

## STATE AGENCY ACTION REPORT

### CON APPLICATION FOR CERTIFICATE OF NEED

#### A. PROJECT IDENTIFICATION

1. Applicant/CON Action Number:

**Plantation General Hospital Limited Partnership/CON #10235**

401 NW 42<sup>nd</sup> Street  
Plantation, Florida 33317

Authorized Representative: Mr. Randy Gross  
Chief Executive Officer  
(954) 587-5010

2. Service District/Subdistrict

District 10/Subdistrict 10-1 (Broward County)

#### B. PUBLIC HEARING

A public hearing was requested by the City of Plantation ("City") which stated in its request for the public hearing that it was a substantially affected person. The hearing was held on Wednesday, October 22, 2014 at the Broward Regional Health Planning Council, Inc. (BRHPC) located at 915 Middle River Dr., Suite 120, Fort Lauderdale, Florida 33304. Mr. Michael De Lucca, President and Chief Executive Officer (CEO) of the BRHPC and Ms. Yolanda M. Falcone, Manager of Administrative Services at the BRHPC, facilitated the hearing. There were approximately 100 persons in attendance. Mr. De Lucca called the meeting to order and discussed the purpose and intent of the meeting. Those speaking for the applicant would present first, followed by those speaking against the applicant. The applicant would then have the chance for a rebuttal, leading to the closure of the public hearing. Each presenter would be allowed six minutes to speak.

Mr. Steve Ecenia, attorney for the Hospital Corporation of America (HCA), the parent company of the applicant, opened the hearing. He expressed that Plantation General is very excited about the proposed project because the community desperately needs a new facility as the current one is approximately 50 years old and is in need of significant

renovations. He noted that while the purpose of the proposed project is replacement, an ancillary benefit is the exciting opportunity to place the hospital on the campus of Nova Southeastern University (NSU). He ensured the public that HCA was going to remain present in the city by leaving a freestanding emergency room on the current site of Plantation General, where he indicated 90 percent of the hospital's care occurs anyway. Mr. Ecenia noted that HCA's Westside Regional Medical Center will also still reside in the city.

The Honorable Judy Paul, Mayor of the Town of Davie, spoke on behalf of the Davie Town Council. She said the news that NSU could host a state-of-the-art teaching facility is exciting because it would significantly benefit the community and all of Broward County. She mentioned the facility would be located in the South Florida Educational Center, which is the largest educational complex in Florida.

Mr. Richard Lemack, Town Administrator for the Town of Davie, said that Davie is a premier destination with a population quickly approaching 100,000 residents. He indicated the town does not have a hospital in its municipality and it has been a longstanding void.

Fire Chief Joseph Montopoli, Davie Fire Rescue, indicated that Davie shares its borders with 10 other municipalities, meaning people are transferred from outside Davie daily, straining resources. He indicated that since time is of the essence for emergency care, it would benefit patients to have a centrally located and easily accessible hospital. He also spoke of his excitement for training opportunities for his staff at the proposed facility.

Dr. Carmel Barrau, physician and President of the Association of Haitian Physicians Abroad Florida Chapter, discussed his belief in an expected upcoming shortage of primary care physicians and physicians in certain specialties. He stated that he spoke from his heart as a teacher and physician, and asked the audience if they wanted to be facing this shortage. He discussed the new facility's ability to provide training, saying that in his 20 years as a physician, "we have come a long way, but the battle is hardly won."

Ms. Kathy Platt, President of Platt Health Management Consulting, Inc., the consulting team that prepared CON application #10235, indicated the main reason for the proposed project was the need for the replacement hospital. She said there are deficiencies in the current hospital that affect the patient care experience. Ms. Platt stated the replacement facility would still serve 87 percent of Plantation General's current patient base.

Dr. Harry Moon, former CEO of Cleveland Clinic Florida, spoke of the success Cleveland Clinic had with moving a hospital in Broward County. He said Plantation General has the unique opportunity to do the right thing by building the replacement facility.

Mr. Michael Joseph, President of HCA's East Florida Division, stated Plantation General's staff works tirelessly to improve the care of the community. He indicated that if HCA were to rebuild Plantation General in its current location, it would take years and he does not believe it could be accomplished any time in the foreseeable future.

Ms. Barbara Simmons, RN, CEO of Westside Regional Medical Center, spoke about her 224-bed acute care hospital. She noted that Westside, which will remain in Plantation, provided \$12 million in charity care last year and put over \$4 million of capital into the facility, with new projects such as a comprehensive stroke center. She stated that Westside is there to care of the needs of the patients.

Thirteen NSU faculty and staff members spoke in support of CON application #10235 including:

- Dr. Mutasem Qalaji, Associate Professor at the College of Pharmacy
- Dr. George Hanbury, President
- Dr. Ron Assaf, Chairman of the Board of Directors
- Dr. Jean Latimer, PhD breast cancer researcher at the Department of Pharmaceutical Sciences
- Dr. Gary Margules, Vice President of Research
- Dr. Marcella Rutherford, Dean of the College of Nursing
- Dr. Elaine Wallace, Associate Dean for Academic Administration at the College of Osteopathic Medicine
- Dr. James Howell, Chairman of the Department of Rural Medicine
- Dr. Kenneth Johnson, Director of the Women's Health Center
- Stanley Wilson, Dean of the College of Health Care Sciences
- Rita Silverman, Director of Clinical Research
- Dr. Heather Hettrick, Associate Professor in the Physical Therapy Program
- Dr. Ana Castejon, Associate Professor at the Department of Pharmaceutical Sciences

Major recurring themes that surfaced among these presenters were as follows:

- Having a hospital on the campus of NSU would enhance the education of students studying many various health care disciplines by allowing hands-on training

- Nursing students would be able to stay in the onsite hospital for multiple clinical rotations, allowing them to access technology systems they currently are not able to, such as electronic medical records
- NSU medical students could complete residencies at Plantation General instead of leaving the state, providing an economic benefit to the community as most medical students settle to practice where they do their residencies
- Having a hospital on campus would allow for the expansion of clinical research trials

Mr. Randy Gross, CEO of Plantation General, indicated that HCA has extensively evaluated if there is an option to renovate and expand on the current site. He stated that HCA's engineers and architects have determined that renovating would cost \$250 million while still leaving deficiencies. He asserted that in order for Plantation General to remain competitive and to continue to provide high quality care, a replacement facility is necessary.

Six current physicians from Plantation General spoke in support of CON application #10235. Dr. Ilya Chern, an emergency room physician, indicated that Plantation General has reached the limits of its space, as he has already been through four renovations. Dr. Camysha Wright, surgeon, said a better design would be possible in a newer facility. Dr. Kim Lord-Strulovic, pediatric emergency room physician, stated that updates are needed to improve care to the pediatric age group, as 40 to 45 percent of the emergency room visits are categorized as pediatric. Dr. Mitchell Stern expressed concern that he can currently only teach one resident each day at Plantation General and that he cannot conduct as many studies as he wishes because of size limitations. Dr. Stern also voiced his belief that clinical outcomes could be improved for babies in the neonatal intensive care unit (NICU) if they could be spaced further apart. Pediatrician Dr. Lawrence Garter stated that expecting mothers choose to deliver elsewhere because Plantation General does not represent a modern facility. Patients complain about wait times in the emergency room because it was not originally designed to handle the current volume. Dr. Pat Johnsen, who has spent 34 years at Plantation General, struggles with the hospital's constraints, indicating the footprint of the hospital is simply too small. Dr. Johnsen feels that Plantation General would continue to be a safety-net hospital in the new location and that it would be fiscally and operationally more prudent to construct a new hospital than to remodel.

Six NSU students spoke in support of CON application #10235. Erinne Kennedy and Ashleigh Weyh, dental students also working on their Masters of Public Health degrees, believe NSU students are the future providers of Broward County. Ms. Kennedy spoke of the rise of people

going to the emergency room for toothaches and believes dental curriculum at NSU would be enhanced by having a hospital onsite. Nevene Shata, third year pharmacy student, believes having the hospital onsite would improve specialized services. Trevine Albert, President of the NSU's Student Government Association for the medical school, spoke on behalf of the student body. He expressed how delighted the student body is for the opportunity for "bench to bedside training." Mr. Albert spoke of his excitement that the proposed hospital could help alleviate a shortage of residencies, indicating there are not enough spots for all graduating medical students currently. Students Amal Khallouki and Rajeswari Murvgan spoke on behalf of NSU's Rumbaugh-Goodwin Institute for Cancer Research, expressing their belief that the onsite hospital would support cancer research by allowing for the conduction of more clinical trials.

Dr. Ilda Isaza, family physician and NSU graduate, indicated that a union between NSU and Plantation General would create a compassionate care setting that would be beneficial to both patients and physicians in training.

Lastly, Jason Delimitros, Chief Operating Officer for Sunshine State Health Plans, stated his company finds HCA to be a quality partner and he is in favor of the proposed project.

The Honorable Diane Veltri Bendekovic, Mayor of the City of Plantation, opened for the opposition. She indicated that as a former member of the Board of Trustees of Plantation General, she truly knows the value of the health care services. She spoke of representing the working class resident who couldn't afford to take a day off work to attend a public hearing. She expressed her frustration that Plantation General did not include the city in the discussion of the relocation even though they have been partners for over 50 years. She stated that the relocation would certainly be detrimental to the health care of those who need it the most. She stated that if the hospital moves 6.81 miles, it will affect over 500 businesses that are frequented by Plantation General employees. The mayor said the neediest who are seeking hospital care will have a bus ride of 55 minutes with two stops. She indicated that the relocation would triple the response time of Emergency Medical Services (EMS), costing patients valuable life-saving minutes. She stated that as an educator, she could not agree more with the vision of NSU, but not at the expense of the city. She asserted the relocation is a blatant attempt to not serve the underserved. The mayor concluded that Plantation General needs to remain intact because there is a need for medical resources in central Broward.

Speaking in opposition to the relocation, Mr. Michael Carroll indicated that he had been asked by the City to review the arguments presented in

the CON application. He stated that Plantation General has proven itself to be an excellent facility. He asserted that while there is no question that NSU has grown--but that the proposed project is not for research, but for an acute care hospital. He indicated service area is a driving factor when looking at access and ability. He noted that 24 percent of Plantation General's current patients come from ZIP code 33311 (part of Fort Lauderdale). He stated that median family income is \$30,000 in ZIP code 33311, \$53,000 in the City and \$66,200 in Davie. Mr. Carroll asserted that 14.5 percent of the residents of the northeast suburb of the City (adjacent to Plantation General's current primary service area) do not have an automobile compared to less than five percent in the city and two percent in Davie. Mr. Carroll noted that because of this fact, access to public transit is critically important.

Mr. Carroll discussed Plantation General's importance as a safety-net hospital for mothers and babies, indicating that one third of total deliveries and one third of NICU babies would be further away in the proposed location. He stated that because babies have a longer length of stay than mothers, mothers without transportation need easy access to the hospital. Mr. Carroll stated that even with a growing, aging population, there has been a decline in inpatient use rates. He pointed out that Plantation General reported less than 43 percent average occupancy in 2013 and thus could easily create private rooms. He discussed his concerns with bus transportation and roadways to the new location. He noted that seven of the nine medical schools in Florida do not have an on-campus teaching hospital. Mr. Carroll pointed out that although Plantation General says they are leaving a freestanding emergency room onsite, they did not make this a condition of their CON application. He closed by saying the relocation would have a significant impact on the city.

