

**MINUTES**  
**STATE HEALTH FACILITIES COUNCIL**  
**Initiated in the Lucas State Office Building, Room 523**  
**Meeting Conducted Via Zoom**

**Wednesday, February 9, 2022**

**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 agenda was impractical due to the schedules of the Council members and the resources of the Department. The meeting was initiated in room 523 of the Lucas State Office Building and was conducted via Zoom, which offers both video conferencing and conference call capabilities. Notices and agendas were posted in the Lucas State Office building and on the Department’s web site under the Certificate of Need Program. The meeting was recorded.

**9:00 AM Roll Call**

**MEMBERS PRESENT:** Dr. Harold Miller, Chair; Kelly Blackford; Aaron DeJong; Brenda Perrin; and Jake Porter

**STAFF PRESENT:** Becky Swift (present in the conference room)

**OTHER STAFF PRESENT:** Heather Adams, Counsel for the State

**OTHERS PRESENT:** Alissa Smith, Dorsey & Whitney LLC; Jeffrey Fenn, Select Specialty Hospital – Quad Cities, Inc.; Doug Fulton, Brick Gentry, PC; Doug Wells, Wells + Associates; Tara Hall, Dentons Davis Brown; Jayson Pullman; Hawarden Regional Healthcare; Mike Wiggins, Hawarden Regional Healthcare Foundation; Jeff Nohava, Alcester EMS; Karen Kennedy, ARNP, Hawarden Regional Healthcare; and Dan Gaafar, Bradley Associates.

**I. APPROVAL OF MINUTES OF PREVIOUS MEETING (October 20, 2021)**

A motion by Perrin, seconded by Blackford, to approve the minutes of October 20, 2021, carried unanimously by voice vote.

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

1. Select Specialty Hospital – Quad Cities Inc., Davenport, Scott County - Relocation of free-standing long-term acute care hospital to Genesis Health System - East as a hospital within a hospital.

\$6,500,000. (*Approved 2/17/2021; First Extension Request*)

Staff report by Becky Swift. The applicant was represented by Alissa Smith, Dorsey & Whitney, LLC and Jeffrey Fenn, Select Specialty Hospital –Quad Cities, Inc. The applicant made remarks. A motion by DeJong, seconded by Perrin, to grant a 12 month extension carried 5-0.

2. Heartland Plastic and Reconstructive Surgery, PC, Urbandale, Polk County – Establishment of an Ambulatory Surgery Center

\$780,636 (*Approved 2/20/2020, Second Extension Request*)

Staff report by Becky Swift. The applicant was represented by Doug Fulton, Brick Gentry, PC and Doug Wells, Wells + Associates. The applicant made remarks and answered questions posed by the Council. A motion by Perrin, seconded by DeJong, to grant a 12 month extension carried 5-0.

## **III. DETERMINATIONS OF NON-REVIEWABILITY AND THE DEPARTMENTS RESPONSE**

The purpose of the Council's review under this portion of the agenda is to determine whether it affirms the Department's determination that a project is or is not subject to review under Iowa Code chapter 135. The Council does not hold a public hearing under this portion of the agenda.

1. Comprehensive Systems, Charles City, Floyd County – Change in organizational structure and licensure of Crestview an ICF/IID facility.

Staff report by Becky Swift. A motion by Perrin, seconded by Porter to affirm the Department's determination carried 5-0.

2. Orange City Health System, Orange City, Sioux County – Replacement of an MRI.

Staff report by Becky Swift. A motion by Perrin, seconded by DeJong to affirm the Department's determination carried 5-0.

3. Clarke County Hospital, Osceola, Clarke County – Modernization of an institutional health facility.

Staff report by Becky Swift. A motion by DeJong, seconded by Perrin to affirm the Department's determination carried 5-0.

## **IV. PROJECT REVIEW**

1. Hawarden Regional Healthcare, Hawarden, Sioux County- Acquisition of a fixed MRI  
\$1,908,704

Staff report by Becky Swift. The applicant was represented by Tara Hall, Dentons Davis Brown and Jayson Pullman, Hawarden Regional Healthcare. The applicant made a presentation and answered questions posed by the Council. A motion by DeJong, seconded by Blackford, to enter the exhibit presented by the applicant in support of oral testimony into the record carried unanimously by voice vote.

