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HEALTH FACILITIES COMMISSION MEETING
AUGUST 24, 2022
APPLICATION REVIEW

NAME OF PROJECT: Jordan River Health Center

PROJECT NUMBER: CN2205-024

ADDRESS: 10001 Crooked Creek Road, Suite 501
Collierville (Shelby County), TN 38017

LEGAL OWNER: Luke, Inc. c/o Jerry Sisson
2171 Judicial Drive, Suite 215
Germantown (Shelby County), TN 38138

OPERATING ENTITY: Retirement Companies of America, Inc. (asset management)
and GMSC, Tennessee, LLC, (Greystone) (operations
management)

CONTACT PERSON: Jerry Taylor
(615) 716-2297

DATE FILED: May 27, 2022

PROJECT COST: \$17,215,241

PURPOSE FOR FILING: Establishment of a 30-bed nursing home facility. *The nursing home beds in this project are subject to the 125 bed Nursing Home Bed Pool for the July 2022-2023 state fiscal year period.*

Staff Review

Note to Agency members: This staff review is an analysis of the statutory criteria of Need, Consumer Advantage Attributed to Competition, and Quality Standards, including data verification of the original application and, if applicable, supplemental responses submitted by the applicant. Any Health Facilities Commission Certificate of Need Staff comments will be presented as a "Note to Agency members" in bold italic.

JORDAN RIVER HEALTH CENTER
CN2205-024
AUGUST 24, 2022

PROJECT DESCRIPTION:

Jordan River Health Center is seeking *Consent Calendar* approval for the establishment of a 30-bed skilled nursing home that will be part of a 60-bed (two 2-story 30-bed wings) nursing home facility called the Farms at Bailey Station that was previously approved in two separate Certificate of Need applications in 2013. The nursing home will be located at 10001 Crooked Creek Road, Suite 501, Collierville (Shelby County), Tennessee 38017. The applicant allowed two previously approved nursing home Certificates of Need (CN1303-008AEV and CN1311-045EV) that were in the final stages of development to lapse on January 1, 2022 without requesting an extension from the Agency. Therefore, the applicant must file two Certificate of Need applications consisting of 30 beds each from two distinct calendar year bed pools in order to reach a previously approved total of 60 skilled nursing home beds. This application represents the second portion of the total overall project consisting of 30 skilled nursing beds that was originally approved in 2013 (CN1311-045AEV) that lapsed.

The proposed service area consists of Shelby County. The applicant, Jordan River Health Center, is owned by Luke, Inc., a private, not-for-profit corporation.

The skilled beds requested in the application are subject to the 125 Nursing Home Bed Pool for 2022-2023. To date, all 125 nursing home beds in the bed pool are available (please see table at the end of this staff summary).

The applicant received approval for the first replacement CON (CN2201-002A) for the addition of the first 30-skilled nursing beds at the March 23, 2022, agency meeting which were subject to the FY 2022-2023 nursing home bed pool.

Note to Agency members: According to Public Chapter 557, 68-11-1619(b) "The number of Medicare SNF beds issued under this section shall not exceed thirty (30) for each applicant." "During each fiscal year after June 30, 2020, until June 30, 2025, the agency shall not issue certificates of need for new nursing home beds, including the conversion of hospital beds to nursing home beds or swing beds, other than one hundred twenty-five (125) beds per fiscal year, to be certified as Medicare skilled nursing facility (SNF) beds."

Executive Summary

- Please see application Item 1E. on Page 6 & 7 for the applicant's executive summary overview that includes project description, ownership, service area, existing similar service providers, project cost, and staffing.

Consent Calendar: Yes No

- Executive Director's Consent Memo Attached: Yes Not applicable

Facility Information

- This project is for the remaining 30 beds that will be part of a 60-bed (two 2-story 30-bed wings) nursing home facility. Upon approval, the applicant will open the second 2-story wing of the facility. The total skilled nursing facility includes 62,330 SF. See Attachment 10A for the facility Floor Plan which identify the rooms which are associated with this Certificate of Need Application.
- The continuing care retirement community is located on a 26.3-acre site which includes a 4,300 square foot rehabilitation center in addition to the skilled nursing facility as well as 176 independent living apartments, 63 independent living garden homes, 52 assisted living suites, and 32 memory support suites.
- The applicant owns the land which the facility is being constructed upon. See Attachment 9A for a copy for a copy of the Special Warranty Deed.

Ownership

- The applicant, Jordan River Health Center, is owned by Luke, Inc., which is a not-for-profit corporation. Luke, Inc. does not share common board membership with any other entities.
- The operations of the facility will be managed by GMSC, Tennessee LLC, which is a national provider with experience in managing continuing care retirement community (CCRC) facilities. Retirement Communities of America (RCA) will manage the assets of the applicant. RCA also has a management agreement with Kirby Pines Manor - another Shelby County CCRC.

Project Cost Chart

- The total project cost is \$17,215,241. Of this amount, the highest line-item costs of the project are Construction Costs (\$10,071,361), Interim Financing (\$1,690,296), Legal, Administrative and/or Consultant Fees (\$1,162,273), and Reserve for One Year's Debt Service (\$1,055,027).
- For additional information, please refer to the Project Cost Chart on Page 9 of the original application.

NEED

The applicant provided the following supporting the need for the proposed project:

- This project was previously approved in 2013 and the facility is already built. The application is needed due to a lapsed CON.
- The facility is needed to support the needs of residents of the continuing care retirement community as well as fulfill the contractual obligations of the applicant to those residents for the provision of skilled nursing services.

- The Department of Health need projections for nursing homes in Shelby County demonstrates a need for 3,053 additional nursing home beds in 2023.
- The applicant projects that it will reach 93% occupancy by the second year of operations.

(For applicant discussion, see the Original Application, Item 2.E., Pages 7 & 8)

SERVICE SPECIFIC CRITERIA AND STANDARD REVIEW

All applicable criteria and standards were met except for the following related to **Nursing Home Services**:

- Did not meet the standard of **#4. Existing Nursing Home Capacity - In general, the Occupancy Rate for each nursing home currently and actively providing services within the applicant's proposed Service Area should be at or above 90% to support the need for any project seeking to add new nursing home beds within the Service Area and to ensure that the financial viability of existing facilities is not negatively impacted.** *See staff analysis below.*
- Did not meet the standard of **#14. Additional Occupancy Rate Standards - b. There should be no additional nursing home beds approved for a Service Area unless each existing facility with 50 beds or more has achieved an average annual occupancy rate of 90 percent. In determining the Service Area's occupancy rate, the HSDA may choose not to consider the occupancy rate of any nursing home in the proposed Service Area that has been identified by the TDH Regional Administrator as consistently noncomplying with quality assurance regulations, based on factors such as deficiency numbers outside of an average range or standards of the Medicare 5 Star program. The Occupancy Rate for all Nursing Homes in the service area (Shelby County) was (79.9%) according to the 2020 Joint Annual Report for Nursing Home Services. This is below the (90%) standard for service area occupancy rate. See Attachment 1.N. Responses to the Criteria and Standards for Nursing Home Services as well as Attachment 5N for the Utilization Data for Shelby County Nursing Homes.**

Note to Agency members: While the occupancy standard does not appear to be met for the service area according to 2020 utilization data, the need for this project was previously established prior to the construction of this skilled nursing facility.

Please see attached for a full listing of the criteria and standards and the applicant's responses.

Service Area Demographics

- The proposed Tennessee primary service area consists of Shelby County.

JORDAN RIVER HEALTH CENTER

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- The target population is patients age 65 and older. (See Page 11 of the application for more demographic detail.)

County	2022 Population	2026 Population	% Change	TennCare %
Shelby, TN	944,036	947,551	0.37%	30.1%
Shelby, TN (65+)	142,579	148,831	4.38%	NA
Tennessee Total	6,997,493	7,102,950	1.51%	23.4%
Tennessee Total (65+)	1,254,329	1,318,602	5.12%	NA

Source: The University of Tennessee Center for Business and Economic Research Population Projection Data Files, Reassembled by the Tennessee Department of Health, Division of Policy, Planning and Assessment, Office of Health Statistics.

- The proposed Shelby County service area projects a 4-year growth rate of (0.37%) compared to a statewide rate of (1.51%).
- The latest 2022 percentage of (30.1%) of Shelby County residents enrolled in the TennCare program is higher than the (23.4%) statewide average.
- Please see Item 4N., Page 11R in the application for special needs of the service area population including health disparities.

Service Area - Historical Utilization

- The following table indicates the utilization of nursing homes in Shelby County during 2020.

Facility Name	Total Licensed Beds	SNF Beds Medicare Only	SNF/NF Beds - Dually Certified	Licensed Only Beds - Non-Certified	Total SNF Discharge Days	Total NF Discharge Days	SNF ADC	NF ADC	Licensed Occupancy
Ave Maria Home	100		100		1,832	27,401	22.3	75.1	87.3%
AHC Bright Glade Senior Living and Rehab	77		77		1,601	10,210	4.4	28.0	85.2%
Collierville Nursing and Rehabilitation	114		114		6,121	9,509	16.8	26.1	56.1%
Rainbow Rehabilitation and Healthcare	115		115		8,761	14,823	24.0	40.6	72%
The Kings Daughters and Sons Home	108		108		12,018	34,482	32.9	94.5	81.3%
ST Claire Health and Rehab, LLC	48		48		197	9,252	0.5	25.3	55.3%
Signature Healthcare of Memphis	140		140		7,142	18,293	19.6	50.1	79.9%
AHC Harbor View	103		103		80,300	0	220.0	0.0	89.9%
Whitehaven Community Living Center	92		92		1,140	476	3.1	1.3	0.1%
The Highlands of Memphis Health and Rehab	180		180		7,815	18,658	21.4	51.1	71.3%
Spring Gate Rehabilitation and Healthcare	233		233		22,564	43,711	61.8	119.8	72%
Allen Morgan Health and Rehabilitation	104	31	0	73	6,167	20,026	16.9	54.9	69%
Grace Healthcare of Cordova	240		240		10,961	76,630	30.0	209.9	66.8%
Quince Nursing and Rehabilitation	188		188		94,527	0	259.0	0.0	81.9%
Signature Healthcare of Primacy	120		120		16,387	25,283	44.9	69.3	68.2%
Midtown Center for Health and Rehab	180		180		7,193	5,297	19.7	14.5	32%
Allenbrooke Nursing and Rehab	180		180		68,397	0	187.4	0.0	88%

Kirby Pines Manor	120	30	0	90	72,634	12,776	199.0	35.0	81.8%
Majestic Gardens of Memphis	169		169		8,430	32,560	23.1	89.2	20.2%
Memphis Jewish Home	160		160		26,817	19,423	73.5	53.2	79.2%
Millington Healthcare Center	85		85		7,743	9,557	21.2	26.2	83.8%
Graceland Rehabilitation and Nursing	240		240		21,164	3,700	58.0	10.1	98.2%
Parkway Health and Rehabilitation	120		120		5,214	38,590	14.3	105.7	100%
AHC Applingwood	78		78		8,431	14,245	23.1	39.0	79.6%
The Village at Germantown	50	50	0		22,473	0	61.6	0.0	82.3%
Regional One Health Subacute Care	20	20	0		4,674	0	12.8	0.0	63.1%
Christian Care Center of Memphis	90		90		11,939	13,962	32.7	38.3	78.8%
TOTAL	3,454	131	3,160	163	548,942	458,864	55.7	46.6	79.9%

Source: CN2205-024, Original Application, Attachment 5N, 2018-2020 Joint Annual Reports for Nursing Homes

- There were 27 nursing homes in Shelby County in 2020. Three of those; Allen Morgan Health and Rehabilitation, Kirby Pines Manor, and The Village at Germantown operated as continuing care retirement communities (CCRCs).
- The only facility to exceed (90%) occupancy was Graceland Rehabilitation and Nursing which reported the highest licensed occupancy rate in 2020 with (98.2%). AHC Harbor View reported the second highest licensed occupancy rate in 2020 with (89.9%). Ave Maria Home was third with (87.3%).
- Please refer to Attachment 5N in the application for historical nursing home utilization in the service area.

Licensed Average Occupancy Rates - Shelby County Nursing Homes 2018-2020

Year	Total Beds	Average Annual Occupancy
2018	3,470	74.7%
2019	3,482	80.0%
2020	3,470	79.9%

Source: CN2205-024, Original Application, Attachment 5N, 2018-2020 Joint Annual Reports for Nursing Homes

- The highest average annual occupancy rate for Shelby County Nursing Homes was reported in 2019 with (80.0%).

Applicant's Historical and Projected Utilization

There is no historical utilization for this applicant.

- The applicant provides projected utilization for the project in Year 1 (2022) and Year 2 (2023) in the following tables.

Projected Utilization - Jordan River Health Center Year 1 (2022) and Year 2 (2023)

Year	Patient Days	Average Daily Census	Average Occupancy	Average Length of Stay
Year 1 - 2022	12,838	35.2	58.6%	162 days
Year 2 - 2023	20,423	55.8	93%	127 days

Source: CN2205-024, Original Application, Item 6N, Page 12

**Projected Utilization - Jordan River Health Center by Patient County of Residence -
Year 1 (2022)**

Service Area County	Projected Utilization - County Residents (ADC) - Year 1 (2022)	% of Total Patients
Shelby	31.7	90%
All Other	3.5	10%
Total	35.2	100%

Source: CN2205-024, Original Application, Item 6N, Page 12

- The applicant is projecting that (90%) or its patients will be residents of Shelby County, TN.