Mr. Harris Solomon spoke next for the opposition, drawing attention to a document submitted to the Agency entitled "City of Plantation Florida, Impact Analysis of the Proposed Relocation of Plantation General Hospital, October 2014." He indicated that the impact analysis document provided data to back the city's arguments. Mr. Solomon stated that Plantation General has only committed to providing 15 percent of care to Medicaid and charity care patients in their CON application, while they currently provide 45 percent to this payor category. He stated the population to the east of Plantation General would not be able to afford to come to the hospital any longer under the proposal of 15 percent. Mr. Solomon asserted that "the pocket of the provider is not in the right place."

Mr. Solomon asserted that the people who currently go to this hospital are also the under-transported--those with no car, a broken car or just one car for the family. Mr. Solomon stated a bus ride to the new facility

would take 72 minutes--not a reasonable amount of time. He declared Plantation General's proposal doesn't take into account the real lives of the people who currently utilize the hospital. He believes that the current primary service area will be further underserved and the hospital should not be moved to a place where it will be used by people who are far wealthier. He stated students could travel by bus to study at Plantation General's current location. He said, "If it's easy enough to get a sick person to travel by bus to the new location, if that's not a big deal to anyone, how hard would it be to take dedicated medical students on a bus to the current location?" He asserted that the road the proposed replacement facility would be located on is one of the worst roads in the community. He stated current patient population is in need of the services they are receiving at this time. He concluded by insisting that the real fact is that on the proposed site, Plantation General is not going to serve the people they are currently serving.

The Agency received a copy of impact analysis document introduced by Mr. Solomon. The reviewer thoroughly studied the document and notes that some major arguments included in the impact analysis but not discussed at the hearing include:

- In the 12 months ending March 2014, 33.4 percent of Plantation General's inpatients reside in six ZIP codes that encompass the city limits
- Residents of Plantation General's current PSA (Primary Service Area) ZIP codes represent 84.5 percent of total emergency room visits at Plantation General
- Plantation General plays a vital role in the provision of general acute inpatient care with a market share of 12.5 percent in the current PSA
- In the most recent 12 months--obstetrics, pediatrics and newborn care represent four out of the top five clinical service line inpatient volumes at Plantation General, accounting for nearly 59 percent of the entire inpatient activity
- Because of the time-sensitivity of the labor/delivery process, additional travel time to the proposed relocation site presents a burden on expectant mothers and families
- In terms of postgraduate training, there are already 21 programs working with NSU's College of Osteopathic Medicine, 17 of which are in Florida
- Nearly 69 percent of Plantation General NICU babies are either Medicaid or self-pay, reinforcing the critical "safety-net" role played by the hospital at its current location
- Nearly 80 percent of the PSA kids admitted to Plantation General reside in ZIP codes that will further away from their pediatric unit as a result of the relocation of the hospital

- Plantation General is the sole provider of neonatal services within the city

Mr. Donald Lunny Jr., of Brinkley Morgan Attorneys at Law, attorney for the opposition, spoke next, indicating he is a native of Broward County and his own brothers were born at Plantation General. He asserted that HCA has owned Plantation General for two decades, and that a lack of investment of the corporate owner is not a statutorily recognized reason for a CON. He stated for the record, he objected to the way the hearing was unfolding, as he did not believe the city had been given reasonable time to present their arguments under the six-minute rule.

Mr. Lunny submitted two documents for the record, entitled “Plantation General Hospital Replacement Overlap in Current/Proposed PSA’s” and “Broward County: Roadway Capacity and Level of Service Analysis.” On the first document, he pointed out that he had highlighted two roads: State Road (SR) 7 (the road the hospital is currently located on) and University Drive (the road the proposed hospital would be located on). Next he shifted to the second document, demonstrating that it contains grades of the two roads in terms of capacity and level of service. Data from 2013 was used to grade the two roads during “daily” conditions and “peak hour” conditions. He noted grades A and B are “both excellent, and not seen in South Florida.” He explained grade C is “wonderful and acceptable for South Florida,” grade D is “unacceptable but legally sufficient” and grade F is “failing.” The data presented illustrated there are 12 Cs and one F for SR 7, both in “daily” and “peak hour” conditions. Comparatively, University Drive received eight Cs and two Fs for “daily” conditions and five Cs and five Fs for “peak hour” conditions. Mr. Lunny asserted that it did not matter which way the ambulance is coming from--but the fact of the matter is that University Drive is a failing arterial access way.

Lastly, Mr. Lunny stated that in 1997, Broward County and the city created a community redevelopment agency. He asserted this is a separate local government entity designed to allow communities to address blighted conditions. Mr. Lunny contended that once this entity is created, all future taxes that result from an appreciation of tax value are put into a special fund that can only be used for this redevelopment area. Mr. Lunny indicated this has benefited this community, and the movement of this hospital would affect virtually all of the community.

Mr. George Taylor, attorney representing the city, stated that while there is no doubt the proposed facility is great for NSU and HCA--it is not great for the citizens of Plantation.

Speaking for the opposition, Mr. Seann Frazier, of Parker, Hudson, Rainer & Dobbs LLP, attorney representing the North Broward Hospital



District d/b/a Broward Health, said he wanted to discuss three topics brought forth by the previous speakers: educational benefits, infrastructure and need. He asserted that NSU students currently enjoy rotations at Broward Health facilities and many opportunities already exist for research in the county. He stated that in terms of infrastructure, the Agency has recently heard cases of facilities that are older and are in even more failing areas than Plantation. He indicated the Agency decided this does not determine community need. He stated he would like to encourage the Agency to go down the road of precedent in denying replacement facilities and specifically referenced Lee Memorial Health System.<sup>1</sup>

Mr. Frazier stated Plantation General serves 10 ZIP codes that make up 75 percent of their patients. He indicated that while Plantation General would like to consider 21 ZIP codes, these 10 ZIP codes are what really matter. He maintains that the proposed replacement facility would be leaving some ZIP codes behind to serve an “economically better” community. He asserted the hospital is proposing to move to an area of slower population growth--stating Broward County as a whole is growing by 6.4 percent, while the “tight area around NSU” is growing by only 4.4 percent. Mr. Frazier declared that with flat to declining use rates, the hospital is moving further away from the elderly, females and minority populations it currently serves. Mr. Frazier concluded, “The bottom line is that Plantation General serves an important role in this health care community, that role is a local community role, and if the hospital is allowed to move, it’s going to serve different community: a richer community, a less diverse community, a community with less needs.”

The engineer for the city, Mr. Brett Butler, spoke next on behalf of the opposition. He stated the city engineering and fire departments coordinated to perform test responses in the city east of University Drive. EMS personnel, along with a licensed professional traffic engineer, performed runs during A.M. lunchtime and P.M. peak hours on Wednesday, October 8 and Thursday, October 9, 2014 to determine traffic conditions, distances, and travel times. He indicated the full report can be found in the document submitted to the Agency entitled “Medical Transport & Public Transit Route Comparison: Plantation General Hospital Existing & Proposed Campus Locations.” The reviewer notes this document includes a thorough route comparison between the existing and proposed hospital site through data analysis and cartography.

In the interest of time, Mr. Butler discussed just one of the test responses. With no unusual traffic conditions, the test response team

<sup>1</sup> The reviewer notes that CON application #10185 submitted on behalf of Lee Memorial Health System was a proposed project for a new satellite facility.

initiated a route to the existing hospital site, covering a distance of 1.2 miles, with a maximum travel time of five minutes, 41 seconds. When the route was initiated from the same location to the proposed site, it covered a distance of 8.4 miles, with a maximum travel time of 24 minutes, 44 seconds. The time required to return 1.4 miles to the city limits of Plantation added an additional 17 minutes, 28 seconds in order to be declared available to take another emergency call. Mr. Butler concluded that the cumulative travel time in that case was 42 minutes, 12 seconds.

Mr. Butler indicated that department staff was also requested to evaluate the Broward County transit bus service available to neighborhoods in the vicinity of the existing hospital. He stated that publicly available bus schedules were used to determine likely routes traveled by residents of these neighborhoods relying upon the bus to access medical care from the proposed hospital location. An evaluation of the bus route was performed from the intersection of Local Park Boulevard and SR 7, in Lauderdale Lakes, to the existing and proposed hospital site. Mr. Butler concluded that the bus route took 24 minutes to the existing site and 72 minutes to the proposed site.

Fire Chief Laney Stearns, City of Plantation, indicated that Plantation prides itself on customer service and response to the community, as they have worked hard to improve services. He stated they have had an EMS system in the city since 1996 and their goal, then and still today, is to provide the most patient care orientated system possible. Chief Stearns asserted that removing Plantation General from the current location would be devastating to the delivery of emergency medical service and would place an undue hardship on current patients.

Chief Stearns discussed his concern about the reduction of services at the existing site--to a freestanding emergency room only. He asserted that once patients who are admitted to the emergency room are stabilized, 10 percent of them, or 6,500 based on Plantation General's projections for this year, will need to be transferred to a comprehensive facility for care. He indicated that the city is often called upon to make transfers when the private contractor is delayed. Mr. Stearns concluded by saying the city, jointly with the fire department, oppose the proposed project and object to breaking a long established relationship that has become integral.

Mr. Pete Tingom, former principal of Plantation High School, discussed his experience in witnessing the detrimental effect of moving a hospital--Doctor's General. He indicated that taking that hospital away took away a part of the community, as he believes it would for the city. He expressed his frustration that NSU and HCA failed to communicate with all of Broward County about the project. Lastly, Mr. Tingom suggested a

Central Broward Hospital District, modeled after the North Broward Hospital District, could be created to financially support Plantation General in its current location.

Mr. John deGroot, citizen of the city, discussed his experience working for the Florida Attorney General on a project to prevent the closure of St. Mary's hospital in Palm Beach County. He indicated his team was successful and that the hospital is doing well today. Mr. deGroot stated that Plantation General lost \$23 million last year. He stated a belief that HCA, as a for-profit company, wants to "get out of the poor people's health care business."

Mr. deGroot submitted HCA's "Broward County Community Report 2012" to the Agency. He indicated that HCA praised Plantation General as a jewel in the community when it published this report, only two years ago. He stated a belief that HCA changed their mind about Plantation General when the economy started to go down. He stated Plantation General lost more money in 2013 than any other hospital in Broward County. Mr. deGroot concluded that the proposed project is "all about the money."

Ms. Mae Smith, resident of St. George Community, expressed her belief that those supporting the proposed project have not considered the "least and the left out" who benefit from Plantation General. She spoke of a recently added shuttle bus route going directly from Lauderhill to the current site, which has made it easier for those without transportation to visit their sick loved ones. Ms. Smith spoke of her concern that the residents of her surrounding communities did not know they were signing petitions in favor of relocation and feels that the people of Broward County were not properly notified about the proposed project.

Mr. Fred Lovell, Plantation business owner for 14 years, spoke in opposition of the proposed project. He asserted that he was proud of the City, as he had been a Broward County resident since 1951. He spoke of having a niece who had passed away at a hospital that was farther away than Plantation General, expressing that he might have been able to see her if she had been at Plantation General. He believes Plantation General is an important hospital for the "surrounding poor people in the area."

Ms. Falcone addressed the audience, stating presenters speaking against the applicant had concluded. She invited Mr. Steve Ecenia to make his rebuttal.