Mike Wiggins, Hawarden Regional Healthcare Foundation; Jeff Nohava, Alcester EMS; and Karen Kennedy, ARNP, Hawarden Regional Healthcare, affected parties in support made remarks.

There were no affected parties in opposition.

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

2. The Ivy at Davenport, Davenport, Scott County – Addition of 15 SNF beds  
\$12,000

Staff report by Becky Swift. The applicant was represented by Dan Gaafar, Bradley Associates. The applicant made a presentation and answered questions posed by the Council. A motion by DeJong, seconded by Porter, to enter the exhibit presented by the applicant in support of oral testimony into the record carried unanimously by voice vote.

There were no affected parties present.

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

A brief discussion took place regarding a date for the Steindler North Liberty ASC hearing, which was originally to have been heard at this meeting, but due to unforeseen circumstances had to be postponed. At the conclusion of the discussion, the Council set a date of Monday, March 7, 2022, at 9:00 via Zoom for that meeting. Swift will send the meeting agenda and Zoom invitation this week.

The Chair noted that the next regular meeting of the Council would be held May 18 and/or 19, 2022. The Chair asked Council members to let Swift know if one of those dates did not work.

A motion by Perrin, seconded by DeJong, to adjourn carried unanimously by voice vote.

The meeting adjourned at 11:01 AM.

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

IN THE MATTER OF THE APPLICATION OF )  
 )  
HAWARDEN REGIONAL HEALTHCARE )  
 )  
HAWARDEN, IOWA ) **DECISION**

This matter came before the State Health Facilities Council for hearing on Wednesday, February 9, 2022.

The applicant applied through the Iowa Department of Public Health for a Certificate of Need for the acquisition of a fixed MRI at a cost of \$1,908,740.

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. Tara Hall, Dentons Davis Brown and Jayson Pullman, Hawarden Regional Healthcare represented the applicant. The applicant made a presentation and answered questions.

Affected parties in support included Mike Wiggins, Hawarden Regional Healthcare Foundation President; Jeff Nohava, Alcester (South Dakota) EMS Director; and Karen Kennedy, ARNP, Hawarden Regional Healthcare. The affected parties in support each made remarks.

There were no affected parties in opposition.

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) (2021) made the following findings of fact and conclusions of law:

**FINDINGS OF FACT**

1. Hawarden Regional Healthcare (“HRH”) proposes to transition from offering mobile MRI services two half days a week to having an in-house fixed MRI through the purchase of a Canon Vantage Orian Aero X with M-Power V6.0, which is an advanced 1.5-T MRI system package.
2. This MRI offers high end technology to ensure that HRH providers and patients have access to better MRI services. It is designed to enhance productivity and reduce costs, enhance patient comfort, and deliver outstanding clinical performance.

3. Noted during testimony was that HRH currently has a third party contract to provide mobile MRI services two half days per week, allowing for approximately 10 MRI procedures each week. This provides limited access compared to an in-house MRI.
4. The applicant notes that they are currently looking at two possible scenarios for housing the MRI unit. One would be a modular building which would attach to the existing building via a connecting vestibule. The other option is a building renovation that would be connected to the existing hospital footprint. This plan would include space for the MRI to reside. The building proposal is currently under consideration by the City of Hawarden and the City Council with a decision expected in the spring of 2022.
5. The current proposal is to attach a modular building via a connecting vestibule and the construction of a foundation on which the building would be placed.
6. HRH is committed to meeting the needs of the medically underserved, rural communities and low income persons as part of its mission and core values. HRH will provide high quality, cost effective MRI services regardless of income, race, ethnicity or age. HRH will participate in Medicaid and will comply with all applicable Medicaid policies.
7. HRH's catchment area is mostly agricultural, therefore, availability and timing is extremely important especially when community members are dealing with planting or harvesting and limited access to MRI services causes delays in treatment due to the pressures of the agricultural industries. The applicant notes that agricultural workers access healthcare when there is time and that if this population can get services quickly, they will choose to get procedures. If the workers must wait to obtain a procedure, opportunities may not be available due to agricultural work schedules and they will wait to seek care or not seek care again, which can contribute to the lack of preventive care and lead to chronic disease and conditions.
8. The availability of an in-house MRI would eliminate many of these delays.
9. Noted during testimony was that a benefit of the new MRI is not sending patients to other facilities to obtain needed, same day, MRI services. Also note was that less transfers and traveling is more convenient and cost effective for patients and their caretakers, especially those in nursing facilities and agricultural communities.
10. HRH's Board of Directors' long term vision is to bring as many programs as possible to the facility. The proposal complements HRH's strategic initiatives to create comprehensive local access to healthcare that is close to home and assists with future plans for additional orthopedic services provided locally.
11. The current mobile solution is not adequate for HRH's expanding needs and long term plans. The mobile service is weather and driver dependent and HRH has had to cancel some half days and reschedule patients due to these issues. Mobile services at times can be unreliable due to mechanical challenges such as flat tires, engine failures, data link failures and MRI operational failures. Additionally, patients have to go outside, even in