CONSUMER ADVANTAGE ATTRIBUTED TO COMPETITION

Charges

In Year 1 and Year 2 of the proposed project, the average gross charges per patient day for the proposed skilled nursing facility are as follows:

	Projected Data Chart - Charges per Patient Day	
	Year 1 (2022)	Year 2 (2023)
Gross Charges	\$496.40	\$542.27
Deduction from Revenue	\$56.40	\$79.67
Average Net Charges	\$440.00	\$462.60

Source: CN2205-024, Original Application, Item 7.C., Page 17

- The applicant's proposed total charges are listed on Page 17.
- The applicant projects the patient net charge per day will be approximately \$440 in Year 1 and \$462.50 in Year 2.

The applicant provides in the following table a comparison of charges in Shelby County, TN for other continuing care retirement communities (CCRCs) skilled nursing facilities.

Facility Name	Charges per Patient Day
Allen Morgan Healthcare -Trezevant Manor LifeCare Community	\$410 per day
Kirby Pines Manor - Kirby Pines Estates LifeCare Community	\$389 per day
Villages at Germantown - Village at Germantown Retirement Community	\$378 per day

Source: CN2205-024, Original Application, Page 17

- The Year 1 charge per patient day for the applicant (\$398 per day) is projected to be higher than the most recent reported charges at Kirby Pines Manor (\$389 per day) and The Villages at Germantown (\$378 per day), and lower than Allen Morgan Healthcare (\$410 per day) which are the other CCRC facilities in the service area (Shelby County).

Services:

- The applicant provides a table listing the specific services that it will offer at the new skilled nursing facility on pages 14-15 of the application, indicating which services will be offered on a direct, or contracted basis, or not available.

Project Payor Mix

The applicant's projected payor mix for Year 1 (CY2022) total gross operating revenue of \$6,372,816 is as follows:

	Percentage of Gross Operating Revenue					
	Medicare	Medicaid	Commercial	Self-Pay	Other	Charity Care
Year 1	41%	0%	25%	34%	0%	0%

Source: CN2205-024, Original Application, Page 18.

- The applicant does not intend to contract with any TennCare MCOs due to the fact that its long-term care patients will be residents of the continuing care retirement community (CCRC) and will not be TennCare eligible.
- No Charity Care is proposed to be provided directly to patients. The applicant states that it will provide any supplemental cost of care to residents through its separate non-profit corporation 501c3 - Luke, Inc. Foundation according to pre-established guidelines.
- Please refer to Item 10C. in the Consumer Advantage section on Page 18 of the application for additional Payor Mix information.
- The applicant provides a list of commercial payors that it may contract with including Aetna, United Healthcare, Humana, Blue Cross/Blue Shield, Cigna Commercial, and Cigna Health Springs Advantage Plan, in response to Item 2.C (See Page 13)

Agreements

- The applicant will maintain transfer agreements with Baptist Memorial Hospital - Collierville, Methodist LeBonheur Germantown Hospital, as well as the following nursing homes, Kirby Pines Manor, Allen Morgan Health Center, and Memphis Jewish Home and Rehab Center.

Staffing

The applicant's Year 1 proposed direct patient care staffing includes the following:

	Year One
Direct Patient Care Positions	35.9
Non-Patient Care Positions	7.7
Contractual Staff	0.25
Total	43.85

Source: CN2205-024, Original Application, Page 20.

- Direct Care positions include the following: Registered Nurses (4.7 FTEs); Licensed Practical Nurses (10.7); Certified Nursing Assistants (20.5 FTEs).
- Non-Patient Care positions include the following: Nursing Administration (7.7 FTEs).
- Contractual Staff includes the Medical Director (0.25 FTE), Mohammed Abutineh, M.D.
- The applicant states that some of the initial nursing staff for the facility will be temporarily transferred from Kirby Pines Manor, a CCRC which shares common management, while the facility is closed for the development of a replacement nursing home facility.

QUALITY STANDARDS

The applicant commits to obtaining and/or maintaining the following:

Licensure	Certification	Accreditation
Dept. of Health	Medicare	None

Source: CN2205-024, Original Application, Page 19

- The applicant will obtain Licensure through the Tennessee Department of Health, and Certification through Medicare. The applicant will not pursue Certification through TennCare as it will not participate in TennCare. The applicant states that it does not intend to initially pursue Accreditation through the Joint Commission or other accrediting bodies. The applicant's response regarding lack of TennCare certification/participation was included in CON application CN2201-002A, Page 7 & 8 of Supplemental #1: "Jordan River will not be participating in the TennCare program because although it will have some long-term care patients, those patients will be residents of The Farms at Bailey Station (the CCRC) and will not be TennCare eligible individuals."

LICENSING AGENCY COMMENTS**Licensing Agency:** Department of Health

- Department of Mental Health and Substance Abuse Services
- Intellectual and Developmental Disabilities

Licensing Agency Comments Attached: Yes No

Should the Agency vote to approve this project, the CON would expire in three years.

CERTIFICATE OF NEED INFORMATION FOR THE APPLICANT:

There are no other Letters of Intent, denied or pending applications for this applicant.

Outstanding Certificates of Need

Project Name	Jordan River Health Center, CN2201-002A
Project Cost	\$17,215,242
Approval Date	March 23, 2022
Description	The establishment of a skilled nursing home with 30 beds to be located at 10001 Crooked Creek Road, Suite 501, Collierville (Shelby County), Tennessee 38017. The proposed service area includes Shelby County. The applicant, Jordan River Health Center, is owned by Luke, Inc., a private, not-for-profit corporation. These beds are subject to the 125 Nursing Home Bed Pool for 2021-2022.
Project Status	Project was recently approved.
Expiration	May 1, 2025

CERTIFICATE OF NEED INFORMATION FOR OTHER SERVICE AREA FACILITIES:

There are no other Letters of Intent, denied or pending applications, or Outstanding Certificates of Need for other health care organizations in the service area proposing this type of service.

NURSING HOME BED POOL STATS

**July 1, 2022 through June 30, 2023
125-BED POOL**

Nursing Home Beds APPROVED	0	NH Beds
Nursing Home Beds DENIED	0	NH Beds
Total Beds AVAILABLE from Bed Pool	125	Beds Available
Nursing Home Beds PENDING	30	NH Beds

<u>COUNTY</u>	<u>PROJECT NUMBER</u>	<u>FACILITY</u>	<u>PROJECT DISPOSITION</u>	<u>MEETING DATE</u>	<u>DESCRIPTION</u>
Shelby	CN2205-024	Jordan River Health Center	Pending	August 24/2022	The establishment of a nursing home with 30 skilled nursing beds.

TPP
(7/15/2022)

CRITERION AND
STANDARDS

Original Application

NOTE: Supplemental responses to criterion and standards follows in the supplemental attachments.

Attachment 1N(R)**Responses to Criteria and Standards****Nursing Home Standards and Criteria****1. Determination of Need.**

The need for nursing home beds for each county in the state should be determined by applying the following population-based statistical methodology:

$$\begin{aligned} \text{Need} = & .0005 \times \text{population 65 and under, plus} \\ & .012 \times \text{population 65-74, plus} \\ & .060 \times \text{population 75-84, plus} \\ & .150 \times \text{population 85 +} \end{aligned}$$

According to information from the Department of Health, based on the above formula there is a need for a total of 6,506 nursing home beds in Shelby County in 2023. According to the available Joint Annual Reports there was a total of 3,454 licensed nursing home beds in Shelby County in 2020. Taking into account the 30 beds which were authorized for Jordan River by CN2101-002 there is a net need for 3,022 additional nursing home beds in Shelby County, according to the need formula.

The report from the Department of Health is attached as the last page of this Attachment.

2. Planning horizon: The need for nursing home beds shall be projected two years into the future from the current year.

The two-year planning horizon relied on years 2021-2023 because the Department of Health does not yet have the 2022-2024 data available.

3. Establishment of Service Area: A majority of the population of the proposed Service Area for any nursing home should reside within 30 minutes travel time from that facility. Applicants may supplement their applications with sub-county level data that are available to the general public to better inform the HSDA of granular details and trends; however, the need formula established by these Standards will use the latest available final JAR data from the Department of Health. The HSDA additionally may consider geographic, cultural, social, and other aspects that may impact the establishment of a Service Area.

The primary service area is Shelby County. Almost all (at least 90%) of patients will be residents of Shelby County when admitted to the SNF.

4. Existing Nursing Home Capacity: In general, the Occupancy Rate for each nursing home currently and actively providing services within the applicant's proposed Service Area should be at or above 90% to support the need for any project seeking

to add new nursing home beds within the Service Area and to ensure that the financial viability of existing facilities is not negatively impacted.

When considering replacement facility or renovation applications that do not alter the bed component within the Service Area, the HSDA should consider as the primary factor whether a replacement facility's own occupancy rate could support its economic feasibility, instead of the occupancy rates of other facilities in the Service Area.

The average occupancy of all facilities in Shelby County is approximately 80%. The primary source of patients for this SNF will be residents of the CCRC of which Jordan River Health Center is a component. Other facilities will not be affected.

- 5. Outstanding Certificates of Need: Outstanding CONs should be factored into the decision whether to grant an additional CON in a given Service Area or county until an outstanding CON's beds are licensed.**

There is one unimplemented CON: The Village of Germantown has a CON for 5 additional SNF beds which beds will reportedly be coming on line soon. These beds are not relevant to the Jordan River project because (a) those beds are obviously needed to meet the Village at Germantown's needs, and (b) the Jordan River Health Center will not be drawing patients from the community at large to any significant extent.

- 6. Data: The Department of Health data on the current supply and utilization of licensed and CON-approved nursing home beds should be the data source employed hereunder, unless otherwise noted.**

That is the source of the data relied upon.

- 7. Minimum Number of Beds: A newly established free-standing nursing home should have a sufficient number of beds to provide revenues to make the project economically feasible and thus is encouraged to have a capacity of least 30 beds. However, the HSDA should consider exceptions to this standard if a proposed applicant can demonstrate that economic feasibility can be achieved with a smaller facility in a particular situation.**

This application seeks 30 additional nursing home beds, which would give the facility a total of 60 beds.

- 8. Encouraging Facility Modernization: The HSDA may give preference to an application that:**
- a. Proposes a replacement facility to modernize an existing facility.**

N/A. This application is not for a replacement facility. However, Jordan River Health Center will be a state-of-the art health care facility and will also be very aesthetically pleasing.

- b. Seeks a certificate of need for a replacement facility on or near its existing facility operating location. The HSDA should evaluate whether the replacement facility is being located as closely as possible to the location of the existing facility and, if not, whether the need for a new, modernized facility is being impacted by any shift in the applicant's market due to its new location within the Service Area.**

N/A

- c. Does not increase its number of operating beds.**

N/A

- 9. Adequate Staffing: An applicant should document a plan demonstrating the intent and ability to recruit, hire, train, assess competencies of, supervise, and retain the appropriate numbers of qualified personnel to provide the services described in the application and that such personnel are available in the proposed Service Area. However, when considering applications for replacement facilities or renovations of existing facilities, the HSDA may determine the existing facility's staff would continue without significant change and thus would be sufficient to meet this Standard without a demonstration of efforts to recruit new staff.**

Staffing the SNF in the first year is expected to require 43.6 FTE positions, 35.9 of which will be involved in direct patient care. There is also a 0.25 FTE contractual position, which is the Medical Director. The applicant has affiliations which will make hiring the necessary people very feasible.

- 10. Community Linkage Plan: The applicant should describe its participation, if any, in a community linkage plan, including its relationships with appropriate health care system providers/services and working agreements with other related community services to assure continuity of care. If they are provided, letters from providers (including, e.g., hospitals, hospice services agencies, physicians) in support of an application should detail specific instances of unmet need for nursing home services.**

Jordan River Health Center expects to have transfer agreements with at least two hospitals in the area, and three nursing homes in Shelby County. Because the SNF does not cater to the community at large, it is not necessary to engage in community outreach and the like.

- 11. Access: The applicant should demonstrate an ability and willingness to serve equally all of the Service Area in which it seeks certification. In addition to the factors set forth in HSDA Rule 0720-11-.01(1) (listing the factors concerning need on which an application may be evaluated), the HSDA may choose to give special consideration to an applicant that is able to show that there is limited access in the proposed Service Area. However, an applicant should address why Service Area residents cannot be served in a less restrictive and less costly environment and whether the applicant provides or will provide other services to residents that will enable them to remain in their homes.**

Jordan River Health Center will not discriminate against any person because of race, gender, ethnicity, or any other impermissible basis.

12. Quality Control and Monitoring: The applicant should identify and document its existing or proposed plan for data reporting, quality improvement, and outcome and process monitoring systems, including in particular details on its Quality Assurance and Performance Improvement program as required by the Affordable Care Act. As an alternative to the provision of third party accreditation information, applicants may provide information on any other state, federal, or national quality improvement initiatives. An applicant that owns or administers other nursing homes should provide detailed information on their surveys and their quality control programs at those facilities, regardless of whether they are located in Tennessee.

Jordan River Health Center will implement and utilize a Quality Performance Improvement Plan which is a systematic approach to the organization's commitment to continually assessing and improving quality resident care. Operational experience, performance competency and supportive innovations are the foundations of quality care programs that can be measured in both objective and subjective terms.

The quality performance improvement plan touches on all aspects of these four points: Elevating the resident experience, boosting the provide/staff satisfaction, improving resident outcomes and lowering resident costs. Quality measures are utilized to create and maintain a quality-focused culture that drives better outcomes. The applicant believes that a quality care program allows the provider the opportunity to improve performance by focusing on daily dashboard readiness for health inspections, staffing, fire/emergency safety protocols and quality measures.