Mr. Ecenia thanked everyone for coming to show their support. He mentioned only three non-employee personal who were not paid by the city spoke for the opposition. He indicated his frustration that taxpayer

dollars were being used to oppose a great project that would benefit all of Broward County and allow this safety-net hospital that lost \$23 million last year to keep going. Mr. Ecenia reaffirmed that the proposed project would essentially be providing care to the same service area as the existing facility, as it will only be moving one ZIP code. He expressed that the City could enhance public transportation if that is their concern, although he finds most people access a hospital by emergency service. He indicated the proposed replacement facility projects to serve 41 percent Medicaid/Medicaid HMO patients and 12.6 percent self-pay patients. He indicated, comparatively, Broward County hospitals overall averaged 17.6 percent Medicaid/Medicaid HMO and 5.7 percent self-pay. He stated Plantation General would continue to be a safety-net hospital even though it does not receive tax subsidies but does continue to pay local, state and federal taxes. Mr. Ecenia stated that he believed more people from the community would have been present if they really opposed the project. He concluded that “we need a therapeutic and healing environment,” and stated HCA “just wants the chance to serve the community in a new state-of-the-art facility.”

Mr. De Lucca closed the meeting by thanking everyone for coming, indicating the public hearing had been very orderly and professional.

Written materials were received during the course of the public hearing and documented immediately afterwards. The reviewer carefully examined these documents. Signed by the Honorable Diane Veltri Bendekovic, the City submitted a formal resolution opposing the proposed project, “Resolution No. 11962.” The Agency received a document from Mr. John deGroot entitled “Plantation General Hospital Broward County: A Case Study in Terminal Costs.”

A signed petition against CON application #10235 was submitted by Dr. Jonathan Ralph on behalf of Total Women’s Health Care of Plantation. The petition includes signatures from 16 health care providers who feel moving Plantation General would have a negative effect on maternity and pediatric services in Planation. They state that Plantation General is the only facility in the city that provides maternity and pediatric services and has a neonatal and pediatric intensive care unit. These providers feel the applicant’s plan to leave an emergency room and outpatient services is not feasible. They are concerned about the public and private funds that would be required to offset the loss of the tax base and to provide transportation for the population of the city to a farther away care center.

The Agency received a statutory review criteria document. This document also includes an analysis of taxable values and incremental tax revenue for the City from FY 2000 to 2014.

The Agency also received a document illustrating a snapshot of the current City health care provisions. This document includes a discussion of community outreach, a demographic snapshot report of the City, an analysis of the impact the relocation would have on EMS in the City, a list of medical office buildings, a data analysis of municipal and CRA investment, Plantation General's portion of the HCA 2013 Community Report and a section on private investment.

### **Letters of Support**

Plantation General submitted 919 unduplicated letters of support and the Agency received seven additional letters directly. More than half of those received are form letters of support. The faculty, staff, and students of NSU wrote 273 letters. NSU's teaching hospital submitted a petition of support with 19 signatures. NSU's Board of Trustees unanimously approved support for the application and 28 Board members also contributed letters.

The main points from the NSU letters are as follows:

- Replacement of Plantation General on the campus of NSU will address all physical plant limitations, provide for state-of-the-art design and technology, incorporate teaching/research into the plan and allow HCA and NSU to work collaboratively to continue to meet the needs of the communities
- In order to address the current physical plant limitations of Plantation General, the existing facility would have to undergo extensive remodeling that would negatively impact work flow and continuity of care service, take longer to develop and would still result in space and design limitations compared to constructing a new state-of-the-art facility
- The possibility of an academic partnership at the proposed facility creates the opportunity for research and the development of a world-class educational experience for health care

Dr. Mark S. Grenitz, an obstetrician at Westside OB/GYN Group LLC, writes that dramatic changes in the state of obstetrical care have made the current hospital inadequate to meet the needs of the community. He stated, "The post-delivery unit is not able to provide private rooms and I believe it is a necessity in the current climate of increased awareness of patient privacy and infection concerns... post-surgery, the current hospital has community showers, making the hospital unable to serve my patient's needs and desires."

Dr. Alberto Marante, Medical Director for Pediatric Critical Care Services, notes Plantation General's pediatric Intensive Care Unit (ICU)--the first one built in Broward County--is over 30 years old. He concludes, "It has

simply grown inadequate for our patients' needs and the physical plant of the hospital cannot support its renovation without relocation.”

Dr. Sabiha Khan, a community based physician in Plantation, Florida for 19 years, writes, “Having an academic partnership incorporating research is always beneficial to the clinical setting. The patient population that is treated at Plantation General Hospital has a wide spectrum of diseases and would be well served in such an environment.”

Plantation General received three letters of support from what the applicant classified as government leaders. These included: Judy Paul, Mayor of Davie; Susan Starkey, Councilwoman for District 3 of the Town of Davie; and John P. Bauer, Honorary Consul of Guatemala.

### **Letters of Opposition**

The Agency received two letters of opposition before the omission deadline to the proposed project. Two members of the business community, Patricia M. Hance, President of Pat Hance Realty in Plantation, and Beatrice Brown, feel Plantation General has been a significant provider of employment and an anchor for numerous satellite businesses. They state the City of Plantation and the business community have worked to turn what was once a struggling part of the city into a vibrant business community with a focus on providing health care services. They conclude, “The closing of this acute care hospital facility will be devastating to those plans and will have a devastating effect upon the delivery of health care services in those surrounding residents.”

## **C. PROJECT SUMMARY**

**Plantation General Hospital Limited Partnership (CON application #10235)**, which will be referred to as Plantation General or the applicant, proposes to establish a 200-bed replacement acute care hospital in Davie, Florida, Broward County, District 10/Subdistrict 10-1. The replacement facility will be located on the main campus of NSU in ZIP code 33328 and will consist of 144 acute care beds, 32 NICU beds and 24 adult psychiatric beds. Plantation General's current facility includes 264 beds: 233 acute care beds, 13 Level II NICU beds and 18 Level III NICU beds (a total complement of 31 NICU beds). The facility is also a designated Primary Stroke Center. The applicant received an exemption on July 24, 2014 (E140016) to establish a 24-bed adult inpatient psychiatric unit through the conversion of 24 acute care beds.

The proposed hospital will be located in ZIP code 33328 on the main campus of NSU. The applicant proposes 17 ZIP codes as its service

area.<sup>2</sup> The applicant states the new site will not change Plantation General's existing service area.

The review criterion of an acute care hospital does not require a financial or architectural review. The applicant included the following financial estimates in their application. The proposed project involves a total cost of \$251,424,021. Estimated new construction costs total \$154,195,117 and involve 382,906 gross square feet (GSF).

The applicant proposes to condition project approval upon:

- The proposed hospital will be located in ZIP code 33328
- The proposed hospital will be located on the campus of NSU
- The applicant conditions the project on providing a minimum of 15 percent of inpatient hospital admissions to Medicaid and charity patients

#### **D. REVIEW PROCEDURE**

The evaluation process is structured by the certificate of need review criteria found in sections 408.035 and 408.037, Florida Statutes; and applicable rules of the State of Florida, Chapters 59C-1 and 59C-2, Florida Administrative Code. These criteria form the basis for the goals of the review process. The goals represent desirable outcomes to be attained by successful applicants who demonstrate an overall compliance with the criteria. Analysis of an applicant's capability to undertake the proposed project successfully is conducted by evaluating the responses and data provided in the application, and independent information gathered by the reviewer.

Applications are analyzed to identify strengths and weaknesses in each proposal. If more than one application is submitted for the same type of project in the same district (subdistrict), applications are comparatively reviewed to determine which applicant(s) best meets the review criteria.

Rule 59C-1.010(3) (b), Florida Administrative Code, prohibits any amendments once an application has been deemed complete; however, two exceptions exist regarding receipt of information concerning general hospital applications. Pursuant to Section 408.039(3)(c), Florida Statutes, an existing hospital may submit a written statement of opposition within 21 days after the general hospital application is

<sup>2</sup> The reviewer notes that on page 92-93 of CON application #10235, Plantation General indicates that their service area will actually be comprised of 17 ZIP codes plus 13.2 percent of discharges will be from more than 300 ZIP codes and patients out of state based on Plantation General's historical patient origin.

deemed complete and is available to the public. Pursuant to Section 408.039(3)(d), in those cases where a written statement of opposition has been timely filed regarding a certificate of need application for a general hospital, the applicant for the general hospital may submit a written response to the Agency within 10 days of the written statement due date.

The burden of proof to entitlement of a certificate rests with the applicant. As such, the applicant is responsible for the representations in the application. This is attested to as part of the application in the certification of the applicant.

As part of the fact-finding, the consultant, Lucy Villafrate analyzed the application in its entirety.

**E. CONFORMITY OF PROJECT WITH REVIEW CRITERIA**

The following indicate the level of conformity of the proposed project with the review criteria and application content requirements found in sections 408.035 and 408.037, Florida Statutes; and applicable rules of the State of Florida, Chapters 59C-1 and 59C-2, Florida Administrative Code.

**1. Statutory Review Criteria**

**For a general hospital, the Agency shall consider only the criteria specified in ss. 408.035 (1)(a), (1)(b), except for quality of care, and (1)(e), (g), and (i) Florida Statutes. ss. 408.035(2), Florida Statutes.**

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

As of July 18, 2014, District 10/Subdistrict 10-1 had a total of 4,910 licensed acute care beds. District 10/Subdistrict 10-1's acute care beds averaged 49.1 percent occupancy during Calendar Year (CY) 2013.

Background of the Applicant

Plantation General is an existing 264-bed acute care hospital in Plantation, Florida. The applicant states that admissions totaled over 9,907 patients and that the facility served more than 61,194 emergency department visits in 2013. Plantation General indicates that it provided \$23,512,000 of charity and uncompensated care at cost in this same year.



Plantation General falls under a division of health care centers known as the East Florida Division (EFD) operated by its parent company, HCA. The applicant notes several items regarding this division:

- EFD uses the latest technology to improve patient safety and quality of care
- EFD connects with its patients through social media to promote convenience and satisfaction
- EFD is committed to the use of electronic medical records
- EFD is involved in the community it serves as many employees regularly participate in health fairs and community organizations

Formed in the late 1960s, HCA is stated as one of the nation's first hospital companies. Today, the company owns approximately 159 acute care hospitals and 115 freestanding surgery centers. HCA has worked closely with physicians and uses innovative business practices and private capital to improve quality and reduce costs. A description of programs, awards and initiatives put forth by the company can be found on pages 13-18 of CON application #10235.

Plantation General discusses their selection of NSU as the site for their proposed replacement facility. The applicant states NSU's strong desire to host the hospital location and its proximity to Plantation General's existing campus (less than five air miles and seven driving miles away) made it the most logical choice.

The applicant insists that the location of its proposed replacement hospital on the NSU campus will allow Plantation General to take advantage of the university's:

- Extensive information technology network
- Center for Collaborative Research (CCR)
- Health Professions Division -- composed of seven specific colleges of study
- Multi-Specialty Centers -- including five locations in Miami-Dade and Broward Counties

The reviewer notes that the relationship between an academic institution and a facility is not a reviewable criterion in an application for a general acute care CON.

#### Need for a Replacement Hospital

Plantation General asserts that the current physical plant of the hospital, opened in 1966, is making it increasingly difficult to provide patients with the world-class care that they deserve. The applicant states the

current deficiencies with its existing site, the significant cost to renovate and the benefits of a new hospital facility are the primary reasons for construction of a replacement facility.

Plantation General has rejected the option of renovating the current facility because of the extremely high cost associated with renovations, the time involved and the disruptions in patient care that would occur. The applicant indicates that updating critical care areas is not possible because current construction standards require significantly more square footage than the existing footprint. Significant expansion of space is not feasible because disruption would occur to adjacent care areas and the hospital has no other alternative locations available for these areas.