inclement weather, and go up steps to get into the truck housing the mobile unit, which is especially difficult on older patients.

12. When patients present and need MRI services, the only options available for them are to wait for the mobile service, drive to another provider or be transferred for the needed MRI services in the case of an emergency. Having advanced imaging technology close to home will increase patient compliance and satisfaction.
13. HRH's service area consists of Sioux and Plymouth Counties in Iowa and Union and Lincoln Counties in South Dakota. This service area is rural and agricultural. Noted by the applicant is that according to 2010 and 2020 U.S. Census data there have been population increases in all of the counties in the service area.
14. This proposal gives HRH the ability to provide a broader range of exams such as abdominal, breast, pelvis, and upper and lower extremity joint MRI, which are currently unavailable with the mobile MRI service. The inability to perform the aforementioned examinations can result, for example, in the delayed diagnosis of suspected prostate cancer. Noted by the applicant is that the mobile MRI does not perform exams on COVID patients. Also noted by the applicant is that the mobile MRI is not able to rule out strokes/TIA, occult bleeds, cysts and tumors, or potential blood clots.
15. Noted by the applicant during testimony was that in many cases, HRH will enhance outcomes for patients when they receive appropriate treatment in a timely manner, onsite and with less travel and transfers.
16. The applicant states that the healthcare facilities locally that offer MRI services include Orange City Area Health Systems, Sioux County, IA; Sioux Center Health, Sioux County, IA; and Floyd Valley Healthcare, Plymouth County, IA; Sanford Vermillion, Clay County, IA; and Sanford Canton, Lincoln County, SD; and Pioneer Memorial Hospital and Health Services, Turner County, SD. There were no letters of opposition received from any of these providers. Orange City Area Health System sent a letter indicating that they had a neutral position on the project.
17. The applicant states that they believe other facilities offering MRI services are being used in an efficient and appropriate manner. The location of the other facilities does not meet the needs of patients in HRH's area and they do not believe the addition of this MRI will adversely impact other facilities.
18. HRH is seeking to install an MRI for numerous reasons. Noted is that many patients of HRH are elderly and have mobility and transportation challenges and for these reasons, existing facilities are not efficient or appropriate options for these individuals.
19. The imaging department at HRH is currently staffed with three radiologic technologists at 32 hours per week per technologist. Noted during testimony was that the technologists are available 24/7 on call. The applicant noted that with the addition of in-house MRI services one additional staff member would be beneficial. Noted by the applicant is that

all departmental staff will be cross trained in MRI to allow for flexibility in performing exams.

20. Noted during testimony was that HRH will have staffing levels consistent with their expected service volume. They also noted that appropriate physicians will be available during MRI service hours in clinical specialties such as neurology, oncology, and cardiology through a referral basis.
21. There were 33 letters of support received. These letters cite the addition of MRI services providing a higher and more appropriate level of care and services; savings of time and money to patients as they would not have a second bill for transfer to another facility that could offer MRI services; the mobile service truck breaking down causing patients to be rescheduled; patient size limitations and restrictions on the mobile truck; and the increased availability of MRI services by having it in-house at HRH as reasons for their support.
22. There was one neutral letter submitted. This letter, from Orange City Area Health System, cited a neutral position in regards to the application.
23. There were no letters of opposition received.
24. The applicant indicates \$908,740 cash on hand for the project, and \$1,000,000 from a USDA grant, for a cost of \$1,908,740. This cost is for the modular building, a concrete foundation and a connecting vestibule.
25. Noted during testimony was that the USDA decision regarding the grant is expected in the spring of 2022. If not received, HRH has enough funding in reserve to cover the project costs.
26. If not selected for the USDA funding, HRH will continue to pursue the renovation and expansion project ensuring that the MRI space is designed into the project.
27. The applicant notes that the CON was pursued at this time because the HRH Board did not want to wait until the USDA made a decision regarding the grant funding as there would be additional delays to the project due to the CON meeting schedule. This could delay the initial project and cause delays if the modular building option is ultimately selected.
28. The applicant anticipates an operating deficit in years one and two as a result of this project.