The ownership and management of another CCRC with skilled nursing care in Shelby County, Kirby Pines Manor, is affiliated with the ownership and/or management of Jordan River. Kirby Pines has a long track record of quality care being delivered

13. Data Requirements: Applicants should agree to provide the TDH and/or the HSDA with all reasonably requested information and statistical data related to the operation and provision of services at the applicant's facility and to report that data in the time and format requested. As a standard of practice, existing data reporting streams will be relied upon and adapted over time to collect all needed information.

The applicant agrees to do so.

14. Additional Occupancy Rate Standards:

a. An applicant that is seeking to add or change bed component within a Service Area should show how it projects to maintain an average occupancy rate for all licensed beds of at least 90 percent after two years of operation.

The applicant projects to reach 93% average occupancy in Year 2.

b. There should be no additional nursing home beds approved for a Service Area unless each existing facility with 50 beds or more has achieved an average annual occupancy rate of 90 percent. In determining the Service Area's occupancy rate, the HSDA

may choose not to consider the occupancy rate of any nursing home in the proposed Service Area that has been identified by the TDH Regional Administrator as consistently noncomplying with quality assurance regulations, based on factors such as deficiency numbers outside of an average range or standards of the Medicare 5 Star program.

Although the average occupancy of Shelby County nursing homes is around 80% for the past few years, it should be noted the CON for the Jordan Riverbeds was originally approved in 2013 and the beds never came online due to the CON expiring as explained elsewhere in the application. Moreover, the bed need formula (addressed in Criteria and Standards #1), reflects need for 3,052 additional nursing home beds in Shelby County in 2023. In addition, the applicant projects 93% occupancy early in Year 2 of operations. All of these factors show there is a clear need for these beds despite the occupancy of all nursing homes in Shelby County not reaching 90%.

- c. A nursing home seeking approval to expand its bed capacity should have maintained an occupancy rate of 90 percent for the previous year.**

The existing beds are not yet occupied. The additional 30 beds sought by this application are needed to bring the total to 60 beds, which was intended and disclosed from the outset. The applicant requests these 30 beds come out of the 2022-2023 bed pool.

LETTER OF INTENT



State of Tennessee
Health Services and Development Agency

Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-2364 Email: hsda.staff@tn.gov


LETTER OF INTENT

The Publication of Intent is to be published in the Commercial Appeal which is a newspaper of general circulation in Shelby County, Tennessee, on or before May 15, 2022.

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. §68-11-1601 et seq., and the Rules of the Health Services and Development Agency that Jordan River Health Center, a skilled nursing facility owned by Luke, Inc., a not-for-profit corporation, and to be co-managed by Retirement Companies of America and GMSC, Tennessee, LLC, (Greystone), intends to file an application for a Certificate of Need for the addition of 30 skilled nursing home beds. The skilled nursing facility is located at 10001 Crooked Creek Road, Suite 501, Collierville, Shelby County, Tennessee 38017. This application is for a certificate of need to replace CON No. CN1311-045A which was also for 30 skilled nursing beds, which CON lapsed and became void as of January 2, 2022. Jordan River Health Center is a key component of a large continuing care retirement community. The facility was almost ready to open when the CON expired. The beds will be licensed as nursing home beds by the Tennessee Board for Licensing Health Care Facilities and will provide inpatient nursing home services. The total estimated project cost is not to exceed \$17,200,000.00.

The anticipated date of filing the application is on or before June 1, 2022.

The contact person for this project is Jerry W. Taylor, Attorney, who may be reached at: Thompson Burton, PLLC, One Franklin Park, 6100 Tower Circle, Suite 200, Franklin, TN 37067, 615-716-2297.

 <hr/> Signature of Contact	<p style="font-size: 1.5em; color: blue;">5/13/22</p> <hr/> Date	<p style="color: blue;">jtaylor@thompsonburton.com</p> <hr/> Contact's Emil Address
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The published Notice of Intent contains the following statement pursuant to T.C.A. §68-11-1607 (c)(1): (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at prior to the consideration of the application by the Agency.

ORIGINAL
APPLICATION

CERTIFICATE OF NEED APPLICATION

FOR

JORDAN RIVER HEALTH CENTER

Addition of 30 Nursing Home Beds to
Jordan River Health Center SNF, a Component of
The Farms at Bailey Station,
a Continuing Care Retirement Community

Collierville, Shelby County, Tennessee

May 27, 2022

Contact Person:

Jerry W. Taylor, Esq.
Thompson Burton, PLLC
6100 Tower Circle, Suite 200
Franklin, Tennessee 37067
615-716-2297


State of Tennessee
Health Services and Development Agency

Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243

www.tn.gov/hsda Phone: 615-741-2364 Email: hsda.staff@tn.gov
CERTIFICATE OF NEED APPLICATION
1A. Name of Facility, Agency, or Institution

Jordan River Health Center

Name

10001 Crooked Creek Road, Suite 501

Street or Route

Collierville

City
<https://retirementcompanies.com>
Website Address

Shelby

County

38017

Zip

Tennessee

State

Note: The facility's name and address **must be** the name and address of the project and **must be** consistent with the Publication of Intent.

2A. Contact Person Available for Responses to Questions

Jerry W. Taylor

Name

Thompson Burton, PLLC

Company Name

Attorney

Title
jtaylor@thompsonburton.com
Email Address

One Franklin Park, 6100 Tower Circle, Suite 200

Street or Route

Franklin

City

Attorney

Association with Owner

Tennessee

State

37067

Zip

615-716-2297

Phone Number
3A. Proof of Publication

Attach the full page of newspaper in which the notice of intent appeared with the mast and dateline intact or submit a publication affidavit from the newspaper that includes a copy of the publication as proof of the publication of the letter of intent. (Attachment 3A)

Date LOI was Submitted: May 13, 2022

Date LOI was Published: May 15, 2022

A Publisher's Affidavit has been requested and it will be submitted upon its receipt, and marked as Attachment 3A.

4A. Purpose of Review (Check appropriate box(es) – more than one response may apply)

- Establish New Health Care Institution
 Addition of a Specialty to an Ambulatory Surgical Treatment Center (ASTC)
 Change in Bed Complement
 Initiation of Health Care Service as Defined in §TCA 68-11-1607(3) Specify: _____
 Relocation
 Initiation of MRI Service
 MRI Unit Increase
 Satellite Emergency Department
 Addition of ASTC Specialty
 Initiation of Cardiac Catheterization
 Addition of Therapeutic Catheterization
 Establishment/Initiation of a Non-Residential Substitution Based Opioid Treatment Center
 Linear Accelerator Service
 Positron Emission Tomography (PET) Service

Please answer all questions on letter size, white paper, clearly typed and spaced, single sided, in order and sequentially numbered. In answering, please type the question and the response. All questions must be answered. If an item does not apply, please indicate “N/A” (not applicable). Attach appropriate documentation as an Appendix at the end of the application and reference the applicable item Number on the attachment, i.e. Attachment 1A, 2A, etc. The last page of the application should be a completed signed and notarized affidavit.

5A. Type of Institution (Check all appropriate boxes – more than one response may apply)

- Hospital (Specify): _____
 Ambulatory Surgical Treatment Center (ASTC) – Multi-Specialty
 Ambulatory Surgical Treatment Center (ASTC) – Single Specialty
 Home Health
 Hospice
 Intellectual Disability Institutional Habilitation Facility (ICF/IID)
 Nursing Home
 Outpatient Diagnostic Center
 Rehabilitation Facility
 Residential Hospice
 Nonresidential Substitution Based Treatment Center of Opiate Addiction
 Other (Specify): _____

6A. Name of Owner of the Facility, Agency, or Institution

Luke, Inc.

Name

c/o Jerry Sisson, 2171 Judicial Drive, Suite 215

901-759-7264

Street or Route

Germantown

Phone Number

38138

City

Tennessee

State**Zip**

7A. Type of Ownership of Control (Check One)

- Sole Proprietorship
- Partnership
- Limited Partnership
- Corporation (For Profit)
- Corporation (Not-for-Profit)
- Government (State of TN or Political Subdivision)
- Joint Venture
- Limited Liability Company
- Other (Specify): _____

Attach a copy of the partnership agreement, or corporate charter and certificate of corporate existence. Please provide documentation of the active status of the entity from the Tennessee Secretary of State’s website at <https://tnbear.tn.gov/ECommerce/FilingSearch.aspx> . If the proposed owner of the facility is government owned must attach the relevant enabling legislation that established the facility. (Attachment 7A)

RESPONSE: Corporate organizational documents are attached as Attachment 7A. Luke, Inc. is a Tennessee not-for-profit corporation and has no parent or affiliated company, so no organizational chart is included.

Describe the existing or proposed ownership structure of the applicant, including an ownership structure organizational chart. Explain the corporate structure and the manner in which all entities of the ownership structure relate to the applicant. As applicable, identify the members of the ownership entity and each member’s percentage of ownership, for those members with 5% ownership (direct or indirect) interest.

RESPONSE: Luke, Inc. is a Tennessee not-for-profit corporation and has no parent or affiliated company, so no organizational chart is necessary.

8A. Name of Management/Operating Entity (If Applicable)

Retirement Companies of America, Inc. (asset management) and GMSC, Tennessee, LLC, (Greystone)
(operations management)

Name

Both companies may be reached at: 6465 N. Quail Hollow Road #400

Shelby

Street or Route

Memphis

Tennessee

County

38120

City

State

Zip

<https://retirement.companies.com>

Website Address

For new facilities or existing facilities without a current management agreement, attach a copy of a draft management agreement that at least includes the anticipated scope of management services to be provided, the anticipated term of the agreement, and the anticipated management fee payment schedule. For facilities with existing management agreements, attach a copy of the fully executed final contract. (Attachment 8A)

RESPONSE: Copies of the first pages and signature pages of the management agreements (the full agreements are voluminous) are attached as Attachment 8A.

9A. Legal Interest in the Site

Check the appropriate box and submit the following documentation. (Attachment 9A)

The legal interest described below must be valid on the date of the Agency consideration of the Certificate of Need application.

- Ownership (Applicant or applicant's parent company/owner) – Attach a copy of the title/deed.
- Lease (Applicant or applicant's parent company/owner) – Attach a fully executed lease that includes the terms of the lease and the actual lease expense.
- Option to Purchase - Attach a fully executed Option that includes the anticipated purchase price.
- Option to Lease - Attach a fully executed Option that includes the anticipated terms of the Option and anticipated lease expense.
- Other (Specify) _____

RESPONSE: A copy of the deed for the entire tract of land for the CCRC is attached as Attachment 9A.

10A. Floor Plan

If the facility has multiple floors, submit one page per floor. If more than one page is needed, label each page. (Attachment 10A)

- Patient care rooms (Private or Semi-private)
- Ancillary areas
- Other (Specify)

RESPONSE: A copy of the Floor plan is attached as Attachment 10A. The area and beds labeled “CON 1” were authorized by CN2201-002A. The beds requested in this application are those labeled “CON 2.”

11A. Public Transportation Route

Describe the relationship of the site to public transportation routes, if any, and to any highway or major road developments in the area. Describe the accessibility of the proposed site to patients/clients. (Attachment 11A)

RESPONSE: The Jordan River Health Center is an easily accessible site. It is located on Crooked Creek Road just off Houston Levee Road in Collierville. Houston Levee Road is a major thoroughfare which runs North and South and crosses two major interstates, I-240 to the South and I-40 to the North. Houston Levee Road intersects with Polar Avenue, which runs East and West spanning 30 miles through Collierville, Germantown and Memphis all the way to Downtown Memphis and the Mississippi River.

The Memphis Area Transit Authority (“MATA”) offers 32 daily public bus routes from Memphis. The closest route ends near the intersection of Poplar Ave. and Germantown Pkwy., approximately 6 miles west of the site.

12A. Plot Plan

Unless relating to home care organization, briefly describe the following and attach the requested documentation on a letter size sheet of white paper, legibly labeling all requested information. It **must** include:

- Size of site (in acres);
- Location of structure on the site;

- Location of the proposed construction/renovation; and
- Names of streets, roads, or highways that cross or border the site.

RESPONSE: A copy of a plot plan is attached as Attachment 12A.

13A. Notification Requirements

- TCA §68-11-1607(c)(9)(B) states that "... If an application involves a healthcare facility in which a county or municipality is the lessor of the facility or real property on which it sits, then within ten (10) days of filing the application, the applicant shall notify the chief executive officer of the county or municipality of the filing, by certified mail, return receipt requested." Failure to provide the notifications described above within the required statutory timeframe will result in the voiding of the CON application.

Notification Attached X Not Applicable

- TCA §68-11-1607(c)(9)(A) states that "... Within ten (10) days of the filing of an application for a nonresidential substitution based treatment center for opiate addiction with the agency, the applicant shall send a notice to the county mayor of the county in which the facility is proposed to be located, the state representative and senator representing the house district and senate district in which the facility is proposed to be located, and to the mayor of the municipality, if the facility is proposed to be located within the corporate boundaries of the municipality, by certified mail, return receipt requested, informing such officials that an application for a nonresidential substitution based treatment center for opiate addiction has been filed with the agency by the applicant."

Notification Attached X Not Applicable

EXECUTIVE SUMMARY**1E. Overview**

Please provide an overview not to exceed **ONE PAGE** (for 1E only) in total explaining each item point below.

- Description: Address the establishment of a health care institution, initiation of health services, and/or bed complement changes.