The applicant states that current deficiencies prevent the hospital from keeping pace with clinical changes in health care delivery and meeting the current standard of care. For example, the current standard of care is to have patients in private rooms. Plantation General currently has all semi-private rooms with the exception of nine private rooms. The applicant indicates that the concerns of semi-private versus private rooms are noise, the Health Insurance Portability and Accountability Act (HIPAA), infection control, gender matching and work areas for nurses and visitors. The applicant asserts that not only will all patient rooms be private in the proposed replacement facility, but that the patient rooms will also be significantly larger--allowing for great family involvement in care and for sufficient space for the use of current technology.

Additionally, Plantation General stresses that they only have 839 square feet available per bed currently, while modern design standards are calling for between 2,000 and 2,500 square feet per bed, or between 138 percent and 162 percent more than the applicant currently has available.

The applicant states the current lack of square footage restricts family interaction, clinician work space and space for technology and equipment needed for modern patient care.

Plantation General notes that there are significant issues at the current physical plant in the following areas:

**ICU**

- All ICU units are inadequate by current guidelines
- Room sizes are too small
- Headwalls are not long enough
- There is not a toilet and sink in a room for each bed
- Majority of spaces have no windows
- ICU has cubicles that are approximately 90 square feet -- modern codes require a minimum of 200 square feet
- The total square feet of storage for each eight-bed unit is less than 50 square feet -- modern codes call for each ICU bed to have a minimum of 20 square feet of storage

**Emergency Department Exam Rooms**

- No decontamination room
- No eight-foot wide corridor in front of the nurses' station
- Existing trauma rooms are approximately 192 square feet -- current code minimum calls for 250 square feet of clear space
- No public corridor exists from the emergency department to the rest of the hospital
- A group of five fast-track cubicle spaces are now used as exam rooms -- less than current code minimum

**Operating Rooms**

- Rooms are small in comparison to today's standards
- Useable space is limited due to newer technology and more equipment placed in these 383 square feet rooms

**Outpatient Services**

- Rooms are distant from surgery -- stretchered patients are being rolled down public corridors

**Support Spaces**

- The pharmacy department is located in a less than ideal area which includes a sterile prep room nearby
- Inadequate storage throughout the facility
- Insufficient patient/family waiting areas

The applicant notes that the existing presence of asbestos and mold has the potential to cause significant problems in the future. Plantation

General states it has asbestos in the flooring, drywall compound and duct insulation and there is mold in all exterior walls that are covered with vinyl wall coverings. Plantation General argues that these problems are too expensive to abate at the current facility and would also interrupt operations if repaired. A cursory review by the Office of Plans and Construction finds the applicant's statements to be reasonable.

Additionally, Plantation General is concerned that a lack of space to expand seriously hampers its operational flexibility and availability to grow in the future. The applicant offers several examples:

- The only hurricane shutters are located on the first floor and need to be replaced
- While the current standard calls for three to three and half parking spaces per bed, the hospital only has 1.98 per bed--placing a burden on visiting family members
- No space is available for a helipad
- The pneumatic tube system is outdated and fails to meet the current industry standards

Through financial comparison, Plantation General has determined no cost savings are associated with renovating rather than building a new state-of-the-art replacement facility. Coupling this analysis with the disruption that would occur while renovating an operational facility, the applicant concludes there are numerous design benefits to a new hospital.

Plantation General states that the benefits of a new facility will include significant improvements to the following areas:

- ICU (Pediatric/Adult)
- NICU
- Acute Care/Med-Surgical Rooms
- Emergency Room
- Preoperative/Recovery
- Operating Rooms/C-Section Suites
- Obstetrics Emergency Room/Triage
- Labor and Delivery/Women's Pavilion
- House-wide

Service Area Description

Plantation General plans to add two new ZIP codes to their service area if the proposed project is approved. Four other hospitals- two of which are HCA affiliated hospitals--are located within the applicant's service area. The other two non-HCA affiliated hospitals are Memorial Hospital Pembroke and North Shore Medical Center-FMC Campus. The applicant states that none of these facilities can create the unique environment that will be shaped through Plantation General's educational research affiliation with NSU. The applicant concludes there will be no impact on these nearby hospitals as a result of the relocation because they are sharing the same service area Plantation General currently serves and Plantation General will not be offering new services. The reviewer notes that the applicant was approved for an exemption on July 24, 2014 (E140016) to establish a 24-bed adult inpatient psychiatric unit through the conversion of 24 acute care beds but that the psychiatric unit has not been licensed as of December 1, 2014.

The applicant discusses the demographics and population trends of their service area. Overall, Plantation General projects the total service area to grow by 5.74 percent and Broward County to grow by 2.79 percent by 2019.

More specifically, the applicant provides data describing population trends in their service area ZIP codes by demographics. As illustrated in the chart below, the population age 65 and older is projected to grow at a significantly faster rate from 2014 to 2019--19.60 percent--than the overall population, which will increase by 5.74 percent during this same time frame. This cohort is projected to grow by 28.83 percent in the ZIP code of the proposed location for the replacement hospital, 33328. Plantation General notes this growth is important because this age cohort utilizes health care services at a higher rate than other age cohorts. In addition, the applicant focuses on the target population of females ages 15 to 44 because the replacement hospital will include an obstetrics unit with 12 labor/delivery/recovery rooms and 32 post-partum beds. Plantation General notes this cohort is expected to increase in the overall service area and in ZIP code 33328 by 1.6 percent and by 2.6 percent, respectively. See the table below.

**Service Area Population by Demographics  
Growth by Percent  
CY 2014 to 2019**

	<b>65+</b>	<b>Females Age 15-44</b>	<b>Hispanic</b>	<b>African American</b>	<b>Asian</b>	<b>Total</b>
<b>33024</b>	20.79%	3.0%	17.83%	6.71%	14.61%	7.13%
<b>33068</b>	26.30%	1.4%	10.35%	8.31%	4.31%	5.59%
<b>33309</b>	25.19%	-0.3%	15.09%	5.71%	11.26%	4.60%
<b>33311</b>	14.86%	3.5%	22.65%	1.39%	18.53%	4.60%
<b>33312</b>	24.80%	1.0%	18.21%	-1.74%	14.98%	5.16%
<b>33313</b>	19.22%	1.0%	15.48%	4.31%	6.54%	4.80%
<b>33314</b>	24.87%	1.5%	18.54%	9.76%	12.37%	6.08%
<b>33317</b>	18.58%	0.2%	16.33%	-0.46%	6.68%	4.15%
<b>33319</b>	12.60%	0.6%	15.16%	8.56%	12.21%	5.33%
<b>33321</b>	11.83%	1.5%	24.31%	12.93%	17.97%	6.62%
<b>33322</b>	13.85%	-0.7%	20.39%	6.66%	11.49%	3.98%
<b>33323</b>	45.31%	4.1%	25.14%	8.70%	19.58%	9.84%
<b>33324</b>	19.33%	0.6%	20.95%	8.57%	12.79%	6.55%
<b>33325</b>	38.62%	4.4%	24.37%	9.61%	14.30%	8.09%
<b>33328</b>	28.83%	2.6%	18.52%	10.11%	11.27%	5.43%
<b>33330</b>	45.19%	8.1%	18.76%	9.20%	17.95%	7.02%
<b>33351</b>	23.83%	-1.0%	16.93%	9.77%	10.41%	5.92%
<b>Total</b>	<b>19.60%</b>	<b>1.6%</b>	<b>18.58%</b>	<b>5.21%</b>	<b>12.55%</b>	<b>5.74%</b>

Source: CON application #10235, pages 43-51

Plantation General also makes note of trends in the growth of diverse racial categories. As described in the chart above, the African American, Asian, and Hispanic populations are expected to grow by 5.21 percent, 12.55 percent and 18.58 percent, respectively. The applicant states NSU has a large and diverse student population training to become health care professionals. Plantation General argues this is an advantage in the future because studies have demonstrated that patients often seek out health care professionals of the same ethnic background.

The applicant maintains the proposed replacement hospital will contribute to the economic growth that is sprouting from projects occurring in Plantation General’s service area. Such projects include the I-595 improvement project, expansion at Fort Lauderdale – Hollywood International Airport and a large student housing and retail development initiative in Davie.

Plantation General provides 2013 service area discharges for all acute care patient types. While the overall discharge rate per 1,000 people was 139.93, this same discharge rate was 302.56 per 1,000 people for patients age 65 and older. The applicant notes this cohort is the most rapidly growing segment of the service area population.

To illustrate the utilization of existing providers from the service area, the applicant provides data on the market share of each hospital related to the type of service provided. Plantation General specifically points out HCA’s Westside Regional Medical Center--whose 2013 market share was 16.5 percent for general acute care services--will continue to operate in

the City of Plantation. The applicant notes that most of the providers with high market share for psychiatric services are located outside of Plantation General's proposed primary service area. Plantation General plans to open its new 24-bed psychiatric unit at the replacement hospital.

The reviewer notes that the information provided by the applicant on market share for calendar year 2013 on page 54-57 is questionable, particularly the fact that the applicant shows significant market share for NICU patients for facilities that have no obstetric patients. In addition, the reviewer further questions the validity of the data as it shows NICU patients at Imperial Point Medical, Cleveland Clinic Florida, Memorial Hospital Pembroke while data from the Florida Center for Health Information and Policy Analysis shows no deliveries for these facilities for CY 2013.

Plantation General states the average utilization of total acute care beds in District 10/Subdistrict 10-1 was 49.1 percent in 2013 with HCA facilities at 54.0 percent, cumulatively and Memorial Health at 46.8 percent. The reviewer notes that Plantation General had an average utilization of acute care beds of 42.6 percent in CY 2013. The applicant argues the closure of 64 of their beds will remove unutilized beds from the County and Subdistrict.

The applicant states that the current facility receives 82.46 percent of its med-surgical patients from the service area. HCA affiliated Westside Regional Medical Center and University Hospital and Medical Center also receive a vast majority of their med-surgical patients from the service area, 83.37 percent and 69.72 percent, respectively. Plantation General contends that its relocation will not have a detrimental impact on any existing providers, especially since the hospital will close a portion of its licensed beds. In 2013, 77.43 percent of the applicant's obstetrics patients came from the service area and Plantation General indicates they will continue to rely heavily on the service area for these patients at the proposed replacement facility.

The applicant notes it has significant support from the community as evidenced by the numerous letters of support received.

#### Projected Utilization

Plantation General provides projections for the interim period utilization for operation within the existing facility and the first three years of operation of the proposed facility in the new location based on population

growth by ZIP code and age and use rates by age from the Agency’s Florida patient database. The 17 ZIP codes in the service area have been broken down into three categories:

- Farther away from the new hospital location than the current location
- Closer to the new hospital location than the current location
- Equidistant or constant to the two locations

The applicant indicates that their projections are conservative and realistic because of the historical experience in the service area. As noted in the chart below, Plantation General predicts an Average Daily Census (ADC) of 130.9 in year one, 139.5 in year two, and 146.7 in year three. Plantation General predicts occupancy rates of 65.5 percent, 69.8 percent and 73.3 percent in year one, two and three, respectively. See the table below.

