b>			
Belle Plaine Specialty Care	66	39	59%
Keystone Nursing Care Center	45	43	96%
The Vinton Lutheran Home	61	59	97%

Virginia Gay Hospital NF *	40		
<b>TOTALS</b>	<b>172</b>	<b>141</b>	<b>82%</b>
<b>BUCHANAN COUNTY</b>			
ABCM Rehab Ctr of Independence East	50	32	64%
ABCM Rehab Ctr of Independence West	86	47	55%
Buchanan County Health Center NF	39	36	92%
<b>TOTALS</b>	<b>175</b>	<b>115</b>	<b>66%</b>
<b>CEDAR COUNTY</b>			
Cedar Manor Nursing Home	60	54	90%
Clarence Nursing Home	46	40	87%
Crestview Specialty Care	65	65	100%
Mechanicsville Specialty Care	67	33	49%
<b>TOTALS</b>	<b>238</b>	<b>192</b>	<b>81%</b>
<b>DELAWARE COUNTY</b>			
Edgewood Convalescent Home	58	58	100%
Good Neighbor Home	133	114	86%
<b>TOTALS</b>	<b>191</b>	<b>172</b>	<b>90%</b>
<b>IOWA COUNTY</b>			
Colonial Manor of Amana	60	50	83%
English Valley Nursing Care Center	60	46	77%
Highland Ridge Care Center	59	59	100%
Rose Haven Nursing Home	58	51	88%
<b>TOTALS</b>	<b>237</b>	<b>206</b>	<b>87%</b>
<b>JOHNSON COUNTY</b>			
Briarwood Healthcare Center	64	55	86%
Iowa City Rehab and Health Care Center	89	61	69%
Lantern Park Specialty Care	90	87	97%
Lone Tree Health Care Center	44	29	66%
Oaknoll Retirement Residence	58	52	90%
Solon Nursing Care Center	92	84	91%
Windmill Manor	120	100	83%
<b>TOTALS</b>	<b>557</b>	<b>468</b>	<b>84%</b>
<b>JONES COUNTY</b>			
Anamosa Care Center	76	65	86%
Monticello Nursing and Rehab Center	100	79	79%
<b>TOTALS</b>	<b>176</b>	<b>144</b>	<b>82%</b>

\*Virginia Gay Hospital NF did not return phone calls for census information. Their licensed beds were, therefore, not included in the totals.

18. There were no letters of support received.

19. There was one letter of opposition received from Crestview Acres in Marion, IA, noting that they have beds available to meet the need submitted by Cottage Grove Place.

20. CGP has \$7 million cash on hand, will bring in \$9 million in LifeCare entry fees, and \$2 million in operations during construction. They will also borrow \$17,000,000 in financing for the total project, the cost of which is estimated to be \$35,000,000
21. CGP provided a proposal letter from Great Western Bank indicating an interest in financing the total construction project.
22. CGP does not anticipate any operating deficit due to this project.

## 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 the primary target population for services at Cottage Grove Place are individuals in their LifeCare Community and private pay residents, which makes it a unique facility in the Cedar Rapids area. The Council concludes that the addition of the 12 nursing facility beds would most directly benefit those who already live at Cottage Grove Place and patients referred for rehabilitative services, that the addition of the 12 beds would not impact other facilities in the area. The Council finds there are not more appropriate alternatives for the residents of Cottage Grove Place or others in the county seeking nursing and rehabilitative 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 and will continue to be used in an appropriate and efficient manner and will not be impacted by this project. The bed need formula indicates Linn County is underbuilt by 674 beds; while the eight-county region is underbuilt by 1,977 beds. The phone survey conducted by Department staff indicates a county wide occupancy of approximately 76% for the free standing

nursing facilities in Linn County. The Council has previously concluded that occupancy rates of over 85% indicate appropriate and efficient utilization of existing nursing facilities. The Council notes that Cottage Grove Place is a LifeCare Community with high occupancies (87% in their skilled nursing unit) and the only facility of its kind in city of Cedar Rapids; therefore, the Council concludes that even though the occupancy of the county is below 85%, the addition of 12 nursing facility beds at Cottage Grove Place will have minimal 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 LifeCare Community residents. Iowa Code Sections 135.64(1) and 135.64(2)b.

3. The Council concludes that the proposed project involves the construction of a 120,000 square foot addition, including a 15,000 square foot nursing facility addition. The Council takes note that the applicant operates near capacity. The Council concludes that alternatives including modernization and sharing arrangements have been considered and implemented to the maximum extent practicable. Iowa Code Sections 135.64(1) and 135.64(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 notes that there is a waiting list for independent and assisted living at Cottage Grove Place, which will mean increased demand for their skilled nursing beds. The Council also notes that current residents of Cottage Grove Place have indicated concerns about the availability of nursing care when the need arises and concerns exist for patients referred for rehabilitative services. The Council further notes the significant bed need of 674 beds within the county. The Council concludes that these factors indicate that residents will have problems obtaining care in the absence of the proposed 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) (2015), 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 (2015).

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 31<sup>ST</sup> day of March 2017

  
\_\_\_\_\_  
Robert Lundin, 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 )  
  
MERCY SIOUX CITY )  
  
SIOUX CITY, IOWA )

**DECISION**

This matter came before the State Health Facilities Council for review on Tuesday, February 21, 2017. The applicant was represented by Alissa Smith of Dorsey & Whitney and Christina Severson, Mercy Sioux City - Mercy Health Center.