RESPONSE: This application is for a new certificate of need to replace CON No. CN1311-045AEV which was also for an additional 30 beds for the formerly approved SNF, which CON lapsed and became void as of January 1, 2022. At the same time a companion CON for the establishment of the nursing home and 30 beds (CN1303-008AEV), also lapsed. That lapsed CON was replaced by CN2201-002A, which was approved by the Agency in March 2022. This application should come before the Agency on July 17, 2022. **The applicant is requesting these 30 beds to come out of the bed pool for FY 2022-2023.**

RESPONSE: The Jordan River Health Center SNF is a key component of a large continuing care retirement community called The Farms at Bailey Station. The SNF was almost ready to open – there was only one more Life Safety Inspection to be conducted – in late November 2021 when a water pipe burst and flooded part of the facility. In its zeal to remedy that, the applicant mistakenly failed to seek an extension of the CONs, and they expired on January 1, 2022.

The Farms at Bailey Station, located in Collierville, Shelby County is a massive CCRC which covers 26.3 acres, 9.3 of which is the tract where Jordan River Health Center is located. The CCRC includes 63 independent living garden homes, 176 independent living apartments, 52 assisted living suites, 32 Memory Support suites, and a 4300 square foot rehabilitation center in addition to the 60-bed skilled nursing facility which is the subject of this application. The total cost of the CCRC is approximately \$280,000,000.00. Without the Jordan River Health Center, the model for the CCRC will not function as intended and as promised to future residents.

As of the filing of this application, the CCRC is in its fill-up stage: 26 of the garden homes are occupied, and 74 of the independent living apartments are occupied with others to be occupied shortly. The assisted living units are expected to receive final occupancy approval very soon. Occupancy approval for the first 30 beds, awarded by CN2201-002A has been received, and initial licensure and life safety inspections have been completed with no deficiencies noted and a license has been assigned to the facility. A copy of the letter confirming this is attached as Attachment 1E. If this CON is approved, the applicant expects to be able to open the additional 30 beds almost immediately thereafter. The applicant has been assured by the Department of Health that another life safety and licensure survey will not be required to open these additional 30 beds.

- Ownership structure

RESPONSE: The owner of the SNF is Luke, Inc., a Tennessee not-for-profit corporation formed for the purpose of owning The Farms at Bailey Station

- Service Area

RESPONSE: The service area is Shelby County. Virtually all – 90% or more -- of the residents/patients will be residents of Shelby County.

- Existing similar service providers

RESPONSE: There are 28 nursing homes in Shelby County which have some number of skilled/Level II beds. There are only 4 SNFs which have Medicare-only certified Level II beds in Shelby County. All beds at River Health Center will be Medicare-only certified Level II beds.

➤ Project Cost

RESPONSE: The total estimated project cost is \$17,176,594.13, not including the application fee. These costs were allocated roughly 50/50 between this application and the previous (already approved) CON.

➤ Staffing

RESPONSE: The skilled nursing facility will require 35.9 FTE direct patient care positions, 7.7 FTE non-patient care positions, and .25 contractual positions. This is the total projected staffing required for the entire 60 bed nursing home. It is not practical to allocate the staffing needs between the two sets of 30 beds each.

2E. Rationale for Approval

A Certificate of Need can only be granted when a project is necessary to provide needed health care in the area to be served, will provide health care that meets appropriate quality standards, and the effects attributed to competition or duplication would be positive for consumers

Provide a brief description not to exceed **ONE PAGE** (for 2E only) of how the project meets the criteria necessary for granting a CON using the data and information points provided in criteria sections that follow.

➤ Need

RESPONSE: Since this is a replacement CON, the need was established when the original CON was approved, and the need still exists. The establishment of the nursing home and the first 30 beds were authorized by CN2201-002A on March 23, 2022. These additional 30 beds will bring the total bed complement to 60 beds. All 60 beds are needed to provide sufficient capacity, and to make the SNF economically feasible. A Bed Complement Data Chart is attached as Attachment 2E.

As discussed in more detail in the responses to the Criteria and Standards, the bed need formula in the State Health Plan indicates there is a need for an additional 3,053 nursing home beds in Shelby County in 2023. Thirty beds were granted by CN2201-002A, so there is a need for 3,023 additional nursing home beds in Shelby County, taking those beds into account. The applicant projects an occupancy rate of 93% in the second year of operations, which exceeds the optimal occupancy level under the Criteria and Standards.

➤ Quality Standards

RESPONSE: Jordan River Health Center will be licensed by the Tennessee Board for Licensing Health Care Facilities, and as such will be subject to periodic inspections and surveys to assure on-going maintenance of quality care.

In addition, Jordan River Health Center will implement and utilize a Quality Performance Improvement Plan which is a systematic approach to the organization's commitment to continually assessing and improving quality resident care. Operational experience, performance competency and

supportive innovations are the foundations of quality care programs that can be measured in both objective and subjective terms.

The quality performance improvement plan touches on all aspects of these four points: Elevating the resident experience, boosting the resident and staff satisfaction, improving resident outcomes and lowering resident costs. Quality measures are utilized to create and maintain a quality-focused culture that drives better outcomes. The applicant believes that a quality care program allows the provider the opportunity to improve performance by focusing on daily dashboard readiness for health inspections, staffing, fire/emergency safety protocols and quality measures.

Another indicator of quality assurance is the fact that one of the management teams for Jordan River Health Center, Retirement Companies of America (“RCA”) has over 38 years of experience in the management and operations of long-term care facilities. RCA also manages Kirby Pines Manor, another CCRC with a SNF component, located in Shelby County.

➤ Consumer Advantage

- Choice
- Improved access/availability to health care service(s)
- Affordability

RESPONSE: This facility is different from most nursing homes which come before the Agency. Its residents/patients will be largely (although not exclusively) residents of the CCRC who have paid for the ability to have access to the skilled nursing care Jordan River will provide (residents/patients will also pay a daily charge for care in the SNF).

Many of these residents and future residents have made monetary deposits on their place of residence in The Farms at Bailey Station with the understanding the SNF would be a care component of the community. These consumers would be very negatively impacted if the CON is not granted.

3E. Consent Calendar Justification

Consent Calendar Requested (Attach rationale)

If Consent Calendar is requested, please attach the rationale for an expedited review in terms of Need, Quality Standards, and Consumer Advantage as a written communication to the Agency’s Executive Director at the time the application is filed.

RESPONSE: A letter to the Executive Director is attached as Attachment 3E.

Consent Calendar **NOT** Requested

4E. PROJECT COST CHART

A.	Construction and equipment acquired by purchase:		
	1. Architectural and Engineering Fees	\$	685,389.67
	2. Legal, Administrative, Consultant Fees	\$	1,162,272.51
	3. Acquisition of Site	\$	360,000.00
	4. Preparation of Site	\$	90,000.00
	5. Total Construction Costs	\$	10,071,361.00
	6. Contingency Fund	\$	588,736.23
	7. Fixed Equipment (Not included in Construction Contract)	\$	540,640.25
	8. Moveable Equipment (List all equipment over \$50,000.00)	\$	562,684.86
	9. Other (Specify)		
B.	Acquisition by gift donation, or lease:		
	1. Facility (Inclusive of building and land)		
	2. Building Only		
	3. Land Only		
	4. Equipment (Specify)		
	5. Other (Specify)		
C.	Financing Costs and Fees:		
	1. Interim Financing	\$	1,690,295.62
	2. Underwriting Costs	\$	370,186.82
	3. Reserve for One Year's Debt Service	\$	1,055,027.20
	4. Other (Specify)		
D.	Estimated Project Cost (A+B+C)	\$	17,176,594.13
E.	CON Filing Fee	\$	38,647.34
F.	Total Estimated Project Cost (D + E)		
		TOTAL	\$ 17,215,241.47

GENERAL CRITERIA FOR CERTIFICATE OF NEED

In accordance with TCA §68-11-1609(b), “no Certificate of Need shall be granted unless the action proposed in the application for such Certificate is necessary to provide needed health care in the area to be served, will provide health care that meets appropriate quality standards, and the effect attributed to completion or duplication would be positive for consumers.” In making determinations, the Agency uses as guidelines the goals, objectives, criteria, and standards adopted to guide the agency in issuing certificates of need. Until the agency adopts its own criteria and standards by rule, those in the state health plan apply.

Additional criteria for review are prescribed in Chapter 11 of the Agency Rules, Tennessee Rules and Regulations 01730-11.

The following questions are listed according to the three criteria: (1) Need, (2) the effects attributed to competition or duplication would be positive for consumers (Consumer Advantage), and (3) Quality Standards.

NEED

The responses to this section of the application will help determine whether the project will provide needed health care facilities or services in the area to be served.

- 1N. Provide responses as an attachment to the applicable criteria and standards for the type of institution or service requested. A word version and pdf version for each reviewable type of institution or service are located at the following website. <https://www.tn.gov/hsda/hsda-criteria-and-standards.html> (Attachment 1N)

RESPONSE: Responses to the Criteria and Standards for Nursing Home Services are attached as Attachment 1N.

- 2N. Identify the proposed service area and provide justification for its reasonable ness. Submit a county level map for the Tennessee portion and counties boarding the state of the service area using the supplemental map, clearly marked, and shaded to reflect the service area as it relates to meeting the requirements for CON criteria and standards that may apply to the project. Please include a discussion of the inclusion of counties in the border states, if applicable. (Attachment 2N).

RESPONSE: The proposed service area is Shelby County. Most of patients of the skilled nursing facility will be residents the CCRC who have had a hospital stay and require a relatively short stay in the SNF.

Complete the following utilization tables for each county in the service area, if applicable.

RESPONSE: A table reflecting the county of residence of the patients in Year 1 is below. The projected utilization is on all 60 beds. This is a proposed new facility, so the historical patient origin data is not applicable.

Service Area Counties	Projected Utilization-County Residents (ADC) – Year 1 (2022)	% of Total Patients
Shelby County	31.7	90%
All other	3.5	10%
Total	35.2	100%

3N. A. Describe the demographics of the population to be served by the proposal.

B. Provide the following data for each county in the service area:

- Using current and projected population data from the Department of Health. (www.tn.gov/health/health-program-areas/statistics/health-data/population.html);
- the most recent enrollee data from the Division of TennCare (<https://www.tn.gov/tenncare/information-statistics/enrollment-data.html>),
- and US Census Bureau demographic information (<https://www.census.gov/quickfacts/fact/table/US/PST045219>).

RESPONSE: Please see the table below.

Demographic Variable/ Geographic Area	Department of Health/Health Statistics							Bureau of the Census				TennCare	
	Total Population- Current Year (2022)	Total Population- Projected Year (2024)	Total Population-% Change	*Target Population- Current Year (65+)	*Target Population- Project Year	*Target Population-% Change	Target Population Projected Year as % of Total	Median Age**	Median Household Income	Person Below Poverty Level***	Person Below Poverty Level as % of Total	TennCare Enrollees (April 2022)	TennCare Enrollees as % of Total
Shelby County	944,036	947,551	0.37%	142,579	148,831	4.38%	16%	N/A	\$51,657	180,311	19.1%	289,671	30.7%
State of TN Total	6,997,493	7,102,950	1.51%	1,254,329	1,318,602	5.12%	19%	N/A	\$53,320	951,659	13.6%	1,673,286	23.9%

* The target population is adults age 65+.

**The Census Bureau website no longer provides the median age for counties.

***The Census Bureau website does not provide the number of persons below poverty level. The totals in this column are calculated by applying the poverty level below poverty level, which is provided by the Census Bureau, divided by total population.

Sources: <http://www.tn.gov/health/article/statistics-population>; <http://www.tn.gov/tenncare/topic/enrollment-data>;

** Target Population is population that project will primarily serve. For example, nursing home, home health agency, and hospice agency projects typically primarily serve the Age 65+ population. Projected Year is defined in select service-specific criteria and standards. If Projected Year is not defined, default should be four years from current year, e.g., if Current Year is 2022, then default Projected Year is 2026.*

Be sure to identify the target population, e.g. Age 65+, the current year and projected year being used.

RESPONSE: The target population is ages 65+. The current year used in the table is 2022, and the projection year is 2024, a two-year planning horizon.

4N. Describe the special needs of the service area population, including health disparities, the accessibility to consumers, particularly those who are uninsured or underinsured, the elderly, women, racial and ethnic minorities, TennCare or Medicaid recipients, and low income groups. Document how the business plans of the facility will take into consideration the special needs of the service area population.

RESPONSE: There a few differences between some demographic characteristics of the primary service area of Shelby County and the State of Tennessee as a whole, but none of those appear to have any bearing on the merits of this CON application. As compared to the state as a whole:

- Both the overall population and the target population growth are lower in Shelby County.
- The median household income is lower in Shelby County.
- The percentage of TennCare enrollees is larger in Shelby County.

- 5N.** Describe the existing and approved but unimplemented services of similar healthcare providers in the service area. Include utilization and/or occupancy trends for each of the most recent three years of data available for this type of project. List each provider and its utilization and/or occupancy individually. Inpatient bed projects must include the following data: Admissions or discharges, patient days. Average length of stay, and occupancy. Other projects should use the most appropriate measures, e.g. cases, procedures, visits, admissions, etc. **This does not apply to projects that are solely relocating a service.**

RESPONSE: The need for this project was determined when the original CON was approved in 2013. However, the utilization data has presumably changed since then, and therefore it could be instructive to examine the most recent available data. As a brief overview, there are 28 nursing homes in Shelby County which have some number of skilled/Level II beds. There are only 4 SNFs which have Medicare-only certified Level II beds in Shelby County. All beds at River Health Center will be Medicare-only certified Level II beds. The key utilization data for each nursing home in Shelby County is reflected in the table attached as Attachment 5N. The data is as reported in the 2020 Joint Annual Reports, which was the most recent publicly available reports as of May 2022.