**Utilization Projections for New Location of Plantation General Hospital**

	2013 Actual	Interim Projection				Projected New Location		
		2014	2015	2016	2017	2018	2019	2020
<b>Total Discharges</b>								
Closer ZIP codes	14,881	15,150	15,429	15,718	16,018	16,328	16,651	16,986
Constant ZIP codes	16,565	16,796	17,035	17,282	17,537	17,802	18,076	18,359
Farther ZIP codes	56,092	56,669	57,261	57,866	58,487	59,122	59,773	60,440
Total Service Area	87,538	88,615	89,724	90,866	92,041	93,252	94,500	95,786
<b>Plantation Market Share</b>								
Closer ZIP codes	2.5%	2.5%	2.5%	2.5%	2.5%	8.8%	13.8%	13.7%
Constant ZIP codes	13.5%	13.4%	13.3%	13.4%	13.4%	12.8%	12.9%	12.9%
Farther ZIP codes	10.6%	10.6%	10.6%	10.7%	10.7%	9.6%	8.6%	8.6%
Total Service Area	9.8%	9.7%	9.7%	9.8%	9.8%	10.1%	10.4%	10.3%
<b>Plantation Discharges</b>								
Closer ZIP codes	376	380	381	388	395	1,436	2,292	2,333
Constant ZIP codes	2,233	2,256	2,258	2,308	2,351	2,273	2,335	2,361
Farther ZIP codes	5,943	5,985	6,052	6,179	6,280	5,664	5,156	5,194
Total Service Area	8,552	8,622	8,691	8,876	9,026	9,374	9,783	9,887
In-Migration	1,756	1,356	1,372	1,392	1,408	1,453	1,495	1,506
Total Discharges	10,308	9,986	10,063	10,268	10,434	10,827	11,278	11,394
<b>Plantation Patient Days</b>								
Closer ZIP codes	1,483	1,500	1,530	1,564	1,593	6,024	9,868	10,259
Constant ZIP codes	8,640	8,726	9,049	9,302	9,505	9,397	9,900	10,564
Farther ZIP codes	24,345	24,502	25,735	26,419	26,938	25,079	23,637	25,164
Total Service Area	34,468	34,727	36,314	37,284	38,035	40,500	43,406	45,987
In-Migration	8,544	6,736	6,865	6,977	7,065	7,295	7,516	7,565
Total Patient Days	43,012	41,464	43,178	44,261	45,100	47,795	50,922	53,553
Projected ADC	117.8	113.6	118.3	121.3	123.6	130.9	139.5	146.7
Projected Bed Need at 75% Occupancy		151	158	162	165	175	186	196
Proposed Beds						200	200	200

Source: CON application #10235, page 74



Additionally, the applicant provides projected utilization specifically for its obstetrics beds. The applicant predicts that based on a 32-bed obstetrics unit, the projected discharges will result in 73 percent occupancy in years one and two and 71 percent in year three. See the table below.

**Obstetrics Utilization Projections for New Location of Plantation General Hospital**

	2013 Actual	Interim Projection				Projected New Location		
		2014	2015	2016	2017	2018	2019	2020
<b>Total Discharges</b>								
Closer ZIP codes	1,972	1,974	1,977	1,980	1,982	1,985	1,987	1,990
Constant ZIP codes	1,971	1,968	1,966	1,963	1,960	1,958	1,955	1,952
Farther ZIP codes	6,239	6,229	6,218	6,208	6,197	6,187	6,177	6,167
Total Service Area	10,182	10,171	10,161	10,150	10,140	10,129	10,119	10,109
<b>Plantation Market Share</b>								
Closer ZIP codes	8.4%	8.4%	8.4%	8.4%	8.4%	18.4%	23.4%	23.4%
Constant ZIP codes	27.8%	27.8%	27.7%	27.7%	27.7%	27.3%	27.7%	27.7%
Farther ZIP codes	25.1%	25.1%	25.1%	25.1%	25.1%	22.6%	20.3%	20.3%
Total Service Area	22.3%	22.3%	22.3%	22.3%	22.3%	22.7%	22.4%	22.4%
<b>Plantation Discharges</b>								
Closer ZIP codes	165	165	166	166	166	365	465	466
Constant ZIP codes	547	546	545	544	544	535	541	541
Farther ZIP codes	1,563	1,561	1,559	1,556	1,554	1,397	1,255	1,254
Total Service Area	2,275	2,272	2,269	2,267	2,264	2,297	2,262	2,260
In-Migration	634	568	567	567	566	574	565	565
Total Discharges	2,909	2,840	2,837	2,833	2,830	2,871	2,827	2,825
<b>Plantation Patient Days</b>								
Closer ZIP codes	571	572	573	574	575	1,263	1,609	1,341
Constant ZIP codes	1,609	1,606	1,604	1,601	1,599	1,573	1,593	1,591
Farther ZIP codes	4,421	4,415	4,408	4,402	4,396	4,003	3,645	3,734
Total Service Area	6,601	6,593	6,586	6,578	6,570	6,839	6,847	6,665
In-Migration	2,544	1,677	1,675	1,673	1,671	1,694	1,669	1,667
Total Patient Days	9,145	8,270	8,260	8,251	8,241	8,534	8,516	8,333
Projected ADC	25.05	22.66	22.63	22.60	22.58	23.38	23.33	22.83
Projected Occupancy						73%	73%	71%
Projected Bed Need at 70% Occupancy						32	32	32
Proposed Beds		32	32	32	32	32	32	32

Source: CON application #10235, page 69

Plantation General utilizes a similar methodology to project the utilization for its NICU beds. The applicant calculated the NICU use rate per 1,000 based on the child-bearing female population and applied this to the female population between 15 and 44 through the planning horizon. Plantation General estimates that based on a 32-bed NICU unit, the projected discharges will result in 76 percent occupancy for the first three years of operation. The applicant asserts that Plantation General is relocating toward the ZIP codes that are maintaining this female population more steadily than the declines occurring in other parts of the service area. See the table below.

**NICU Utilization Projections for New Location of Plantation General Hospital**

	2013 Actual	Interim Projection				Projected New Location		
		2014	2015	2016	2017	2018	2019	2020
<b>Total Discharges</b>								
Closer ZIP codes	601	602	603	603	604	605	606	607
Constant ZIP codes	627	626	625	624	623	622	621	620
Farther ZIP codes	2,122	2,118	2,115	2,111	2,107	2,104	2,100	2,096
Total Service Area	3,350	3,346	3,342	3,338	3,335	3,331	3,327	3,323
<b>Plantation Market Share</b>								
Closer ZIP codes	7.5%	7.5%	7.5%	7.5%	7.5%	15.4%	20.4%	20.4%
Constant ZIP codes	23.9%	23.9%	23.9%	23.9%	23.9%	22.7%	22.4%	22.4%
Farther ZIP codes	21.8%	21.8%	21.8%	21.8%	21.8%	20.7%	19.7%	19.7%
Total Service Area	19.6%	19.6%	19.6%	19.6%	19.6%	20.1%	20.3%	20.3%
<b>Plantation Discharges</b>								
Closer ZIP codes	45	45	45	45	45	93	123	124
Constant ZIP codes	150	150	149	149	149	141	139	139
Farther ZIP codes	462	461	461	460	459	436	413	413
Total Service Area	657	656	655	654	654	670	676	675
In-Migration	180	164	164	164	163	167	169	169
Total Discharges	837	820	819	818	817	837	845	844
<b>Plantation Patient Days</b>								
Closer ZIP codes	275	276	276	277	277	611	868	869
Constant ZIP codes	1,286	1,284	1,281	1,279	1,276	1,210	1,191	1,189
Farther ZIP codes	5,072	5,064	5,057	5,050	5,042	4,783	4,537	4,530
Total Service Area	6,633	6,624	6,614	6,605	6,596	6,604	6,597	6,588
In-Migration	2,384	2,172	2,170	2,167	2,164	2,218	2,237	2,235
Total Patient Days	9,017	8,796	8,784	8,772	8,760	8,822	8,834	8,823
Projected ADC	24.70	24.10	24.07	24.03	24.00	24.17	24.20	24.17
Projected Occupancy						76%	76%	76%
Projected Bed Need at 70%						35	35	35
Proposed Beds		32	32	32	32	32	32	32

Source: CON application #10235, page 71

The applicant asserts that the relocation of its hospital will not have an adverse impact on any existing providers in the service area. Plantation General states that the proposed replacement facility will slightly shift its market share downward for ZIP codes that will be farther from the new location and upward for ZIP codes closer to the new location. Equidistant ZIP codes will remain the same. The applicant maintains that there will be sufficient incremental volume in general acute care discharges to ensure all providers grow in utilization. In addition, Plantation General states that it will close some of its acute care beds in the proposed replacement facility--further proof that it can reach its projections without impacting any existing providers.

The applicant provides exhibits on pages 76, 79 and 80 of CON application #10235 that illustrate the potential adverse impact of the new location on nearby hospitals for med-surgical, obstetrics and NICU patients, respectively. Plantation General concludes:

- The three providers with the highest market share for general acute care--Broward General Medical Center, Westside Regional Medical Center and North Shore Medical Center-FMC Campus--are all projected to gain discharges in year two (2019) of operation of the proposed replacement facility
- The provider with the highest market share of obstetrics and NICU patients--Broward General Medical Center--is projected to gain discharges in both of these service categories in year two (2019) of operation of the proposed replacement facility
- Although four leading hospitals are all expected to experience a slight loss in obstetrics and NICU utilization, the applicant indicates this loss is primarily reflective of a flat to declining trend of females age 15 to 44 in some ZIP codes of the service area<sup>3</sup>
- The applicant notes that the hospitals projected to experience losses in obstetrics and NICU utilization may gain volume from other areas the facilities serve outside of the proposed service area

Availability, Efficiency, Access and Extent of Utilization

Plantation General indicates that the Southern Broward Hospital District is currently served principally by only one provider--Memorial Health System. The applicant asserts that the relocation of Plantation General will enhance the availability of inpatient services by introducing a competitive alternative into the area.

The Florida Center for Health Information and Policy Analysis collects information of total charges and average charges for all hospitals in the state. The following information was provided for CY 2013, for the Memorial Health system, Plantation General and the other HCA facilities in the County.

<sup>3</sup> The reviewer notes the applicant provided data on page 46 of CON application #10235 that indicates this cohort would increase by 1.6 percent overall in the applicant's service area and by 2.6 percent in their proposed ZIP code location from 2014 to 2019.

Hospital Name	Disch	% of Tot.	Patient Days	% of Tot.	Avg. LOS	Total Charges	% of Tot.	Avg. Charges
MEMORIAL REGIONAL HOSPITAL	35,420	14.30%	184,376	15.30%	5.21	\$2,015,660,394	17.90%	\$56,907
MEMORIAL HOSPITAL WEST	24,864	10.00%	101,941	8.40%	4.1	\$1,141,336,201	10.20%	\$45,903
MEMORIAL HOSPITAL MIRAMAR	11,412	4.60%	37,647	3.10%	3.3	\$347,148,840	3.10%	\$30,420
MEMORIAL HOSPITAL PEMBROKE	5,394	2.20%	23,061	1.90%	4.28	\$301,271,630	2.70%	\$55,853
MEMORIAL REGIONAL HOSPITAL SOUTH	3,443	1.40%	24,130	2.00%	7.01	\$155,323,476	1.40%	\$45,113
NORTHWEST MEDICAL CENTER	15,605	6.30%	57,988	4.80%	3.72	\$897,215,277	8.00%	\$57,495
WESTSIDE REGIONAL MEDICAL CENTER	13,491	5.40%	58,405	4.80%	4.33	\$894,046,099	8.00%	\$66,270
PLANTATION GENERAL HOSPITAL	12,102	4.90%	47,642	3.90%	3.94	\$468,513,799	4.20%	\$38,714
UNIVERSITY HOSPITAL AND MEDICAL CENTER	11,145	4.50%	51,303	4.20%	4.6	\$515,086,380	4.60%	\$46,217
FLORIDA MEDICAL CENTER - A CAMPUS OF NORTH SHORE	10,448	4.20%	54,150	4.50%	5.18	\$656,503,432	5.80%	\$62,835

Source: Florida Center for Health Information and Policy Analysis

Plantation General maintains that the proposed project will improve the efficiency of acute care services in Broward County. NSU’s clinics will supplement the inpatient and outpatient services provided by the applicant, improving the continuity of care. The reduction in the number of total beds will increase occupancy rates, allowing the applicant to improve its staffing and operational efficiency.