## 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 notes that the mobile services currently available at Hawarden Regional Healthcare can be unreliable and patients have to be rescheduled or taken to another facility for MRI services. The Council notes that having an in-house MRI will allow Hawarden Regional Healthcare to better serve their patients, as they will not have to travel to other facilities to receive their MRI's in the case of emergencies or when the mobile MRI is unable to accommodate them. The Council also notes that the service area is rural and agricultural and that patients are often elderly. They note that transfers to other facilities for MRI's is costly to patients and may dissuade patients, particularly in the agricultural industry, from seeking treatment due to time away from work. The Council therefore concludes 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 notes that there are six facilities in the area that provide MRI services, and that none of these facilities opposed this project. Additionally, the Council notes that that there were 33 letters of support received and no letters of opposition, and that no parties in opposition appeared at the hearing. Iowa Code Sections 135.64(1) and 135.64(2)b.

3. The Council concludes that while alternatives were considered by Hawarden Regional Healthcare this proposal is to install a modular unit to house the MRI and that there is only minor construction involved with this project. The Council notes that this includes the installation of a



vestibule to connect the modular unit to the hospital and a new foundation on which the modular building would be placed. The Council further 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 notes that currently mobile MRI services are only available two half days per week, and that the number of patients able to be seen during these times is limited. The Council notes that the mobile service can be unreliable, and that it can be difficult for patients to navigate weather and steps to get to the mobile truck. The Council also notes that in emergencies, patients have to be transferred to other facilities to receive services, which can delay treatment. Additionally, there are limitations on the type of medical issues that can be addressed, such as stroke/TIA, by the mobile unit. Therefore 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. Iowa Code Sections 135.64(1) and 135.64(2)d.

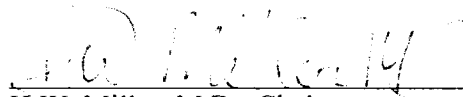
The facts, considered in light of the criteria contained in Iowa Code Section 135.64 (1 and 2) (2021), led the Council to find that a Certificate of Need should be awarded.

It is required in accordance with 641 Iowa Administrative Code 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 (641 Iowa Administrative Code 202.14).**

Dated this 27 day of March 2022

  
H.W. Miller, M.D., 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 )  
HEARTLAND PLASTIC AND )  
RECONSTRUCTIVE SURGERY, PC )  
URBANDALE, IOWA )

**DECISION**

This matter came before the State Health Facilities Council for review on Wednesday, February 9, 2022. The applicant was represented by Doug Fulton, Brick Gentry Attorneys at Law and Doug Wells, Wells+ Associates.

The project, the establishment of an ambulatory surgery center (“ASC”), was originally approved February 20, 2020, at an estimated cost of \$780,636. The original completion date for the project was July 2020; the new completion date is February 2023. The build out of the building is complete. They received Fire Marshal approval on January 5, 2022, and City approval on December 31, 2021. They have experienced delays due to building permit approval and the lack of supplies and the length of time it took to receive them during COVID. Additionally, they’ve had staff and contractors out due to COVID. They are currently working with the Department of Inspections and Appeals on the Medicare ASC certification process. They are rewriting their policy and procedures manual to meet ASC guidelines, and are working to make sure that they have insurance set up to accept claims. The construction contract was signed December 15, 2020. Noted during testimony was that the project is awaiting final paper work, and they do not expect the project to take a full year, but have asked for a 12 month extension out of an abundance of caution. To date a total of \$675,697 has been spent on the project.

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 641 Iowa Administrative Code 202.13. The decision is based upon a finding that sufficient progress has been made in developing the project.

The extension is valid for 12 months.