Jordan River Health Center is a component part of a CCRC which also includes independent living townhomes and apartments, and assisted living units. There are only 3 other CCRCs which include a SNF in Shelby County. Those are:

Kirby Pines Manor – Kirby Pines Estates LifeCare Community
 Village at Germantown – Village at Germantown Retirement Community
 Allen Morgan Healthcare Center -- Trezevant Manor LifeCare Community

- 6N.** Provide applicable utilization and/or occupancy statistics for your institution services for each of the past three years and the project annual utilization for each of the two years following completion of the project. Additionally, provide the details regarding the methodology used to project utilization. The methodology must include detailed calculations or documentation from referral sources, and identification of all assumptions.

RESPONSE: This is a proposed new facility, so there is no historical utilization data. The applicant's projected utilization for the first two years is shown below. This projected occupancy rate assumes 60 beds, which will be available by August of 2022 assuming this CON is granted.

Year 1:	Patient Days:	12,838
	ADC:	35.2
	Avg. Occupancy	58.6%
	ALOS:	162 days
Year 2:	Patient Days:	20,423
	ADC:	55.8
	Avg. Occupancy	93%
	ALOS:	127 days

Year1 is a ramp-up year, and assumes Medicare certification will be in place by July of 2022. The overall fill up to 93% occupancy is projected to be achieved early in Year 2.

7N.

<u>CON Number</u>	<u>Project Name</u>	<u>Date Approved</u>	<u>Expiration Date</u>
CN2201-002A	Jordan River Health Center	March 23, 2022	May 1, 2025

- Complete the above chart by entering information for each applicable outstanding CON by applicant or share common ownership; and
- Describe the current progress and status of each applicable outstanding CON and how the project relates to them.

RESPONSE: This CON has been implemented. The nursing home and the first 30 beds, which were approved by CN2201-002A have received licensure and life safety survey approvals with no deficiencies, and a license number has been assigned. A Final Progress Report is not yet due and has not yet been submitted, so this CON is listed above as outstanding.

CONSUMER ADVANTAGE ATTRIBUTED TO COMPETITION

The responses to this section of the application helps determine whether the effects attributed to competition or duplication would be positive for consumers within the service area.

1C. List all transfer agreements relevant to the proposed project.

RESPONSE: Jordan River Health Center expects to have transfer agreements with the following:

Hospitals:

Baptist Collierville
Methodist Germantown

Nursing Homes:

Kirby Pines Manor
Allen Morgan Health Center
Memphis Jewish Home & Rehab Center

2C. List all commercial private insurance plans contracted or plan to be contracted by the applicant.

RESPONSE: The following are the ones the applicant intends to talk to and may contract with:

Aetna, United Healthcare, Humana, BCBS, Cigna Commercial and Cigna HealthSprings Advantage Plan.

3C. Describe the effects of competition and/or duplication of the proposal on the health care system, including the impact upon consumer charges and consumer choice of services.

RESPONSE: This facility will not result in duplication of services or competition with existing nursing homes in Shelby County. It will be a unique resource primarily for the residents of the CCRC. Although it will accept some admissions of those who are not residents of the CCRC, the focus will be on the residents of the CCRC because the ownership has a contractual obligation to make SNF beds available to residents when needed.

Jordan River Health Center will offer a broad range of services for its patients. Those services are reflected in the table below. As used in the tables:

“Yes” followed by “Direct” means the service is provided directly by the applicant.

“Yes” followed by “Contract” means the service is available on site through a contract with an independent provider.

“No” means the service is not available at Jordan River Health Center.

Services		Response
Home Health Care Services	Yes/No	No
Home Health Referrals	Yes/No	Yes: Contract
Adult Day Care	Yes/No	No
Outpatient/ Rehab	Yes/No	Yes: Contract
Respite Care	Yes/No	Yes: Direct
Case Management	Yes/No	No
Homemaker	Yes/No	No
Personal Care	Yes/No	Yes: Contract
Home delivery meals	Yes/No	No
Transportation	Yes/No	Yes: Direct and Contract
Alzheimer's	Licensed Unit- Yes/No	No
	Number of Beds	N/A
	Special Programs - Yes/No	No
Secured Unit	Yes/No	No
	Number of Beds	N/A
Behavioral Health Unit	Yes/No	No
	Number of Beds	N/A
Hospice Care	Yes/No	Yes: Contract
	Separately Licensed agency - Yes/No	No
	Specify agency name	N/A
Training	To return to community - Yes/No	No

(Table continued on next page).

Skilled Care Procedures		Response
Special Treatments	Chemo-therapy - Yes/No	No
	Dialysis - Yes/No	No
	IV Medication - Yes/No	Yes: Direct
	Intake/Output - Yes/No	Yes: Direct
	Ostomy Care - Yes/No	Yes: Direct
	Oxygen Therapy - Yes/No	Yes: Direct
	Radiation - Yes/No	No
	Suctioning - Yes/No	Yes: Direct
	Tracheotomy - Yes/No	No
	Trans-Fusions - Yes/No	No
	Ventilator/Respirator - Yes/No	No
Therapies	Occupational Therapy - Yes/No	Yes: Contract
	Physical Therapy - Yes/No	Yes: Contract
	Respiratory Therapy - Yes/No	No
	Psychological Therapy - Yes/No	Yes: Contract
	Speech Therapy - Yes/No	Yes: Contract
Enterostomy Care	Colostomy Irrigation - Yes/No	Yes: Direct
	Ileostomy - Yes/No	Yes: Direct

- 4C. Discuss the availability of and accessibility to human resources required by the proposal, including clinical leadership and adequate professional staff, as per the State of Tennessee licensing requirements, CMS, and/or accrediting agencies requirements, such as the Joint Commission and Commission on Accreditation of Rehabilitation Facilities.

RESPONSE: Staffing the SNF will require approximately 43.85 FTE positions, 35.9 of which will be direct patient care positions (RNs, LPNs and CNAs), 7.7 FTE non-patient care positions, and .25 FTE contractual positions (Medical Director). The staffing projection is based on all 60 beds.

The applicant with contract with Dr. Mohammed Abutineh, M.D. to serve as Medical Director. No other physicians are needed to staff the SNF.

Jordan River Health Center is co-managed by GMSC, Inc. and Retirement Companies of America, Inc. GMSC, generally known as “Greystone,” is a very experienced and well-known developer and manager of CCRCs with a nationwide scope of services. Greystone’s experience portfolio includes approximately 50 such retirement communities for which it has provided management and/or development services. Retirement Companies of America has operated as the management company for Kirby Pines Manor, a CCRC in Memphis for many years.

- 5C. Document the category of license/certification that is applicable to the project and why. These include, without limitation, regulations concerning clinical leadership, physician supervision, quality assurance policies and programs, utilization review policies and programs, record keeping, clinical staffing requirements, and staff education.

RESPONSE: Jordan River Health Center will be licensed as nursing home by the Board for Licensing Health Care Facilities. The beds will be certified for Medicare participation.

6C. See INSTRUCTIONS to assist in completing the following tables.

N/A		HISTORICAL DATA CHART		<input type="checkbox"/> Project Only <input type="checkbox"/> Total Facility	
Give information for the last <i>three (3)</i> years for which complete data are available for the facility or agency.					
		Year _____	Year _____	Year _____	
A.	Utilization Data				
	Specify Unit of Measure _____				
B.	Revenue from Services to Patients				
	1	Inpatient Services	\$ _____	\$ _____	\$ _____
	2	Outpatient Services	_____	_____	_____
	3	Emergency Services	_____	_____	_____
	4	Other Operating Revenue (Specify) _____	_____	_____	_____
	Gross Operating Revenue		\$ _____	\$ _____	\$ _____
C.	Deductions from Gross Operating Revenue				
	1	Contractual Adjustments	\$ _____	\$ _____	\$ _____
	2	Provision for Charity Care	_____	_____	_____
	3	Provisions for Bad Debt	_____	_____	_____
	Total Deductions		\$ _____	\$ _____	\$ _____
NET OPERATING REVENUE			\$ _____	\$ _____	\$ _____
		PROJECTED DATA CHART		<input type="checkbox"/> Project Only <input checked="" type="checkbox"/> Total Facility	
Give information for the two (2) years following the completion of this proposal.					
		<u>Year 1</u>		<u>Year 2</u>	
A.	Utilization Data				
	Total Patient Days		12,838	20,423	
B.	Revenue from Services to Patients				
	1	Inpatient Services	\$ 6,372,816	\$ 11,074,785	
	2	Outpatient Services	-	-	
	3	Emergency Services			
	4	Other Operating Revenue (Specify) _____			
	Gross Operating Revenue		\$ 6,372,816	\$ 11,074,785	
C.	Deductions from Gross Operating Revenue				
	1	Contractual Adjustments	\$ (724,117)	\$ (1,627,093)	
	2	Provision for Charity Care			
	3	Provisions for Bad Debt			
	Total Deductions		\$ (724,117)	\$ (1,627,093)	
NET OPERATING REVENUE			\$ 5,648,699	\$ 9,447,692	

7C. Please identify the project’s average gross charge, average deduction from operating revenue, and average net charge using information from the Historical and Projected Data Charts of the proposed project.

Project Only Chart

	Previous Year to Most Recent Year Year ____	Most Recent Year Year ____	Year One (2022-2023)	Year Two (2023-2024)	% Change (Year 1 to Year 2)
Gross Charge (<i>Gross Operating Revenue/Utilization Data</i>)	N/A	N/A	\$496.40	\$542.27	5.6%
Deduction from Revenue (<i>Total Deductions/Utilization Data</i>)	N/A	N/A	\$56.40	\$79.67	4.1%
Average Net Charge (<i>Net Operating Revenue/Utilization Data</i>)	N/A	N/A	\$440.00	\$462.60	5.1%

8C. Provide the proposed charges for the project and discuss any adjustment to current charges that will result from the implementation of the proposal. Additionally, describe the anticipated revenue from the project and the impact on existing patient charges.

Room and Board Charges:

Year 1: \$398 per patient day
 Year 2: \$410 per patient day

Medicare payment (average rate; includes ancillaries):

Year 1: \$533 per patient day

9C. Compare the proposed project charges to those of similar facilities/services in the service area/adjoining services areas, or to proposed charges of recently approved Certificates of Need.

RESPONSE: The most recently approved CON for nursing homes in Shelby County is the Village at Germantown, CN1909-031. The approved proposed charges were as follows: Average Gross Charge: \$448; Average Net Charge: \$377. Although those approved proposed charges are slightly less than those of the applicant, the Village at Germantown projected charges were for 2020, whereas the applicant’s projected charges are for 2022-2023.

The following are the proposed charges of the applicant for Year 1 (2022-2023) and the current charges of the other CCRCs:

Jordan River Health Center - The Farms at Bailey Station	\$398 per day
Allen Morgan Healthcare - Trezevant Manor LifeCare Community	\$410 per day
Kirby Pines Manor - Kirby Pines Estates LifeCare Community	\$389 per day
Village at Germantown - Village at Germantown Retirement Comm.	\$378 per day

Source: Each of the subject facilities

If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

RESPONSE: There are no current charges. Please see the response to Question 8C regarding the proposed charges, including Medicare payment rates.

10C. Discuss the project’s participation in state and federal revenue programs, including a description of the extent to which Medicare, TennCare/Medicaid, and medically indigent patients will be served by the project. Report the estimated gross operating revenue dollar amount and percentage of projected gross operating revenue anticipated by payor classification for the first year of the project by completing the table below.

**Applicant’s Projected Payor Mix
Project Only Chart**

Payor Source	Year 1		Year 2	
	Gross Operating Revenue	% of Total	Gross Operating Revenue	% of Total
Medicare/Medicare Managed Care	\$2,612,855	41%	\$5,758,888	52%
TennCare/Medicaid				
Commercial/Other Managed Care	\$1,593,204	25%	\$2,768,696	25%
Self-Pay	\$2,166,757	34%	\$2,547,201	23%
Other (Specify) _____				
Total*	\$6,372,816	100%	\$11,074,785	100%
Charity Care	\$0		\$0	

**Needs to match Gross Operating Revenue Year One and Year Two on Projected Data Chart*

QUALITY STANDARDS

1Q. Per PC 1043, Acts of 2016, any receiving a CON after July 1, 2016, must report annually using forms prescribed by the Agency concerning appropriate quality measures. Please attest that the applicant will submit an annual Quality Measure report when due.

RESPONSE: The applicant will do so.

2Q. The proposal shall provide health care that meets appropriate quality standards. Please address each of the following questions.

- Does the applicant commit to maintaining the staffing comparable to the staffing chart presented in its CON application?
- Does the applicant commit to obtaining and maintaining all applicable state licenses in good standing?
- Does the applicant commit to obtaining and maintaining TennCare and Medicare certification(s), if participation in such programs are indicated in the application?

RESPONSE: The applicant’s response to each of the foregoing questions is “Yes.”

- 3Q.** Please complete the chart below on accreditation, certification, and licensure plans.
Note: if the applicant does not plan to participate in these type of assessments, explain why since quality healthcare must be demonstrated.