The applicant notes the proposed project will promote financial access because of the commitment HCA affiliated hospitals in Broward County have shown to Medicaid, charity care, and uninsured patients. Plantation General indicates these hospitals provided a total of \$56,598,244 in care to charity and uninsured patients in 2013. The applicant mentions that NSU is a designated Essential Community Provider--a provider that serves predominately low-income, medically underserved individuals and offers services that are not available from any other provider within a reasonable access standard.

Plantation General asserts that the demand for acute care services is growing in the service area. The applicant notes that NSU’s clinics had more than 240,000 patient visits in FY 2013--but physicians could not easily follow the patient through the care process to an inpatient level because referrals to various hospitals were fragmented. Plantation General states that the proposed replacement facility will eliminate this interruption.

Plantation General states its parent company HCA will be involved in the design and construction of the replacement hospital. This operational support gives the applicant the necessary resources to implement the proposed project.

The applicant included architectural planning and financial data in CON application #10235 though not required for this CON application pursuant to Florida Statute 408.035(2).

- b. Will the proposed project foster competition to promote quality and cost-effectiveness? Please discuss the effect of the proposed project on any of the following:**
- **applicant facility;**
  - **current patient care costs and charges (if an existing facility);**
  - **reduction in charges to patients; and**
  - **extent to which proposed services will enhance access to health care for the residents of the service district.**
- ss. 408.035(1)(e) and (g), Florida Statutes.**

Competition

Plantation General asserts their replacement hospital will enhance competition while creating a clinical setting to support NSU's health education and research mission. The proposed service area for the replacement hospital will extend into South Broward. The applicant states Memorial Health System, operating five acute care hospitals with more than 1,800 beds, currently enjoys a level of market dominance in the delivery of inpatient acute care services in this area of South Broward County that is unusual in comparison to other urban markets in Florida. Plantation General indicates that specifically, Memorial Health operates:

- Five acute care hospitals with more than 1,800 beds
- Joe DiMaggio Children's Hospital (204 beds) on the campus of Memorial Regional
- A geographically dispersed network of outpatient facilities through the area
- A large and diverse physician network with 160 employed physicians

The applicant asserts that no other acute care hospital system operates a hospital in South Broward County.

The applicant states that as the health care system transitions to a new model of care delivery that focuses on the creation of collaborative networks that bring providers and payors together to improve quality and reduce costs, it is vital there be opportunities for patients, physicians, and payors to choose among competing health networks. Plantation General concludes that the current competitive imbalance will be perpetuated absent to the injection of an additional hospital for residents to choose from in South Broward.

Cost-Effectiveness

Plantation General discusses the growth of Medicare and Medicaid patients in managed care organizations (MCOs). The applicant indicates that MCOs must negotiate with providers for rates. The applicant notes Medicare is the largest payor of hospital services in Broward County. Plantation General contends that the traditional fee-for-service Medicare program provides a disproportionate inpatient payment to the Memorial Health affiliated hospitals compared to HCA's primary hospitals serving Medicare beneficiaries in Broward County. The applicant states that when Broward hospitals are paid under this mechanism, the HCA affiliated hospital rates are less costly. The applicant concludes that rates for its hospital will be in line with the current hospital base rates at their primary hospitals serving Medicare beneficiaries--thus more competitive. The applicant asserts that again, South Broward County needs an alternative choice of provider to ensure market forces result in efficient pricing for patients and providers.

The applicant further notes that HCA affiliated hospitals in Broward County have independently taken measures to assist managed Medicaid MCOs in controlling one of their highest cost services for MCOs-- emergency room utilization. The applicant states Plantation General and other HCA affiliated hospitals have established electronic connectivity with many of the largest managed Medicaid plans that provides for daily emergency room utilization information. Plantation General does not believe any other Broward County hospitals have established such connectivity and collaboration with the managed Medicaid plans.

- c. Does the applicant have a history of providing health services to Medicaid patients and the medically indigent? Does the applicant propose to provide health services to Medicaid patients and the medically indigent? ss. 408.035(1)(i), Florida Statutes.**

Plantation General has a history of providing care to Medicaid and medically indigent patients.

The table below illustrates the Medicaid/Medicaid HMO days and percentages as well as charity percentages provided by the applicant for FY 2013 data, according to the Florida Hospital Uniform Reporting System (FHURS). Per FHURS, Plantation General provided 28.40 percent of its total patient days to Medicaid/Medicaid HMO patients and 2.70 percent to charity care during FY 2013. District 10/Subdistrict 10-1 acute care facilities provided 20.90 percent of their total patient days to Medicaid/Medicaid HMO and 5.70 percent to charity care during FY 2013. Please see the table below.

**Plantation General & District 10/Subdistrict 10-1 Acute Care Hospitals  
Medicaid, Medicaid HMO and Charity Data  
FY 2013**

<b>Applicant</b>	<b>Medicaid and Medicaid HMO Days</b>	<b>Medicaid and Medicaid HMO Percent</b>	<b>Percent of Charity Care</b>	<b>Percent Combined Medicaid, Medicaid HMO and Charity Care</b>
Plantation General	35,257	28.40%	2.70%	31.10%
District 10/Subdistrict 10-1	242,809	20.90%	5.70%	26.50%

Source: FHURS hospital financial reporting system data for FY 2013

The reviewer notes that according to the financial schedules provided by the applicant on Schedule 7A, the number of total projected Medicaid and Medicaid HMO days for year three of operation (2020) of the replacement hospital is 21,344 days. The proposed facility will have less acute care beds than the current complement but the actual number of NICU beds will increase by one.

The applicant states HCA's affiliated hospitals in the service area have a history of providing care to Broward County residents regardless of payor source. Please see the table below for the number of acute care patients treated by the four HCA affiliated facilities (Plantation General, Westside Regional Medical Center, Northwest Medical Center and University Hospital and Medical Center) in the County for 2013, according to the applicant. Plantation General specifically points out Medicaid patients comprised 17.60 percent of discharges.

**2013 HCA Broward County General Acute & OB Payor Mix**

<b>Payor</b>	<b>Discharges</b>	<b>Percentage</b>
Medicare/Medicare HMO	22,168	50.60%
Medicaid/Medicaid HMO	7,709	17.60%
Commercial/HMO/PPO	8,875	20.26%
CHAMPUS	486	1.11%
Self-Pay	2,496	5.70%
All Other	2,078	4.74%
<b>Total</b>	<b>43,812</b>	<b>100.00%</b>

Source: CON application #10235, page 90

HCA affiliates consider patients with incomes less than 200 percent of the Federal Poverty Level who are having non-elective procedures to be eligible for charity care. HCA affiliates also offer discounts to uninsured patients.

Plantation General will continue to utilize the same charity care policies and uninsured discount policies as other affiliated HCA facilities. These policies can be found in Attachment D of CON application #10235.

The table below illustrates the applicant's 2013 payor mix and the projected 2019 payor mix (year two of operation for the proposed replacement hospital). The applicant explains that although the percentage of Medicaid patients being serviced is projected to decrease

slightly, the total number of Medicaid patients will actually increase slightly during this time period. The shift in percentages is due to the future psychiatric services that will be offered at Plantation General. Psychiatric services are currently under production and are projected to serve a high percentage of Medicare patients. The reviewer confirms that the applicant notes on Schedule 7B that Medicaid will be 46.9 percent of projected revenues for adult psychiatric services.

**Summary of Planation General’s Projected Payor Mix**

	<b>2013</b>	<b>2019-Year Two</b>
Medicare/Managed Medicare	18.9%	20.0%
Medicaid/Managed Medicaid	45.7%	41.0%
Commercial/Managed Commercial	21.4%	24.2%
Self-Pay/Uninsured	12.2%	12.6%
Other	1.7%	2.2%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: CON application #10235, page 91

The reviewer created the following chart from the applicant’s Schedule 7A for the second year of operation (2019) with patient days and excluding psychiatric services on 176 beds (which are not currently present in the facility today).

**Summary of Planation General’s Projected Revenues by Percent and Patient Days**

	<b>2019 Patient Days</b>	<b>2019 Percent</b>
Medicare/Managed Medicare	12,217	25.5%
Medicaid/Managed Medicaid	19,623	41.0%
Commercial/Managed Commercial	12,211	25.6%
Self-Pay/Uninsured	2,729	5.7%
Other	1,015	2.1%
<b>TOTAL</b>	<b>47,795</b>	<b>99.9%</b>

Source: CON application #10235, Schedule 7A

The reviewer notes that the current utilization for the hospital as reported by the applicant on Schedule 4 was 42,786 acute care patient days which the applicant stated on page 91--45.7 percent (approximately 19,553 patient days) were Medicaid or Medicaid Managed Care. While the projections for the replacement facility have the total number of patient days increasing by 11.7 percent, the Medicaid patient days only increase by 0.3 percent.

- d. Does the applicant include a detailed description of the proposed general hospital project and a statement of its purpose and the need it will meet? The proposed project’s location, as well as its primary and secondary service areas (SSAs), must be identified by zip code. Primary service area is defined as the zip codes from which the applicant projects that it will draw 75 percent of its discharges, with the remaining 25 percent of zip codes being secondary. Projected admissions by zip code are to be provided by each zip code from largest to smallest volumes. Existing hospitals in these zip codes should be clearly identified. ss. 408.037(2), Florida Statutes.**



The applicant provided a thorough and complete description of the proposed replacement facility in the previous sections of this report.

Plantation General provides the following table to show its projected discharges by ZIP code for the replacement facility. The reviewer notes that the applicant’s PSA includes four ZIP codes (33325, 33314, 33328 and 33068) with less projected volume than ZIP code 33322 (313 projected discharges in 2018). The reviewer notes that the location of the proposed replacement facility is in ZIP code 33328.

**Plantation General Total Projected Service Area Discharges by ZIP Code**

ZIP Code Primary Service Area	Actual	Projected Discharges			Percent of Total	Cumulative Percent
	2013	2018	2019	2020		
33311	2,450	2,146	1,953	1,969	17.3%	17.3%
33313	1,683	1,485	1,352	1,362	12.0%	29.2%
33312	888	1,104	1,092	1,105	9.7%	38.9%
33024	59	608	951	964	8.5%	47.4%
33317	864	708	820	828	7.3%	54.7%
33325	128	287	425	435	3.8%	58.5%
33314	107	261	392	397	3.5%	62.0%
33328	67	246	357	364	3.2%	65.2%
33319	418	468	436	438	3.8%	69.0%
33324	330	368	373	375	3.3%	72.3%
33068	341	311	285	288	2.5%	74.8%
<i>Subtotal PSA</i>	<i>7,335</i>	<i>8,065</i>	<i>8,437</i>	<i>8,526</i>	<i>74.8%</i>	
33351	323	301	276	278	2.4%	77.3%
33322	304	313	311	313	2.7%	80.0%
33309	259	260	252	254	2.2%	82.2%
33323	151	186	201	205	1.8%	84.0%
33330	15	97	162	167	1.5%	85.5%
33321	165	154	144	145	1.3%	86.8%
Other*	1,756	1,453	1,495	1,506	13.2%	100.0%
<b>Total Discharges</b>	<b>10,308</b>	<b>10,827</b>	<b>11,278</b>	<b>11,394</b>	<b>100.0%</b>	

Source: CON application #10235, page 93

\*Other includes more than 300 ZIP codes and patients out of state based on Plantation General’s patient origin

The reviewer notes that the applicant does not identify all the ZIP codes that will comprise its SSA as noted in 408.037 (2) Florida Statutes but only notes that it will be comprised of 300 ZIP codes and out-of-state patients.

