

MINUTES
STATE HEALTH FACILITIES COUNCIL
Wednesday, July 27, 2016
Lucas State Office Building
321 East 12th Street
Deputy Director's Office, 6th Floor
Des Moines, Iowa

Electronic Meeting

This electronic meeting of the State Health Facilities Council was held in accordance with Iowa Code section 21.8 entitled "Electronic Meetings." The Code states that a governmental body may conduct a meeting by electronic means only if circumstances are such that a meeting in person is impossible or impractical and access is provided to the public. An in-person meeting of the Council to handle this limited agenda was impractical due to the schedules of the Council members and the resources of the Department. This electronic meeting originated in the Public Health Deputy Director's Office at the Lucas State Office Building, 321 E. 12th Street, Des Moines and public access to the meeting was provided at this location. Notices and agendas were posted in the building and posted on the Department's web site under the Certificate of Need Program.

10:35 AM ROLL CALL

MEMBERS PRESENT VIA PHONE: Bob Lundin, Chairperson; Roberta Chambers; Connie Schmett and Roger Thomas.

STAFF PRESENT: Becky Swift; Martha Gelhaus; and Heather Adams, Counsel for the State (present in conference room).

OTHERS PRESENT VIA PHONE: Ed McIntosh of Dorsey & Whitney and Michael Moore representing United Presbyterian Home, Washington; Ken Carlson representing Oskaloosa Care Center; and Adam Freed of Brown Winick Law.

I. PROJECT REVIEW

1. United Presbyterian Home, Washington, Washington County: Re-review of project approved 10/29/2015 for the addition of seven skilled nursing beds by building a 17 bed private resident wing and conversion of an existing wing to a CCDI unit at a cost of \$4,836,772. Cost overrun of \$1,363,228 (28% of approved \$4,836,772).

Staff report by Becky Swift. The applicant was represented by Ed McIntosh of Dorsey & Whitney and Michael Moore of United Presbyterian Home. The applicant responded to questions posed by the council. A motion by Thomas, seconded by Schmett to approve the cost overrun carried 4-0.

II. EXTENSIONS OF PREVIOUSLY APPROVED PROJECTS

1. United Presbyterian Home, Washington, Washington County: Addition of seven skilled nursing beds by building a 17 bed private resident wing and conversion of an existing wing to a CCDI unit - \$4,836,772

Staff report by Becky Swift. The applicant was represented by Ed McIntosh of Dorsey & Whitney and Michael Moore of United Presbyterian Home. A motion by Schmett, seconded by Chambers to grant a twelve-month extension carried 4-0.

2. Oskaloosa Care Center, Oskaloosa, Mahaska County: 14 private bed skilled nursing facility addition - \$1,580,000

Staff report by Becky Swift. The applicant was represented by Ken Carlson of Oskaloosa Care Center. A motion by Thomas, seconded by Schmett to grant a twelve-month extension carried 4-0.

A motion made by Thomas, seconded by Chamber to adjourn passed unanimously by voice vote. The meeting adjourned at 10:53 am.

cost metal materials instead of wood, the need for a three stop rather than two stop elevator, and other building related issues, as well as several large building projects in the SE Iowa corridor that have driven up costs.

4. The estimated total cost of the project is now \$6,200,000, a 28.0% increase in the original total project costs.

5. The applicant reports that they have received city and state approval for the project, that initial bids have been received, that the bank loan has been secured, and that they've raised over \$1 million in donations for the project. The projected date of completion is September 2017.

CONCLUSION

The Council concludes that the proposed change to the originally approved project represents an increase of approximately 28% 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 October 29, 2015, to \$6,200,000 as the approved cost of the project.

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

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 8th day of September 2016



Robert Lundin, Chairperson

State Health Facilities Council

Iowa Department of Public Health

cc: State Health Facilities Council

Iowa Department of Inspections and Appeals:

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

IN THE MATTER OF THE)
CERTIFICATE OF NEED EXTENSION FOR)
) **DECISION**
UNITED PRESBYTERIAN HOME)
)
)
WASHINGTON, IOWA)

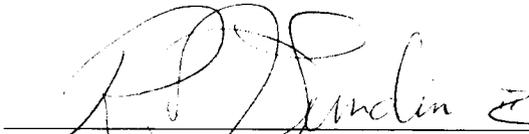
This matter came before the State Health Facilities Council for review on Wednesday, July 27, 2016.

The project, the addition of seven skilled nursing beds by building a 17 bed private resident wing and conversion of an existing wing to a CCDI unit, was originally approved on October 29, 2015 at an estimated cost of \$4,836,772.

The Council, after reading the extension request and hearing comments by staff, voted 4-0 to Grant an Extension of Certificate of Need per Iowa Administrative Code 641—202.13. The decision is based upon the finding that progress is being made.

The extension is valid for twelve months.

Dated this 8th day of September 2016



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)
OSKALOOSA CARE CENTER, INC.) **DECISION**
OSKALOOSA, IOWA)

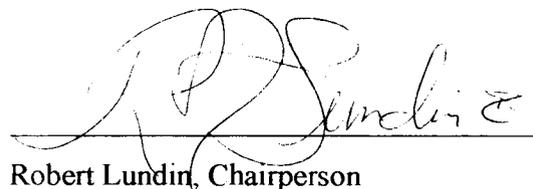
This matter came before the State Health Facilities Council for review on Wednesday, July 27, 2016.

The project, construction of a 14 bed private room nursing facility addition, was originally approved on February 23, 2015 at an estimated cost of \$1,580,000.

The Council, after reading the extension request and hearing comments by staff, voted 4-0 to Grant an Extension of Certificate of Need per Iowa Administrative Code 641—202.13. The decision is based upon the finding that progress is being made.

The extension is valid for twelve months.

Dated this 5th day of September 2016



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

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