Credential	Agency	Status (Active or Will Apply)	Provider Number or Certification Type
Licensure	<input checked="" type="checkbox"/> Health <input type="checkbox"/> Intellectual & Developmental Disabilities <input type="checkbox"/> Mental Health & Substance Abuse Services	Active as to first 30 beds. The additional 30 beds will be added to the license shortly after CON approval.	License No. 414
Certification	<input checked="" type="checkbox"/> Medicare <input type="checkbox"/> TennCare/Medicaid <input type="checkbox"/> Other:	Will apply	
Accreditation(s)			

- 4Q.** If checked “TennCare/Medicaid” box, please list all Managed Care Organization’s currently or will be contracted.

RESPONSE: N/A.

- 5Q.** Do you attest that you will submit a Quality Measure Report annually to verify the license, certification, and/or accreditation status of the applicant, if approved?

X Yes No

- 6Q.** For an existing healthcare institution applying for a CON:

RESPONSE: N/A

- Has it maintained substantial compliance with applicable federal and state regulation for the three years prior to the CON application. In the event of non-compliance, the nature of non-compliance and corrective action should be discussed to include any of the following: suspension of admissions, civil monetary penalties, notice of 23-day or 90-day termination proceedings from Medicare/Medicaid/TennCare, revocation/denial of accreditation, or other similar actions and what measures the applicant has or will put into place to avoid similar findings in the future.

- Has the entity been decertified within the prior three years? If yes, please explain in detail. (This provision shall not apply if a new, unrelated owner applies for a CON related to a previously decertified facility.)

7Q. Respond to all of the following and for such occurrences, identify, explain, and provide documentation if occurred in last five (5) years.

Has any of the following:

- Any person(s) or entity with more than 5% ownership (direct or indirect) in the applicant (to include any entity in the chain of ownership for applicant);
- Any entity in which any person(s) or entity with more than 5% ownership (direct or indirect) in the applicant (to include any entity in the chain of ownership for applicant) has an ownership interest of more than 5%; and/or

Been subject to any of the following:

- Final Order or Judgement in a state licensure action;
- Criminal fines in cases involving a Federal or State health care offense;
- Civil monetary penalties in cases involving a Federal or State health care offense;
- Administrative monetary penalties in cases involving a Federal or State health care offense;
- Agreement to pay civil or administrative monetary penalties to the federal government or any state in cases involving claims related to the provision of health care items and services;
- Suspension or termination of participation in Medicare or TennCare/Medicaid programs;
- Is presently subject of/to an investigation, or party in any regulatory or criminal action of which you are aware.

RESPONSE: The applicant's response to each of the foregoing questions is "No."

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8Q. Provide the project staffing for the project in Year 1 and compare to the current staffing for the most recent 12-month period, as appropriate. This can be reported using full-time equivalent (FTEs) positions for these positions.

RESPONSE: The table below shows the expected staffing for Year 1 based on all 60 beds.

Position Classification	Existing FTEs N/A	Projected FTI Year 1
A. Direct Patient Care Positions		
<i>R.N.</i>	N/A	4.7
<i>L.P.N.</i>	N/A	10.7
<i>C.N.A.</i>	N/A	20.5
Total Direct Patient Care Positions	N/A	35.9
B. Non-Patient Care Positions	N/A	
<i>Nursing Administration</i>	N/A	7.7
Total Non-Patient Care Positions	N/A	7.7
Total Employees (A+B)	N/A	43.6
C. Contractual Staff (Medical Director)	N/A	0.25
Total Staff (A+B+C)	N/A	43.85

DEVELOPMENT SCHEDULE

TCA §68-11-1609(c) provides that activity authorized by a Certificate of Need is valid for a period not to exceed three (3) years (for hospital and nursing home projects) or two (2) years (for all other projects) from the date of its issuance and after such time authorization expires; provided, that the Agency may, in granting the Certificate of Need, allow longer periods of validity for Certificate of Need for good cause shown. Subsequent to granting the Certificate of Need, the Agency may extend a Certificate of Need for a period upon application and good cause shown, accompanied by a non-refundable reasonable filing fee, as prescribed by rule. A certificate of Need authorization which has been extended shall expire at the end of the extended time period. The decision whether to grant an extension is within the sole discretion of the Agency, and is not subject to review, reconsideration, or appeal.

- Complete the Project Completion Forecast Chart below. If the project will be completed in multiple phases, please identify the anticipated completion date for each phase.
- If the CON is granted and the project cannot be completed within the standard completion time period (3 years for hospital and nursing home projects and 2 years for all others), please document why an extended period should be approved and document the “good cause” for such an extension.

PROJECT COMPLETION FORECAST CHART

Assuming the Certificate of Need (CON) approval becomes the final HSDA action on the date listed in Item 1 below, indicate the number of days from the HSDA decision date to each phase of the completion forecast.

Phase	Days Required	Anticipated Date (Month/Year)
1. Initial HSDA Decision Date		July 2022
2. Building Construction Commenced	N/A	
3. Construction 100% Complete (Approval for Occupancy)	N/A	
4. Issuance of License	30	August 2022
5. Issuance of Service	30	August 2022
6. Final Project Report Form Submitted (Form HR0055)	120	November 2022

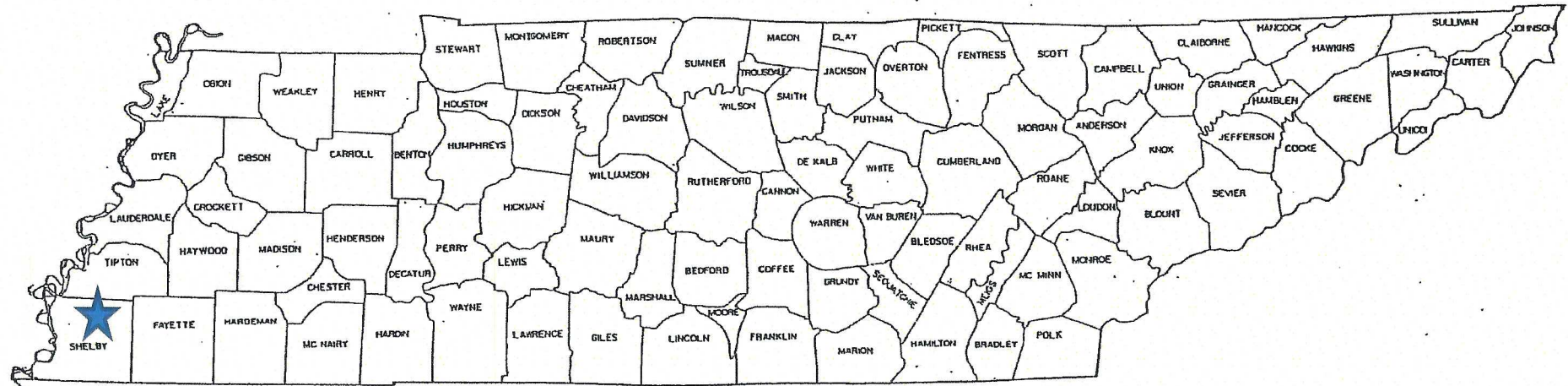
Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.

LIST OF ATTACHMENTS
JORDAN RIVER HEALTH CENTER

Publisher's Affidavit	<u>Attachment 3A</u>
Responses to the Criteria and Standards for Nursing Home Services	<u>Attachment 1N</u>
Map of the proposed service area	<u>Attachment 2N</u>
DOH letter confirming licensure approval	<u>Attachment 1E</u>
Bed Complement Data Chart	<u>Attachment 2E</u>
Letter requesting Consent Calendar	<u>Attachment 3E</u>
Utilization data for Shelby County nursing homes	<u>Attachment 5N</u>
Corporate organizational documents for Luke, Inc.	<u>Attachment 7A</u>
Management agreements	<u>Attachment 8A</u>
Deed	<u>Attachment 9A</u>
Floor plan	<u>Attachment 10A</u>
Plot Plan	<u>Attachment 12A</u>

Publisher's Affidavit from the Commercial Appeal will be submitted when it is received.

PRIMARY SERVICE AREA FOR JORDAN RIVER HEALTH CENTER





May 23, 2022

Mr. Carnail Williams, Administrator
The Suites at Jordan River
10001 Crooked Creek Road, Suite 501
Collierville, TN 38017
cwilliams@farmsabs.com

**RE: Initial Licensure Survey
License # 414**

Dear Mr. Williams:

The West Tennessee Regional Office of Health Care Facilities conducted an initial licensure survey at your facility on April 21, 2022 for fire safety and on May 2, 2022 for the health portion. We are pleased to inform you that no deficiencies were cited on the licensure survey and your facility was found to be in substantial compliance with all participation requirements.

A copy of the survey is attached for your files. If you have any questions or need assistance, please feel free to contact this office.

Sincerely,

A handwritten signature in blue ink that reads "Rebecca Watson".

Rebecca Watson, RN
Public Health Nurse Consultant 2

RW/rm
Handwritten initials "RW/rm" in blue ink.

Enclosure: CMS form 2567

Attachment 1E

Division of Health Care Facilities

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: TNL7947	(X2) MULTIPLE CONSTRUCTION A. BUILDING: _____ B. WING _____	(X3) DATE SURVEY COMPLETED 05/02/2022
--	--	---	---

NAME OF PROVIDER OR SUPPLIER THE SUITES OF JORDAN RIVER	STREET ADDRESS, CITY, STATE, ZIP CODE 10001 CROOKED CREEK RD SUITE 501 COLLIERVILLE, TN 38017
---	---

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETE DATE
N 000	<p>Initial Comments</p> <p>A initial health licensure survey was conducted by the State of Tennessee Department of Health Division of Health Licensure and Regulations Office of Health Care Facilities on 05/02/2022. During this health survey, The Farms at Bailey Station Skilled Nursing Facility was found in substantial compliance with the requirements of the Tennessee Rules and Regulations 1200-08-06, Standards for Nursing Homes.</p>	N 000		

Division of Health Care Facilities LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE	TITLE	(X6) DATE
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Division of Health Care Facilities

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: TNL7947	(X2) MULTIPLE CONSTRUCTION A. BUILDING: 77 - LICENSURE B. WING _____	(X3) DATE SURVEY COMPLETED 04/21/2022
--	--	---	---

NAME OF PROVIDER OR SUPPLIER THE SUITES OF JORDAN RIVER	STREET ADDRESS, CITY, STATE, ZIP CODE 10001 CROOKED CREEK RD SUITE 501 COLLIERVILLE, TN 38017
---	---

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETE DATE
--------------------	--	---------------	---	--------------------

N 000	<p>Initial Comments</p> <p>Stories: 2 Construction Type: II protected Fully Sprinkled: Yes</p> <p>An initial Life Safety Code Survey was conducted by the State of Tennessee Department of Health Division of Health Licensure and Regulations Office of Health Care Facilities on 04/21/2022. During this Life Safety Survey, The Farms at Bailey Station SNF was found in substantial compliance with the requirements of the Tennessee Rules and Regulations 1200-08-06, Standards for Nursing Homes, and National Fire Protection Association (NFPA) 101 Life Safety Code (2012 Edition).</p> <p>The requirements at 1200-08-06, Standards for Nursing Homes is MET as evidenced by:</p>	N 000		
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Division of Health Care Facilities LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE	TITLE	(X6) DATE
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Attachment – Bed Complement Data

	<u>Current Licensed</u>	<u>Beds Staffed</u>	<u>Beds Proposed</u>	<u>*Beds Approved</u>	<u>**Beds Exempted</u>	<u>TOTAL Beds at Completion</u>
1) Medical	_____	_____	_____	_____	_____	_____
2) Surgical	_____	_____	_____	_____	_____	_____
3) ICU/CCU	_____	_____	_____	_____	_____	_____
4) Obstetrical	_____	_____	_____	_____	_____	_____
5) NICU	_____	_____	_____	_____	_____	_____
6) Pediatric	_____	_____	_____	_____	_____	_____
7) Adult Psychiatric	_____	_____	_____	_____	_____	_____
8) Geriatric Psychiatric	_____	_____	_____	_____	_____	_____
9) Child/Adolescent Psychiatric	_____	_____	_____	_____	_____	_____
10) Rehabilitation	_____	_____	_____	_____	_____	_____
11) Adult Chemical Dependency	_____	_____	_____	_____	_____	_____
12) Child/Adolescent Chemical Dependency	_____	_____	_____	_____	_____	_____
13) Long-Term Care Hospital	_____	_____	_____	_____	_____	_____
14) Swing Beds	_____	_____	_____	_____	_____	_____
15) Nursing Home – SNF (Medicare only)	<u>30</u>	<u>0</u>	<u>30</u>	<u>0</u>	<u>0</u>	<u>60</u>
16) Nursing Home – NF (Medicaid only)	_____	_____	_____	_____	_____	_____
17) Nursing Home – SNF/NF (dually certified Medicare/Medicaid)	_____	_____	_____	_____	_____	_____
18) Nursing Home – Licensed (non-certified)	_____	_____	_____	_____	_____	_____
19) ICF/IID	_____	_____	_____	_____	_____	_____
20) Residential Hospice	_____	_____	_____	_____	_____	_____
TOTAL	<u>30</u>	<u>0</u>	<u>30</u>	<u>0</u>	<u>0</u>	<u>60</u>

**Beds approved but not yet in service*

***Beds exempted under 10% per 3 year provision*

THOMPSON BURTON PLLC

A T T O R N E Y S A T L A W
A PROFESSIONAL LIMITED LIABILITY COMPANY

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Jerry W. Taylor
jtaylor@thompsonburton.com

Direct Dial: 615-716-2297
Mobile: 615-275-8988

May 27, 2022

Mr. Logan Grant
Executive Director
Tennessee Health Services and Development Agency
502 Deaderick Street, 9th Floor
Andrew Jackson Building
Nashville, TN 37243-0200

Re: Request for Consent Calendar for Jordan River Health Center

Dear Mr. Grant:

Submitted simultaneously herewith is a CON application for an additional 30 beds for Jordan River Health Center, a skilled nursing facility which is a component of care in a new continuing care retirement community ("CCRC") in Shelby County known as The Farms at Bailey Station.