**F. Written Statement(s) of Opposition**

**Except for competing applicants, in order to be eligible to challenge the Agency decision on a general hospital application under review pursuant to paragraph (5)(c), existing hospitals must submit a detailed written statement of opposition to the Agency and to the applicant. The detailed written statement must be received by the Agency and the applicant within 21 days after the general hospital application is deemed complete and made available to the public. ss. 408.039(3)(c), Florida Statutes.**

The Agency received three written statements of opposition to CON application #10235 on October 31, 2014. These were from representatives of Cleveland Clinic Florida, North Broward Hospital District and South Broward Hospital District.

**Cleveland Clinic Florida Health System Nonprofit Corporation d/b/a Cleveland Clinic Hospital (CCH)** submitted a 92-page detailed statement of opposition to this project. The opposition was signed by Barbara del Castillo, Esq., General Counsel of CCH. The statement included two attachments: an article entitled “Advancing the pharmacy practice model in a community teaching hospital by expanding student rotations” by Osmel Delgado, William P. Kernan and Scott J. Knoer and a case study entitled “Extending Students’ Pharmacy Practice Experiences into Patient-Care Areas” by Osmel Delgado, Jaime Riskin and Antonia Zapantis.

CCH states opposition to approval of CON application #10235 asserting that it would be a duplication of readily available services in both the immediate geography of the proposed hospital site, the proposed replacement facility’s defined PSA and Broward County.

CCH believes the relationship between HCA and NSU is an assumption because no document evidencing any teaching relationship between the two was included within the CON application. CCH points out that HCA admits the NSU collaboration is not relevant to the CON review criteria the Agency must apply. CCH discusses the denial of CON application #10202, submitted by HCA affiliate East Florida Healthcare, LLC (EFH) in 2013 to place a hospital on the campus of NSU. According to CCH, this denial is relevant because need for the similar project was not supported by the data then, and still would not be now, one year later.

CCH encourages the Agency’s denial of CON application #10235 through several main points:

- There is no demonstrated need for Plantation General to be replaced or for the proposed replacement hospital to be located in Davie
- By its own admission in statements made in CON application #10202, HCA dismissed the notion that Plantation General could serve as a research and teaching organization for NSU
- The proposed replacement hospital will reduce access for persons residing in its current service area
- The same community Plantation General currently serves cannot reasonably be served from a Davie site
- The proposed replacement hospital is not accurately budgeted in terms of utilization and financial operations
- The applicant does not propose to either meet or exceed the service area's level of Medicaid and charity care already provided
- The proposed project will not enhance competition, but only adversely impact existing providers and reduce access for the needy population in Plantation, Lauderhill and surrounding areas

CCH indicates that if approved, the proposed project would have a material adverse operational and financial impact on CCH as the inpatient, outpatient and clinic operations would suffer. CCH states that the annual financial impact on operations would total approximately \$4 million.

CCH provides a review of the scope of the proposed project in CON application #10235, noting:

- CCH believes Plantation General could increase its occupancy rate with the proposed bed count at its current location
- The applicant failed to consider alternatives to renovation and re-use of its existing hospital to meet the needs of its current community
- By HCA's own admission, the services at Plantation General focus on maternal and pediatric medicine therefore the medical staff lacks the broad range of medical specialties necessary to support an academic center
- The applicant never provides alternatives for establishing a relationship with NSU
- The applicant does not provide details about how the hospital will focus on academics and research nor does Plantation General condition approval of the application on the provision it will commit to providing a specific minimum of medical training residencies or any similar commitment for training students
- The applicant's facility design does not take into account the specific needs of teaching and research

In addition, CCH provides a detailed overview of the following:

- CCH's own hospital system and provision of care to residents in and around Broward County, as well as existing educational agreements with NSU
- Comparison of CON applications #10235 and #10202
- Plantation General and HCA
- NSU Collaboration, both past and present
- Discussion that Plantation General's application is based on arguments that are inconsistent with recent HCA positions
- Approximately seven inconsistencies in the application
- Needs of research and education facilities
- Review of Broward County Hospitals and Health Systems including-- Broward Health (four hospitals), Memorial Health System (five hospitals), HCA (four hospitals), Tenet Healthcare, CCH and Holy Cross Hospital
- Acute care and psychiatric/substance abuse landscape
- A discussion of how the applicant failed to meet statutory review criteria related to defining primary and secondary ZIP code service areas
- A comparison of population characteristics in the applicant's current and proposed ZIP codes--the applicant is proposing to relocate to a non-safety-net population which has less inpatient needs
- Geographic accessibility and that almost every service area ZIP code is closer to an existing acute care hospital than the proposed project site
- Occupancy rates--Broward County's acute care bed occupancy rate averaged 49.1 percent in CY 2013
- Utilization and bed need, including a list of approximately five errors made by the applicant in this section
- A discussion of how the applicant is abandoning Plantation General as a safety-net hospital
- Financial forecasts of the existing versus the proposed replacement hospital
- Architectural plans, engineering studies, project costs and availability of related services
- Letters of support: many of the letters were submitted by NSU representatives and community members believing a teaching and research hospital would be built in Broward County although this criteria is not included in the hospital plan
- Impact on existing providers

CCH states that HCA has 422 vacant beds between its hospital closest to the proposed site, Westside Regional Medical Center, and Plantation General. CCH questions why HCA does not collaborate to make another already-established hospital, like Westside Regional Medical Center, a teaching hospital for NSU.

CCH concludes that given all of the issues, factors, errors, inconsistencies, unsupported claims and lack of demonstrated need by the applicant in its CON application, CCH requests the Agency deny CON application #10235.

**North Broward Hospital District d/b/a Broward Health** submitted a 30-page detailed statement of opposition to this project. The opposition was signed by Seann M. Frazier, of Parker, Hudson, Rainer and Dobbs, on behalf of Broward Health. The statement included one attachment: “City of Plantation Florida: Impact Analysis of the Proposed Relocation of Plantation General Hospital, October 2014.”

Broward Health states Plantation General does not propose to meet any identifiable health care need by moving its hospital. Broward Health contends that the proposal seeks to improve the hospital’s financial return by moving from a less affluent portion of the County to an area containing a larger concentration of better paying patients. To illustrate this point, Broward Health provides a detailed analysis of the service area shift that would occur upon approval of the proposed project.

Additionally, Broward Health discusses demographic, socioeconomic, racial and ethnic differences among the three subparts of the proposed service area. Through data analysis, Broward Health presents arguments that if permitted to relocate, Plantation General would be moving further away from a significant number of elderly patients, females of child-bearing age, black and Hispanic populations, the poor and Medicaid recipients.

Broward Health states Plantation General’s application fails to adequately demonstrate a need for additional research and education at its proposed hospital. Broward Health states its own facility already serves as a teaching hospital and is located just a few miles from the proposed hospital.

Broward Health asserts that despite its claims about physical plant deficiencies, Plantation General has consistently met applicable life safety codes for operation as a modern, quality hospital. Broward Health maintains that the need to regularly invest in the physical plant of a hospital does not demonstrate a need to replace the hospital in a more desirable location. Broward Health insists that due to low acute care occupancy rates, Plantation General has the capacity to use most, if not all, of their semi-private rooms as private rooms. Broward Health maintains there is no need for a replacement hospital from a health planning perspective.

Broward Health believes that the applicant's arguments for need are inaccurate and misleading. Broward Health indicates its analysis demonstrates that:

- Plantation General would be relocating to an area with lower hospital utilization, but much more attractive demographics, socioeconomic indicators, and payor mix
- Plantation General would be moving away from an area it has relied heavily in the past for the majority of its patient volume and proposing to relocate to an area from which it draws few patients currently
- Plantation General proposes aggressive market share gains in the area it is moving to, while at the same time projecting only minimal market share losses in the area it is leaving behind
- The area that will be further away from Plantation General after the move is the area with the highest number of elderly and women of child-bearing age, the two cohorts that drive the med-surgical and obstetrical services that Plantation General proposes to offer
- There is likely to be a strikingly different utilization and patient profile at Plantation General after the move compared to the current mix

Broward Health concludes that rather than address a health care need, Plantation General's proposal would create a gap in services for the community it proposes to leave behind.

**South Broward Hospital District d/b/a Memorial Healthcare System (MHS)** submitted a 21-page detailed statement of opposition to this project. The opposition was signed by F. Philip Blank, of Gray Robinson Attorneys at Law, on behalf of the MHS. The statement included several attachments: a set of statistical analyses to support the MHS' arguments, Plantation General's "Accreditation Quality Report" by the Joint Commission, a Plantation General building overview, Plantation General's response to deficiencies found in its Life Safety Licensure Survey 12/17/2013 to 12/19/2013, Broward County roadway information and Plantation General's application to become a Baker Act Receiving Facility and licensure information.

MHS rebuts the applicant's claim that Plantation General will serve primarily the same patient population as it currently does in the replacement hospital. By review of Plantation General's predicted PSA and SSA ZIP codes, MHS notes four of the ZIP codes in the predicted PSA are not in the PSA of Plantation General's current location. Further, three of the ZIP codes in Plantation's current PSA are in the SSA, not the PSA of the new hospital.

MHS asserts that despite Plantation General's claims about physical plant limitations, neither the application, nor any survey, identified any deficiencies which indicated improper or unsafe patient care, potential lack of high quality of care or conditions that placed patients at risk. MHS points out that Plantation General was named a "Top Performer in Key Quality Measures" by its accrediting body, the Joint Commission, in 2010, 2011, and 2012 and was the only Florida hospital to receive the Joint Commission's Gold Seal of Approval for its Prematurity program.

MHS cites a lack of information evaluating the applicant's claim that "renovation" is "more costly" than the estimated costs of constructing a new hospital. MHS believes the cited "deficiencies" are common for a hospital of Plantation General's age and that numerous hospitals share Plantation General's sentiment for the many design benefits of a new hospital.

MHS rebuts Plantation General's claim that it already serves the residents of the proposed PSA at its existing location by providing a review of the applicant's current and projected patient sources. MHS also provides data analysis that concludes the population demographics and dynamics do not support the applicant's projected increases in discharges.

MHS argues that the applicant's assumption that age-specific discharge use rates will remain unchanged is contrary to expected medical trends and market conditions. MHS states that the demand for acute inpatient care has steadily declined in Broward County in recent years.

MHS points out that the applicant proposes no services that are not readily available to the residents of the proposed PSA or SSA. MHS indicates three other acute care hospitals are physically located in the applicant's proposed PSA already. MHS says the applicant's claims about the limited availability of competitive alternatives in the area and a lack of continuity of care for NSU physicians are unsubstantiated.