Dated this 27 day of March 2022



H.W. Miller, M.D., 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 APPLICATION OF )  
 )  
ACCORDIUS HEALTH AT ST. MARY D/B/A/ IVY AT )  
DAVENPORT )  
 )  
DAVENPORT, IOWA ) **DECISION**

This matter came before the State Health Facilities Council for hearing on Wednesday, February 9, 2022.

The applicant applied through the Iowa Department of Public Health for a Certificate of Need for the addition of 15 nursing facility beds at a cost of \$12,000.

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. Dan Gaafar, Bradley Associates, represented the applicant. The applicant made a presentation and answered questions.

There were no affected parties in attendance.

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) (2021) made the following findings of fact and conclusions of law:

FINDINGS OF FACT

1. Ivy at Davenport is a nursing home that has been providing services since October 1, 2001, and was originally licensed as a 90 bed facility. The prior operator removed 15 nursing facility beds from service due to low census numbers. The new operators have determined that there is a need to increase the bed capacity back to the historical number of 90.
2. All of the beds are Medicare and Medicaid certified.
3. Prior to the deletion of the beds, the census occupancy at Ivy at Davenport had been in the 65% range. Noted by the applicant is that following the deletion of the beds the occupancy increased to 80%. The applicant projects 89% occupancy in the three years following the re-establishment of the 15 beds. Noted during testimony was that Ivy at Davenport was close to capacity as of December 31, 2021.

4. Noted during testimony was that much of the recent growth in census is due to the excellent relationship between the facility, the local hospital, and assisted living facilities, from where they get many of their referrals. Also noted was that Ivy at Davenport has significantly increased their Quality Measures, which has assisted in the new admissions process.
5. Noted during testimony was that the additional beds can be added by converting single occupancy rooms to double, which will not require any construction.
6. The primary service area of the facility is Scott County and the age range of the population served tends to be over 65. The applicant notes that due to high census, potential residents may have to be turned away from Ivy at Davenport, causing them to seek nursing facilities farther away which can cause issues for families and loved ones.
7. Ivy at Davenport will provide skilled care nursing services to their residents. These services include, but not are limited to, therapy (physical, occupational, speech and respiratory), social services and activities. Additionally, Ivy at Davenport will accept residents who need IV therapy, bariatric care and who have behavioral needs. According to the applicant Ivy at Davenport takes residents with higher acuity needs that other facilities will not take.
8. The calculated bed need formula indicates a current underbuild in all three contiguous counties around Scott County. The underbuild for Scott County is 904 beds. Overall the four-county area, as calculated by the bed need formula, is underbuilt by 1,630 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 2027 Population Age 65+</b>	<b># of NF Beds needed per bed need formula</b>	<b># of licensed and approved NF Beds</b>	<b>Difference – Formula vs. Licensed &amp; Approved*</b>
Scott	36,207	2,019	1,115	-904
Cedar	4,385	305	210	-95
Clinton	11,245	783	295	-488
Muscatine	8,427	597	454	-143
<b>Totals</b>	<b>60,264</b>	<b>3,704</b>	<b>2,074</b>	<b>-1,630</b>

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

Sources: Long-Term Care Bed Need Formula and Department of Inspections & Appeals; Summary of Long Term Care Entities; Population projections – Woods & Poole Economics, Inc.

9. Over the span of the last three years, the total number of beds in the four-county area has decreased by 169 beds. There has been an increase of 25 beds in the past three years for Scott County. See the following table for additional detail.

**Nursing Facility Beds by County  
Difference in Number Between January 2019 and January 2022**

<b>County</b>	<b># of NF Beds (facilities) as of January 2019</b>	<b># of NF Beds (facilities) as of January 2022</b>	<b>Difference in # of NF Beds</b>
Scott	1,090 (10)	1,115 (11)	25
Cedar	210 (4)	210 (4)	0
Clinton	489 (4)	295 (5)	-194
Muscatine	454 (5)	454 (5)	0
<b>Totals</b>	<b>2,243 (23)</b>	<b>2,074 (25)</b>	<b>-169</b>

Source: Department of Inspections and Appeals, Summary of Long-Term Care Entities

10. There are currently 2,074 licensed and approved nursing facility beds in the four counties with an additional 73 licensed beds in dedicated CCDI units.