This CON would serve as a replacement CON for CN1311-045A, which inadvertently expired on January 1, 2022. I will not repeat all of the underlying facts and circumstances, as those are covered in detail in the application.

The applicant respectfully requests Consent Calendar consideration of the application, and submits it meets the applicable criteria for CON approval for the reasons summarized below.

Need:

Since this is a replacement CON, the need was established when the original CON was approved, and the need still exists. The intent from the outset was to have a total of 60 beds, and this has always been fully disclosed. It was necessary to file this separate application for 30 beds rather than one application for 60 beds because of the nursing home bed pool law. The initial beds were approved by CN2201-002A, which was granted in March 2022. That CON has been implemented and the facility has received licensure approval and has been assigned a license number, that being License #414. Those beds came out of the 2021-2022 bed pool. These additional 30 beds are requested to come from the 2022-2023 bed pool.

There is a dire need for this facility in the view of the applicant and the future residents of the CCRC, since the SNF is necessary to allow the residents to "age in place" with access to independent living apartments and garden homes, assisted living, memory support, and skilled care. This situation is unusual if not unique in that the SNF has been previously CON-approved and is already built (pursuant to CN1303-011AE and CN1311-045AE).

Attachment 3E

Mr. Logan Grant
May 27, 2022
Page 3

As discussed in more detail in the responses to the Criteria and Standards, the bed need formula in the State Health Plan indicates there is a need for an additional 3,023 nursing home beds in Shelby County in 2023, counting the 30 beds previously authorized by CN2101-002A. The applicant projects an occupancy rate of 93% in the second year of operations, which exceeds the optimal occupancy under the Criteria and Standards.

Quality Standards:

Jordan River Health Center will be licensed by the Tennessee Board for Licensing Health Care Facilities, and as such will be subject to periodic inspections and surveys to assure on-going maintenance of quality care.

In addition, Jordan River Health Center will implement and utilize a Quality Performance Improvement Plan which is a systematic approach to the organization's commitment to continually assessing and improving quality resident care. Operational experience, performance competency and supportive innovations are the foundations of quality care programs that can be measured in both objective and subjective terms.

The quality performance improvement plan touches on all aspects of four points: Elevating the resident experience, boosting the resident and staff satisfaction, improving resident outcomes and lowering resident costs. Quality measures are utilized to create and maintain a quality-focused culture that drives better outcomes. The applicant believes that a quality care program allows the provider the opportunity to improve performance by focusing on daily dashboard readiness for health inspections, staffing, fire/emergency safety protocols and quality measures.

Another indicator of quality assurance is the fact that one of the management teams for Jordan River Health Center, Retirement Companies of America ("RCA") has over 38 years of experience in the management and operations of long-term care facilities. RCA also manages Kirby Pines Manor, another CCRC with a SNF component, located in Shelby County.

Consumer Advantage:

Consumers of the community-at-large will not be affected by the Jordan River Health Center for the most part. This facility is different from most nursing homes which come before the Agency in that its residents/patients will be mostly (although not exclusively) residents of the CCRC who have paid for the ability to have access to the skilled nursing care Jordan River will provide (residents/patients will also pay a daily charge for care in the SNF).

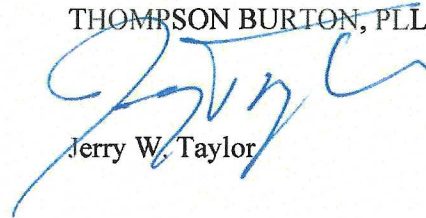
Many of these residents and future residents have made monetary deposits on their place of residence in The Farms at Bailey Station with the understanding the SNF would be a care component of the community. These consumers would be very negatively impacted if the CON is not granted.

Mr. Logan Grant
May 27, 2022
Page 3

Thank you for your consideration of this request.

Sincerely yours,

THOMPSON BURTON, PLLC



Jerry W. Taylor

INVENTORY AND AVERAGE DAILY CENSUS OF SHELBY COUNTY NURSING HOMES - 2020

Facility Name	Total Licensed Beds	SNF Beds- Medicare Only	NF Beds- Medicaid Only	SNF/NF Beds- Dually Certified	Licensed Only Beds- Non-Certified	Total SNF Discharge Days	Total NF Discharge Days	SNF ADC	NF ADC	Licensed Occupancy
Ave Maria Home	100			100		8132	27401	22.3	75.1	87.3
AHC Bright Glade Senior Living and Rehab	77			77		1601	10210	4.4	28.0	85.2
Collierville Nursing and Rehabilitation	114			114		6121	9509	16.8	26.1	56.1
Rainbow Rehabilitation and Healthcare	115			115		8761	14823	24.0	40.6	72
The Kings Daughters and Sons Home	108			108		12018	34482	32.9	94.5	81.3
ST Claire Health and Rehab., LLC	48			48		197	9252	0.5	25.3	55.3
Midsouth Health and Rehabilitation										
Signature Healthcare of Memphis	140			140		7142	18293	19.6	50.1	79.9
AHC Harbor View	103			103		80300	0	220.0	0.0	89.9
Ashton Place Health and Rehab										
Whitehaven Community Living Center	92			92		1140	476	3.1	1.3	0.1
The Highlands of Memphis Health & Rehab	180			180		7815	18658	21.4	51.1	71.3
Spring Gate Rehabilitation and Healthcare	233			233		22564	43711	61.8	119.8	72
Allen Morgan Health and Rehabilitation	104	31			73	6167	20026	16.9	54.9	69
Grace Healthcare of Cordova	240			240		10961	76630	30.0	209.9	66.8
Quince Nursing and Rehabilitation	188			188		94527	0	259.0	0.0	81.9
Signature Healthcare of Primacy	120			120		16387	25283	44.9	69.3	68.2
Midtown Center for Health and Rehab	180			180		7193	5297	19.7	14.5	32
Allenbrooke Nursing and Rehab	180			180		68397	0	187.4	0.0	88
Kirby Pines Manor	120	30			90	72634	12776	199.0	35.0	81.8
Majestic Gardens of Memphis	169			169		8430	32560	23.1	89.2	20.2
Memphis Jewish Home	160			160		26817	19423	73.5	53.2	79.2
Millington Healthcare Center	85			85		7743	9557	21.2	26.2	83.8
Graceland Rehabilitation and Nursing	240			240		21164	3700	58.0	10.1	98.2
Parkway Health and Rehabilitation	120			120		5214	38590	14.3	105.7	100
AHC Applingwood	78			78		8431	14245	23.1	39.0	79.6
The Village at Germantown	50	50				22473	0	61.6	0.0	82.3
Regional One Health Subacute Care	20	20				4674	0	12.8	0.0	63.1
Christian Care Center of Memphis	90			90		11939	13962	32.7	38.3	78.8
Totals/Average	3454	131		3160	163	548,942	458,864	55.7	46.6	79.9%


Licensed Average Annual Occupancy Rates - Shelby County Nursing Homes

Year	Total Beds									Avg. Ann. Occ.
2020	3454									79.90%
2019	3482									80.00%
2018	3470									74.70%



Tom Leatherwood
Shelby County Register

As evidenced by the instrument number shown below, this document
has been recorded as a permanent record in the archives of the
Office of the Shelby County Register.

	
05024540	
02/15/2005 - 03:50 PM	
3 PGS : R - CHARTER IN STATE	
VIRGINIA 292922-05024540	
VALUE	0.00
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	5.00
DP FEE	2.00
REGISTER'S FEE	0.00
WALK THRU FEE	0.00
TOTAL AMOUNT	7.00
TOM LEATHERWOOD	
REGISTER OF DEEDS SHELBY COUNTY TENNESSEE	

Attachment 7A

Secretary of State

Division of Business Services

312 Eighth Avenue North

6th Floor, William R. Snodgrass Tower

Nashville, Tennessee 37243

DATE: 02/09/05
REQUEST NUMBER: 5348-1397
TELEPHONE CONTACT: (615) 741-2286
FILE DATE/TIME: 02/09/05 1145
EFFECTIVE DATE/TIME: 02/09/05 1145
CONTROL NUMBER: 0487031

TO:
LAW OFFICES SISSON & SISSON
2171 JUDICIAL DR.
SUITE 215
GERMANTOWN, TN 38138

RE:
LUKE, INC.
CHARTER - NONPROFIT

CONGRATULATIONS UPON THE INCORPORATION OF THE ABOVE ENTITY IN THE STATE OF TENNESSEE, WHICH IS EFFECTIVE AS INDICATED.

A CORPORATION ANNUAL REPORT MUST BE FILED WITH THE SECRETARY OF STATE ON OR BEFORE THE FIRST DAY OF THE FOURTH MONTH FOLLOWING THE CLOSE OF THE CORPORATION'S FISCAL YEAR. ONCE THE FISCAL YEAR HAS BEEN ESTABLISHED, PLEASE PROVIDE THIS OFFICE WITH THE WRITTEN NOTIFICATION. THIS OFFICE WILL MAIL THE REPORT DURING THE LAST MONTH OF SAID FISCAL YEAR TO THE CORPORATION AT THE ADDRESS OF ITS PRINCIPAL OFFICE OR TO A MAILING ADDRESS PROVIDED TO THIS OFFICE IN WRITING. FAILURE TO FILE THIS REPORT OR TO MAINTAIN A REGISTERED AGENT AND OFFICE WILL SUBJECT THE CORPORATION TO ADMINISTRATIVE DISSOLUTION.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR FILING, PLEASE REFER TO THE CORPORATION CONTROL NUMBER GIVEN ABOVE. PLEASE BE ADVISED THAT THIS DOCUMENT MUST ALSO BE FILED IN THE OFFICE OF THE REGISTER OF DEEDS IN THE COUNTY WHEREIN A CORPORATION HAS ITS PRINCIPAL OFFICE IF SUCH PRINCIPAL OFFICE IS IN TENNESSEE.

FOR: CHARTER - NONPROFIT

ON DATE: 02/09/05

FROM:
LAW OFFICES SISSON & SISSON
2171 JUDICIAL DR
SUITE-215
GERMANTOWN, TN 38138-0000

RECEIVED: FEES
\$100.00 \$0.00
TOTAL PAYMENT RECEIVED: \$100.00

RECEIPT NUMBER: 00003649456
ACCOUNT NUMBER: 00418800



Riley C. Darnell

RILEY C. DARNELL
SECRETARY OF STATE

5348 1397

CHARTER OF
LUKE, INC.

FILED
STATE

2005 FEB -9 11:11:45

The undersigned, a natural person, in order to form a corporation pursuant to the Tennessee Nonprofit Corporation Act, hereby adopts the following charter for the above-listed corporation:

1. The name of the corporation is Luke, Inc.
2. This corporation is a public benefit corporation.
3. This corporation will have members. The sole member of the Corporation shall be The Patmos Group, Inc., a Tennessee not-for-profit corporation.
4. The complete address of the corporation's initial registered office and the agent at that office is: Jerry Sisson, 2171 Judicial Drive, Suite 215, Germantown, Shelby County, Tennessee 38138.
5. The name, address, zip code, and county of the incorporator is: Jerry Sisson, 2171 Judicial Drive, Suite 215, Germantown, Shelby County, Tennessee 38138.
6. The complete address of the corporation's initial principal office is: 2171 Judicial Drive, Suite 215, Germantown, Shelby County, Tennessee 38138.
7. This corporation is not for profit.
8. The Corporation may be dissolved by the Directors at a meeting held for the purpose of adopting a resolution of dissolution, upon the affirmative votes of a majority of the Directors of the Corporation, or without a meeting, by the written consent of all of the Directors of the Corporation. Upon the dissolution of the Corporation, all of the Corporation's property of every nature and description shall, after making provision for discharge of all the liabilities and obligations of the Corporation, be paid over and transferred as follows: (i) any assets held upon conditions requiring return, transfer or conveyance, which conditions shall have occurred by reason of dissolution or otherwise shall be returned, transferred or conveyed in accordance with such requirements, provided the return, transfer or conveyance is consistent with Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, (the "Code"), (ii) any assets held in trust for specified purposes shall be applied so far as is feasible in accordance with the terms of the trust, as long as it consistent with Section 501(c)(3) of the Code, and (iii) the remaining assets shall be paid over and transferred exclusively for the purposes of the Corporation, to one or more organizations described in Section 501(c)(3) of the Code.
9. The initial directors of the Corporation shall be:
 - a. Jimmy Latimer (Chairman), 7011 Poplar Ave., Germantown, Tennessee 38138
 - b. Rudolf Herzke, 2732 Mt. Moriah Parkway, Memphis, Tennessee 38115
 - c. Berry Terry, 2513 Norwood Drive, S.W., Decatur, Alabama 35603

The initial directors shall serve until their successors are elected. The number of directors of the Corporation, and the manner of their election, shall be set forth in the Corporation's By-Laws.