MHS asserts the Agency has consistently determined that access can be affected by a number of factors, including geographic, physical plant, programmatic access and economic access considerations. MHS provides a discussion of each of these factors, concluding that the applicant does not demonstrate any unmet need for an additional hospital to provide otherwise unavailable services in the proposed PSA or in the district.

MHS insists the approval of the proposed project will not improve access for Plantation General's current patients or foster competition that promotes quality and cost.

MHS points out that a provision including the needs of research and educational facilities was deleted from CON review criteria in 2004. Additionally, MHS indicates that it has enjoyed a relationship with NSU since 1996, in which MHS provides multiple educational and clinical rotation opportunities for NSU students. MHS is aware of no deficiencies or reasons why its on-going relationships with NSU would indicate a need for the proposed hospital physically located on the campus.

MHS indicates the applicant understates the adverse impact that the proposed project will have on admissions to MHS. MHS provides analysis illustrating that MHS will have an estimated 1,000 to 1,500 fewer acute care admissions from the combined PSA and SSA in 2019, if the proposed project is approved. MHS uses two models to calculate the expected annual loss in patient contribution margins. Losses range from \$6.5 million to \$8.7 million in the first model and \$13.2 million to \$17.8 million in the second model.

MHS asserts these losses will be substantial and will negatively impact MHS' mission and ability as a safety-net provider not only in FY 2019 but beyond. MHS believes its staffing and recruitment efforts will also be impacted by the approval of this application.

MHS concludes that little if any enhanced access will result from the proposed relocation. MHS states that in fact, access to existing services will likely be reduced to a significant, medically underserved portion of the district's residents. MHS believes the adverse effect on existing providers, including MHS, the area's only safety-net provider, are not outweighed by any advancement of access. For these reasons, MHS submits that CON application #10235 should be denied.

**G. Applicant Response to Written Statement(s) of Opposition**

**In those cases where a written statement of opposition has been timely filed regarding a certificate of need application for a general hospital, the applicant for the general hospital may submit a written response to the Agency. Such response must be received by the Agency within 10 days of the written statement due date. ss. 408.039(3)(d), Florida Statutes.**

**Plantation General Hospital Limited Partnership (CON application #10235)** responded to all three of the opposition statements received by the Agency. The applicant chose to provide a single response under relevant issues that were raised by two or more opponents.



Plantation General asserts that it will not abandon the lower income portion of its existing service area, offering the following explanations:

- The applicant provides arguments and data analysis to rebut the opponents' claim that Plantation General is specifically leaving behind ZIP codes 33311, 33312 and 33317
- CCH attacked Plantation General's financial accessibility with the relocation of its facility yet the applicant projects its payor mix at the proposed location will include 40 percent Medicaid/Medicaid HMO and 12.6 percent self-pay in its second year of operation
- Further, CCH only had 2.0 percent of its total patients covered by Medicaid/Medicaid HMO in 2013 while Plantation General served 45.7 percent to this payor type in this same year
- Despite CCH's attack on Plantation General's commitment to serve a minimum of 15 percent of annual admissions to Medicaid/Medicaid HMO and charity care patients--the applicant contends that this proposal significantly exceeds any other Medicaid/charity condition for a new or replacement hospital in Florida
- Opponents fail to acknowledge Plantation General will operate a free-standing emergency department and ancillary services on its existing site, where 90 percent of care currently occurs
- Despite the City's claims that its residents will have reduced access to emergency department services, only one EMS station will be further from the proposed hospital and this EMS station will be close to Westside Regional Medical Center
- The opponents' analysis of access to services for Plantation General in the existing and new location focuses upon just a few ZIP codes or portions of ZIP codes

Plantation General refutes the opponents' claims that it has not appropriately defined its service area. The applicant indicates it defined a 17-ZIP code area from which it draws approximately 87 percent of its patients to serve as the basis for detailed market share and utilization projections in CON application #10235. The reviewer notes that the applicant did not identify all the ZIP codes that will comprise its SSA as noted in 408.037 (2) Florida Statutes but only notes that 13.2 percent of the SSA will be comprised of 300 ZIP codes and out-of-state patients.

The applicant responds to the opponents' criticisms of the level of detail provided in CON application #10235 for utilization projections. Though the applicant maintains this is not a requirement, Plantation General provides detailed utilization projections including ZIP code, age group level and specific licensed bed category in Attachment A of its opposition response. Plantation General defends its usage of constant use rates by age group and also provides an explanation for not using "non-tertiary" discharges in its projection.

Plantation General responds to CCH's claim that the needs of research and educational facilities should not be considered as part of the CON application review process by making the following points:

- Serving the needs of NSU's teaching and research mission is a significant added benefit of the project, but it is not the underlying reason why the project is needed
- CCH's claims that Plantation General can meet any teaching and research needs of NSU by transporting students to the current location ignore the reality of what is required to support these activities in an acute care hospital
- Though CCH states it has already provided training opportunities for NSU's medical students--according to NSU's records, CCH has only allowed NSU to participate on the allied health level and has not provided medical school rotations at its facility in Weston
- Though Broward Health describes its current sponsorship of medical education programs with NSU, the Broward Health facilities are not designed specifically to accommodate teaching and research activities

The applicant states that opponents went to great lengths to compare the proposed project to HCA's previously filed CON application #10202 to build a hospital on NSU's campus. Plantation General insists these two projects bear no connection to each other and each stands on its own merits. The applicant points out the approval of CON application #10202 would have added acute care beds to the area while Plantation General's project will actually reduce the overall number of acute care beds by 64.

The applicant provides a detailed rebuttal to CCH's argument that Plantation General's application is inconsistent with the positions taken by West Palm Hospital, an HCA affiliated hospital, in its opposition to the CON application filed by Florida Regional Medical Center. The applicant specifically addresses the fundamental differences between the two projects and concludes Florida Regional Medical Center failed to show need for its project, which was ultimately denied.

The applicant indicates there are fewer overall admissions from ZIP code 33328, an issue raised by the opponents, because it includes the NSU campus. Plantation General insists its proposed location is highly accessible to its service area. Plantation General further argues that it is proposing to relocate to an area that is growing at a faster rate for a number of key demographic groups than the area surrounding its current site.

In response to the opponents' statements that there is no need or the applicant has failed to prove need for the proposed project, Plantation General indicates:

- The need for the proposed replacement project is described in depth throughout the CON application, and on pages 26 through 38 in particular
- Low overall occupancy rates cited by the opponents are not meaningful because Plantation General is simply seeking to replace an existing hospital and is even proposing to reduce its licensed bed capacity from 264 to 200
- The services offered by Plantation General exist today, so no unnecessary duplication will result from its replacement
- CCH's claim that Florida Statutes 408.035(10) is applicable is simply not true and they have incorrectly cited the applicable statutory provision
- Plantation General did an extensive analysis of the potential renovation of its existing facility despite its opponents' claim otherwise
- The delicensure of beds in Plantation General's existing facility to create private rooms would do nothing to address the underlying structural deficiencies and lack of space
- Opponents fail to state that facilities of Plantation General's age are grandfathered in against some codes issues -- the cost of bringing Plantation General up to modern code and standards is astronomical and financially unfeasible
- Renovations would not be able to address all issues facing Plantation General and would not result in a state-of-the-art facility
- References by MHS to building permits that have been issued for Plantation General for "improvements" are not relevant because they were issued for small projects that are merely stopgap measures required to keep Plantation General compliant with basic standards and codes
- Although CCH claims that the proposed project is not needed because CCH is in close proximity to Plantation General's service area and NSU--CCH is not a major provider of hospital services to Plantation General's service area

The applicant presents a detailed response to opponents' statements regarding adverse impact to existing providers from the proposed project. Plantation General concludes that it has demonstrated that its project will have a minimal impact on existing providers.

Plantation General states that the opponents have asserted that the proposed project should be held to the same standard of review as a new hospital project. The applicant reminds the opponents it is an existing provider that seeks only to replace and relocate its existing hospital within its service area. Plantation General concludes that its facility has reached the point in its life cycle where it requires replacement in order to achieve the objective of providing a facility that accommodates the current standard of care.

**H. SUMMARY**

**Plantation General Hospital Limited Partnership (CON application #10235)** proposes to establish a 200-bed replacement acute care hospital in Davie, Florida, Broward County, District 10/Subdistrict 10-1. The replacement facility will be located on the main campus of NSU in ZIP code 33328. The applicant proposed 17 ZIP codes plus an additional 300 ZIP codes that will comprise 13.2 percent of its SSA.

The applicant proposed three conditions to CON approval on the applications Schedule C.

The reviewer notes that pursuant to 408.035, Florida Statutes, the Agency shall consider only the following criteria:

- The need for the health care facilities and health services being proposed
- The availability, accessibility and extent of utilization of existing health care facilities and health services in the service district
- The extent to which the proposed services will enhance access to health care for residents of the service district
- The extent to which the proposal will foster competition that promotes quality and cost-effectiveness
- The applicant's past and proposed provision of health care services to Medicaid patients and the medically indigent

**Need, Availability and Access:**

Plantation General justifies need for the proposed replacement facility in these main points:

- Deficiencies in Plantation General's current physical plant prevent the hospital from keeping pace with clinical changes in health care delivery and from meeting the current standard of care
- In order to address the current physical plant limitations, the facility would have to undergo extensive remodeling that would negatively impact work flow and continuity of care service, take longer to develop and would still result in space and design limitations compared to constructing a new state-of-the-art facility
- The benefits of a new facility will include significant improvements to many areas of the hospital

Plantation General maintains that the proposed project will improve the efficiency of acute care services in Broward County. The reduction in the number of total beds will increase occupancy rates, allowing the applicant to improve its staffing and operational efficiency.

The reviewer notes that while the facility is the only provider of NICU services in the City of Plantation, there are currently four providers of this service within a ten-mile radius of Plantation General's current location, including Broward Health Medical Center approximately 4.23 miles away. The reviewer notes that the proposed ZIP code for the relocation has four providers of this service within a ten-mile radius, including Memorial Hospital West approximately 4.7 miles away.

**Competition:**

- Plantation General asserts their replacement hospital will enhance competition in South Broward by introducing another option for inpatient acute care services
- The applicant states that the relocation of its hospital will not have an adverse impact on any existing providers
- Three existing providers (Cleveland Clinic Florida Health System Nonprofit Corporation, North Broward Hospital District and South Broward Hospital District) submitted opposition to this project

**Medicaid/charity care:**

- In 2013 Plantation General provided almost 24 million dollars in care to charity and uninsured patients
- The applicant states intent to continue to utilize the same Charity Care Policies and Uninsured Discount Policies as other affiliated HCA facilities
- Plantation General proposes to condition the proposed project to a minimum of 15 percent inpatient admissions to Medicaid or charity care

**I. RECOMMENDATION:**

Approve CON #10235 to establish a 200-bed replacement acute care hospital in Davie, Florida, Broward County, District 10, Subdistrict 1. The total project cost of \$251,424,021. The project involves a total of 382,906 GSF and a total construction cost of \$154,195,117.

**CONDITIONS:**

- The proposed hospital will be located in ZIP code 33328
- The proposed hospital will be located on the campus of NSU
- The applicant conditions the project on providing a minimum of 15 percent of inpatient hospital admissions to Medicaid and charity patients

**AUTHORIZATION FOR AGENCY ACTION**

Authorized representatives of the Agency for Health Care Administration adopted the recommendation contained herein and released the State Agency Action Report.

DATE: \_\_\_\_\_

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