The project, conversion of 20 medical/surgical beds to skilled nursing beds, was originally approved on February 24, 2016, at an estimated cost of \$620,000. The original completion date for the project was October 2016; the new completion date is August 2017. The amount spent to date is \$130,182.

The Council, after reading the extension request and hearing comments by staff and the applicant, 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 sufficient progress has been made.

The extension is valid for twelve months.

Dated this 31<sup>st</sup> day of March 2017

  
\_\_\_\_\_  
Robert Lundin, 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 )  
  
WESLEYLIFE )  
  
JOHNSTON, IOWA )

**DECISION**

This matter came before the State Health Facilities Council for review on Tuesday, February 21, 2017.

The project, construction of a 36-bed neighborhood model nursing facility, was originally approved on February 24, 2016 at an estimated cost of \$4,923,000. The original completion date for the project was September 2017. The project has been delayed due to coordination with major improvements along the project site boundary, which involved the relocation of utilities and street widening. In addition, finance documents have yet to be finalized. The new completion date for the project is May 2018. To date \$180,998 has been spent on the project.

Due to the delays and the finance documents not being finalized the Council requested that the applicant submit a thorough progress report to staff prior to the April 19, 2017, Health Facilities Council meeting and that a representative of the project participate in that meeting to answer questions posed by Council members.

The Council, after reading the extension request and hearing comments by staff and the applicant, voted 5-0 to Grant an Extension of Certificate of Need per Iowa Administrative Code 641—202.13.

The extension is valid for two months.

Dated this 31<sup>ST</sup> day of March 2017

  
\_\_\_\_\_  
Robert Lundin, 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 )  
CCRC of WEST DES MOINES, LLC )  
WEST DES MOINES, IOWA )

**DECISION**

This matter came before the State Health Facilities Council for review on Tuesday, February 21, 2017. The applicant was represented by Catherine Cownie of Brown Winick Law.

The project, construction of a 40 bed nursing facility as part of a Continuing Care Retirement Community, was originally approved on February 25, 2016 at an estimated cost of \$4,923,000. The original completion date for the project was June 2018. Due to issues with the parcel of land on which the facility was to be built and the need to build a public road to the site, the project has been delayed and construction is not expected to begin until fall 2017. The new completion date for the project is November 2018. To date \$38,948 has been spent on the project.

Due to the delays, the Council requested that the applicant submit a thorough progress report to staff prior to the April 19, 2017, Health Facilities Council meeting and that a representative of the project participate in that meeting to answer questions posed by Council members.

The Council, after reading the extension request and hearing comments by staff and the applicant, voted 5-0 to Grant an Extension of Certificate of Need per Iowa Administrative Code 641—202.13.

The extension is valid for two months.

Dated this 31<sup>st</sup> day of March 2017

  
\_\_\_\_\_  
Robert Lundin, 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 )  
  
GRAND CARE LLC )  
d/b/a RIVERSIDE NORTH )  
  
AMES, IOWA )

**DECISION**

This matter came before the State Health Facilities Council for review on Tuesday, February 21, 2017.

The project, construction of a 40-bed nursing facility addition, was originally approved on February 25, 2016, at an estimated cost of \$1,834,800. The original completion date for the project was January 2017; the new completion date is February 2017. The amount spent to date is \$1,330,828.

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 significant progress has been made and that the project is nearly complete.

The extension is valid for three months.

Dated this 21<sup>ST</sup> day of March 2017

  
\_\_\_\_\_  
Robert Lundin, 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 )  
  
THE VIEWS HOLDING, LLC )  
  
MARION, IOWA )

**DECISION**

This matter came before the State Health Facilities Council for review on Tuesday, February 21, 2017. The applicant was represented by Alissa Smith of Dorsey & Whitney.

The project, construction of a 40 bed skilled nursing facility, was originally approved on February 25, 2016, at an estimated cost of \$8,100,000. The original completion date for the project was May 2017; the new completion date is May 2018. The amount spent to date is \$1,750,871.

The Council, after reading the extension request and hearing comments by staff and the applicant, 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 sufficient progress has been made.

The extension is valid for twelve months.

Dated this 31 day of March 2017

  
\_\_\_\_\_  
Robert Lundin, 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 )  
 )  
VINTAGE LIVING - THE GARDENS OF )  
CEDAR RAPIDS )  
 )  
CEDAR RAPIDS, IOWA )

**DECISION**

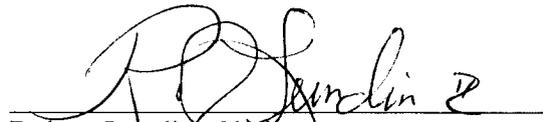
This matter came before the State Health Facilities Council for review on Tuesday, February 21, 2017. The applicant was represented by Catherine Cownie of Brown Winick Law.

The project, construction of a 40 bed skilled nursing facility, was originally approved on February 25, 2016, at an estimated cost of \$6,000,000. The original completion date for the project was October 2017; the new completion date is July 2017. The amount spent to date is \$900,000.

The Council, after reading the extension request and hearing comments by staff and the applicant, 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 sufficient progress has been made.

The extension is valid for twelve months.

Dated this 31<sup>ST</sup> day of March 2017

  
\_\_\_\_\_  
Robert Lundin, Chairperson  
State Health Facilities Council  
Iowa Department of Public Health

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