**Number of CCDI Beds by County**

<b>County</b>	<b># of CCDI Beds (facilities)</b>
Scott	44 (2)
Cedar	0
Clinton	0
Muscatine	29 (2)
<b>Totals</b>	<b>73 (4)</b>

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

11. There are no hospital based nursing facility beds in the four county area.
12. The following table represents the results of an occupancy phone survey conducted January 5 and 6, 2022, of nursing facilities in the four county area. The facilities in Scott County range from 28% to 84% (Ivy at Davenport) occupancy, for a county occupancy rate of 58%. The Summit at Bettendorf, with a census of 28%, just recently opened and began accepting residents so therefore reported low numbers. If this facility is suppressed, the census for the county increases slightly to 59%. There were other facilities in Scott County with low census numbers. Reasons cited included as issues staffing and the effects of COVID on total numbers. The three contiguous counties ranged in occupancy from 66% in Muscatine County to 89% in Cedar County. The primary reasons for low census cited were lower numbers being typical and staffing problems. A couple of facilities indicated that while their numbers were lower currently, they were on the way up.

**Phone Survey of Nursing Facilities Located in Scott County  
& Counties Contiguous to Scott County  
January 2022**

<b>Facility &amp; Phone by County</b>	<b>Licensed Beds</b>	<b>Current Occupancy</b>	<b>Percent Occupied</b>
<b>SCOTT COUNTY</b>			
Bettendorf Health Care Center	86	45	52%
Davenport Lutheran Home	98	60	61%
Good Samaritan Society – Davenport	190	100	53%
Iowa Masonic Health Facilities	79	61	77%
Kahl Home for Aged & Infirm	135	78	58%
Manorcare Health Services of Davenport	105	58	55%
Promedica Skilled Nursing and Rehab- Utica Ridge	120	89	74%
Ridgecrest Village	137	45	33%
Aspire of Pleasant Valley	50	34	68%
Ivy at Davenport	75	63	84%
The Summit of Bettendorf	40	11	28%
<b>TOTALS</b>	<b>1,115</b>	<b>644</b>	<b>58%</b>
<b>CEDAR COUNTY</b>			
Cedar Manor Nursing Home	60	52	87%
Clarence Nursing Home	46	44	96%
Crestview Specialty Care	65	61	94%
Mechanicsville Specialty Care	39	30	77%
<b>TOTALS</b>	<b>210</b>	<b>187</b>	<b>89%</b>
<b>CLINTON COUNTY</b>			
Eagle Point Health Care Ctr	90	52	58%
The Alverno Senior Care Community	84	82	98%
Westwing Place	77	66	86%
Wheatland Manor	44	28	64%
<b>TOTALS</b>	<b>295</b>	<b>228</b>	<b>77%</b>
<b>MUSCATINE COUNTY</b>			
Aspire of Muscatine	100	52	52%
Lutheran Living Senior Campus	155	134	86%
Premier Estates of Muscatine	100	53	53%
Simpson Memorial Home	65	31	48%
Wilton Retirement Community	34	29	85%
<b>TOTALS</b>	<b>454</b>	<b>299</b>	<b>66%</b>



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

County	RCF Beds (Facilities)	Home Health Agencies	Adult Day Services	Assisted Living Units (Facilities)	ALP/D
Scott	24 (3)	6	40 (1)	729 (7)	733 (10)
Cedar	0	1	0	36 (1)	70 (1)
Clinton	41 (1)	2	0	68 (2)	295 (3)
Muscatine	6 (1)	0	30 (1)	112 (3)	156 (2)
<b>TOTALS</b>	<b>71(5)</b>	<b>9</b>	<b>70 (2)</b>	<b>945 (13)</b>	<b>1,254 (16)</b>

Source: Department of Inspection and Appeals website

14. The applicant notes that they will add three new staff in the area of nursing for this project, increasing total staff from 60 to 63. They further note that they will increase direct case staff if needed. Noted during testimony is that Ivy at Davenport provides an excellent compensation package as well as reimbursement for education and tuition, rent raffles, and educational and social events.

15. There were no affected party letters, in support or opposition, received.

16. The applicant indicates \$12,000 cash on hand for the project. These funds will be used to purchase 15 new beds and mattresses at \$800 per set. Noted by the applicant is that the rooms that will house these beds will most likely be repainted and refreshed and funds for these improvements will come from the maintenance budget.

17. The applicant anticipates no operating deficit as a result of this project.

#### 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 notes that there was no opposition by other facilities in the area to this project. The Council also notes that Ivy at Davenport was originally licensed for 90 beds and that the previous owner de-licensed 15 beds. Noted is that Ivy at Davenport is reaching capacity and that potential residents may have to be turned away, forcing them to seek nursing facilities farther away which can cause issues for families and loved ones. The Council notes that all of the beds at the Ivy at Davenport will be certified for Medicare and Medicaid. Further, as no construction is required at Ivy at Davenport to add 15 beds, the Ivy at Davenport proposal would not only meet the need in the County, but these beds can be added in a cost efficient manner. 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. 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 bed need formula indicates an underbuild in all three of the contiguous counties around Scott County. The underbuild for Scott County is 904 beds. Overall the four-county area, as calculated by the bed need formula, is underbuilt by 1,630 beds. The phone survey conducted by Department staff indicates an overall occupancy in Scott County of 59%, with one facility suppressed. The occupancy rate at Ivy of Davenport was 84%. The other facilities in Scott County cited as reasons for their low census issues including staffing and the effects of COVID on total numbers. The Council traditionally requires utilization over 85% to indicate appropriate occupancy rates of long term care facilities. Here, the lack of opposition to the project, the fact that Ivy at Davenport was originally licensed for 90 beds, the impact of the COVID-19 pandemic, and staffing shortages on the censuses at facilities in the area support a conclusion that existing facilities are being utilized in an efficient manner. Iowa Code Sections 135.64(1) and 135.64(2)b.
3. The Council concludes that there is no construction associated with this project. The Council further 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 notes Ivy at Davenport will provide skilled care nursing services to their residents. These services include, but not are limited to, therapy (physical, occupational, speech and respiratory), social services and activities. Also noted is that Ivy at Davenport accepts residents who need IV therapy, bariatric care and who have behavioral needs and that Ivy at Davenport takes residents with higher acuity needs that other facilities will not take. Therefore 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. Iowa Code Sections 135.64(1) and 135.64(2)d.

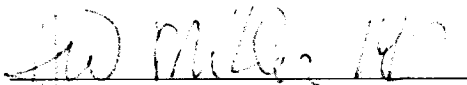
The facts, considered in light of the criteria contained in Iowa Code Section 135.64 (1 and 2) (2021), led the Council to find that a Certificate of Need should be awarded.

It is required in accordance with 641 Iowa Administrative Code 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 (641 Iowa Administrative Code 202.14).**

Dated this 27 day of March 2022

  
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H.W. Miller, M.D., 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 )  
 )  
SELECT SPECIALTY HOSPITAL - )  
QUAD CITIES, INC. )  
 )  
DAVENPORT, IOWA )

**DECISION**

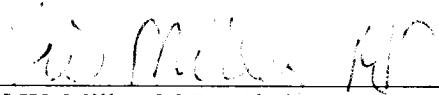
This matter came before the State Health Facilities Council for review on Wednesday, February 9, 2022. The applicant was represented by Alissa Smith, Dorsey & Whitney, LLC and Jeffrey Fenn, Select Specialty Hospital – Quad Cities, Inc.

The project, the relocation of a free-standing long-term acute care hospital to Genesis Health System – East as a hospital within a hospital, was originally approved February 17, 2021, at an estimated cost of \$6,500,000. The original completion date was November 30, 2021; the new completion date is December 1, 2022. The design/bids are 100% complete, and bids for construction have been obtained. The next steps are to send construction documents to the state for review and approval, get the contractor under contract and release long lead-time items for procurement. The project timeline is contingent upon having access to the leased floor to do renovations. Access to the space has been delayed due to the host facility having delays with their internal projects. It is expected that the applicant will have access to the floor in May 2022. The contract with the architect was signed August 11, 2021. Noted by the applicant during testimony was that there have been no cost changes. To date a total of \$143,000 has been spent on the project.

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 641 Iowa Administrative Code 202.13. The decision is based upon a finding that sufficient progress has been made in developing the project.

The extension is valid for 12 months.

Dated this 17 day of March 2022

  
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H.W. Miller, M.D., Chairperson  
State Health Facilities Council  
Iowa Department of Public Health

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