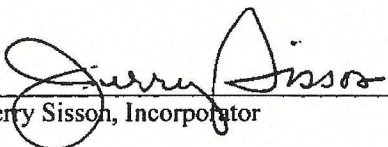
5348 1398

10. The Corporation is organized and shall at all times be operated exclusively for religious, charitable, scientific, literary or educational purposes within the meaning of Section 501(c)(3) of the Code and, in particular, to develop and operate a retirement community. In furtherance thereof, the Corporation shall be authorized to do all things necessary or appropriate in order to accomplish the foregoing.

Solely for the above purposes, the Corporation is empowered to take and hold by bequest, devise, gift, contribution, purchase, lease, or any other form, either absolutely or in trust, any property, real or personal, tangible or intangible, without limitation as to amount or value; to sell, convey, use, apply and dispose of any such property and to invest and reinvest the income and principle thereof; to deal with and expend the income and principle of the Corporation; to make gifts or contributions to other entities or persons; and to exercise all other rights and powers conferred by the laws of the State of Tennessee upon nonprofit corporations as are not inconsistent with the Corporation's status as an entity described in Code Section 501(c)(3).

11. The Corporation shall possess all power and authority permitted by law, except:
 - a. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its Directors, Officers, or any other private persons, except that the Corporation shall be authorized to pay reasonable amounts for goods and services provided and rendered and to make payments and distributions in furtherance of the purposes set forth in Article 10 hereof.
 - b. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or to otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of or in opposition to any candidate for public office.
12. No director may be sued by the corporation or its members for breach of his or her fiduciary duty to the corporation, provided, however, that this provision shall not absolve a director from his or her duty of loyalty, for acts or omissions not in good faith or which involve intentional misconduct or in knowing violation of the law, or for distributions in violation of T.C.A. §48-58-304. All references in this subdivision to a director shall also be deemed to refer to an officer of the governing body of a corporation which dispenses with or limits the authority of the Board of Directors pursuant to T.C.A. §48-58-101, provided that any such member shall be held to the same standard of conduct imposed on a director.

Dated this 8th day of February, 2005.



Jerry Sisson, Incorporator

PROJECT OVERSIGHT AGREEMENT

THIS PROJECT OVERSIGHT AGREEMENT (this “Agreement”) is entered into to be effective as of the 30th day of August, 2019, by and between Luke, Inc., a Tennessee 501(c)(3) not-for-profit corporation with an address of 3382 Grand Central Circle East, Collierville, Tennessee 38017 (“Owner”), and Retirement Companies of America, LLC (“RCA” or “Asset Manager” or “Project Manager”), organized and existing under the laws of the State of Florida, having a principal place of business located at located at 6465 N. Quail Hollow Road, Suite 400, Memphis, Tennessee 38120.

WITNESSETH:

WHEREAS, Owner intends to develop and own a senior living community, (“the Community”) to be known as The Farms at Bailey Station located in Collierville, Tennessee, which will consist of approximately 176 independent living apartments and 63 garden homes (together, “Independent Living Units”), 52 assisted living units (“Assisted Living Units”), 32 memory support units (“Memory Support Units”) and a 60 bed health center (“Health Center”).

WHEREAS, Owner and RCA have entered into a Marketing Agreement dated April 11, 2005; and a Management Agreement dated April 11, 2005, and an agreement dated March 23, 2016, and the parties hereto desire to amend and restate all said agreements in their entirety by this Project Oversight Agreement; and,

WHEREAS, Owner desires to engage RCA to provide certain oversight services, including asset, marketing and property management services as herein set forth, and RCA is willing to accept such engagement to provide said services for and on behalf of Owner subject to the terms and conditions of this Agreement; and,

WHEREAS, Owner has engaged GMSC Tennessee, LLC (“GMSC”), a Texas limited liability company, to provide certain project management services in connection with the Community pursuant to an Operations Management Services Agreement dated July 31, 2019, until December 31, 2027 (the “GMSC Agreement”); and,

WHEREAS, the Owner represents that it is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), and that it has acquired the Community using proceeds of tax-exempt bonds issued under Section 145 of the Code. Accordingly, the parties acknowledge and intend that the Community will be operated in a manner consistent with the requirements of the Code that apply to the Owner and the Community, including Sections 501(c)(3) and 145 of the Code, and in particular that the Community be operated in a manner that furthers the exempt purpose of the Owner under Section 501(c)(3) and that is not treated as private business use for purposes of Section 145 of the Code; and

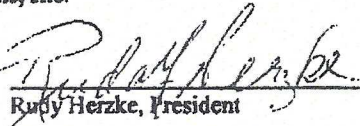
WHEREAS, Owner desires RCA to provide asset management services during the term of the GMSC Agreement; to provide management services following the completion of the GMSC Agreement; and, to provide marketing services during the term of this Agreement, and Owner desires to engage RCA to provide such oversight services as herein set forth, and RCA is willing

Manager shall not use any Project Manager Confidential Information except as reasonably necessary in connection with the management of the Community. During the term of this Agreement and after termination of this Agreement for any reason, Owner and Asset Manager shall keep confidential all Project Manager Confidential Information. This Section 29 shall not apply to information that is: (a) generally available to the public other than as a result of a disclosure by Owner, or (b) available to Owner on a non-confidential basis prior to Owner's receipt of the information from Project Manager.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.


OWNER:

Luke, Inc.

By: 
Rudy Herzke, President

ASSET MANAGER OR PROJECT MANAGER:

Retirement Companies of America, LLC

By: 
Charles S. Trammell, Jr., Manager

OPERATIONS MANAGEMENT SERVICES AGREEMENT

THIS OPERATIONS MANAGEMENT SERVICES AGREEMENT (this "Agreement") is entered into to be effective as of the 31st day of July, 2019, by and between Luke, Inc., a Tennessee 501(c)(3) not-for-profit corporation with an address of 3382 Grand Central Circle East, Collierville, Tennessee 38017 ("Owner"), and GMSC Tennessee, LLC, a Texas limited liability company ("Project Manager or GMSC") organized and existing under the laws of the State of Texas, having a principal place of business located at 225 E. John Carpenter Freeway, Suite 700, Irving, Texas 75062.

WITNESSETH:

WHEREAS, Owner intends to develop and own a senior living community, ("the Community") to be known as The Farms at Bailey Station located in Collierville, Tennessee, which will consist of approximately 176 independent living apartments and 63 garden homes (together, "Independent Living Units"), 52 assisted living units ("Assisted Living Units"), 32 memory support units ("Memory Support Units") and a 60 bed health center ("Health Center").

WHEREAS, Owner desires to engage GMSC as Project Manager, and GMSC is willing to accept such engagement to manage and operate the Community for and on behalf of Owner subject to the terms and conditions of this Agreement;

WHEREAS, Owner engaged GCD Tennessee, LLC, a Texas limited liability company (the "Development Advisor") and affiliate of Project Manager as the development advisor for the Community pursuant to an Amended and Restated Development Advisory Agreement dated July 31, 2019; and

WHEREAS, Owner has engaged Retirement Companies of America, LLC ("RCA" or "Asset Manager"), located at 6465 N. Quail Hollow Road, Suite 400, Memphis, Tennessee 38120, to develop in coordination with Development Advisor and act as Asset Manager of the Community; and provided further, Project Manager will collaborate with Asset Manager in the management and operation of the Community.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Appointment of Project Manager. Owner hereby appoints Project Manager to advise Owner and oversee and manage the general day-to-day operations of the Community described in Section 7 herein, during the Project Manager Term (as defined herein); and Project Manager hereby accepts such appointment and agrees to oversee and manage the day-to-day operations of the Community in accordance with the policies, procedures, plans, budgets and Operations Management Plan provided by Project Manager and approved by Owner. It is expressly understood and agreed that Project Manager shall act as an independent contractor in the performance of this Agreement. No provision hereof shall be deemed or construed to create a partnership or a joint venture between Owner and Project Manager with

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

OWNER:

Luke, Inc.

By: Rudolf Herzke
Name: RUDOLF HERZKE
Title: President

ASSET MANAGER:

Retirement Companies of America, LLC

By: Charles Trammell
Name: CHARLES S. TRAMMELL, Jr
Title: President

PROJECT MANAGER:


**GMSC TENNESSEE, LLC,
a Texas limited liability company**

By: _____
Name: _____
Title: _____



Tom Leatherwood
Shelby County Register

As evidenced by the instrument number shown below, this document
has been recorded as a permanent record in the archives of the
Office of the Shelby County Register.

	
06158076	
09/26/2006 - 02:31 PM	
3 PGS : R - WARRANTY DEED	
LIR 436733-6158076	
VALUE	2666250.00
MORTGAGE TAX	0.00
TRANSFER TAX	9865.12
RECORDED FEE	25.00
DP FEE	2.00
REGISTER'S FEE	1.00
CALK FEE FEE	0.00
TOTAL AMOUNT	9893.12
TOM LEATHERWOOD	
REGISTER OF DEEDS SHELBY COUNTY TENNESSEE	

160 N. Main St., Suite 519 ~ Memphis, Tennessee 38103 ~ (901) 545-4366
<http://register.shelby.tn.us>

Attachment 9A

<u>This Instrument Prepared By and Return to:</u> J. Edward Peel 5170 Sanderlin Avenue, Suite 201 Memphis, TN 38117-4360	<u>Name and Address of Property Owner:</u> Luke, Inc. Attn: Rudy Herzke 2732 Mt. Moriah Parkway Memphis, TN 38115 <u>Mail Tax Bills to:</u> Luke, Inc. Attn: Rudy Herzke 2732 Mt. Moriah Parkway Memphis, TN 38115	<u>Property Address:</u> Vacant Land, east side of Houston Levee Road north of Poplar Avenue, Collierville, Tennessee <u>Tax Parcel ID #:</u> Part of C02-43-417 <u>Fees and Taxes:</u> Recording \$25.00 Reg. Fee 3.00 Transfer Tax <u>9,865.13</u> TOTAL \$9,893.13
--	---	---

SPECIAL WARRANTY DEED

THIS INDENTURE, made and entered into effective the ^{22nd} day of September, 2006, by and between HOUSTON LEVEE PARTNERS, a Tennessee general partnership (the "Grantor"), and LUKE, INC., a Tennessee corporation (the "Grantee").

WITNESSETH:

That for and in consideration of TEN AND NO/100 DOLLARS (\$10.00) cash in hand paid, and other good and valuable consideration, the receipt of which is hereby acknowledged, Grantor has bargained and sold and does hereby grant, bargain, sell, convey and confirm unto Grantee, the following described real estate located in the Town of Collierville, Shelby County, Tennessee (the "Property"):

See EXHIBIT "A" attached hereto and made a part hereof.

Title to the Property was vested in the Grantor by the Warranty Deed of record at Instrument Number 03236097 in the Register's Office of Shelby County, Tennessee.

TO HAVE AND TO HOLD the Property with all the appurtenances and hereditaments thereunto belonging or in any wise appertaining unto Grantee, its successors and assigns, in fee simple forever.

Grantor does hereby covenant with Grantee that Grantor is lawfully seized in fee of the Property, that Grantor has a good right to sell and convey the Property and that the Property is unencumbered except as shown on the attached EXHIBIT "B".

And Grantor does further covenant and bind itself, its successors and assigns, to warrant and forever defend the title to the Property to the Grantee, its successors and assigns, against the lawful claims of all persons whomsoever lawfully claiming or to claim the same or any part thereof, by, through, or under Grantor, but not further or otherwise.

[SEPARATE SIGNATURE PAGE ATTACHED]

IN WITNESS WHEREOF, Grantor has caused this deed to be signed as of the day and year first above written.

HOUSTON LEVEE PARTNERS, a Tennessee general partnership

By: Premier Holding of Houston Levee, LLC, a Tennessee limited liability company

By: [Signature]
Thomas F. Schaffler, Chief Manager

By: SFJ Investment Corp., a Tennessee corporation

By: [Signature]
Aubrey F. Ballard, Jr., President

STATE OF TENNESSEE

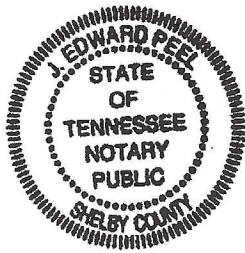
COUNTY OF SHELBY

Before me personally appeared Thomas F. Schaffler with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Chief Manager of Premier Holding of Houston Levee, LLC, the within named bargainer, a Tennessee limited liability company, and that as such Chief Manager, executed the foregoing instrument for the purpose therein contained, by personally signing the name of the company.

Witness my hand and seal this the 22nd day of September, 2006. [Signature]

NOTARY PUBLIC

My Commission Expires:
6/30/2010



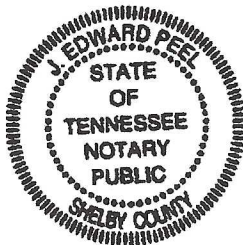
STATE OF TENNESSEE

COUNTY OF SHELBY

Before me personally appeared Aubrey F. Ballard, Jr. with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the President of SFJ Investment Corp., the within named bargainor, a Tennessee corporation, and that as such President, executed the foregoing instrument for the purpose therein contained, by personally signing the name of the corporation.

Witness my hand and seal this the 22nd day of September, 2006.

J. Edward Peel
NOTARY PUBLIC



My Commission Expires:
6/30/2010

I hereby swear or affirm that, to the best of affiant's knowledge, information, and belief, the actual consideration for this transfer or value of the property transferred, whichever is greater, is \$2,666,250.00 which amount is equal to or greater than the amount which the property transferred would command at a fair and voluntary sale.

Jennifer Blair
Affiant

Subscribed and sworn to before me this 22nd day of September, 2006.

Jennifer Elaine Sison
NOTARY PUBLIC

My Commission Expires:
8-30-06

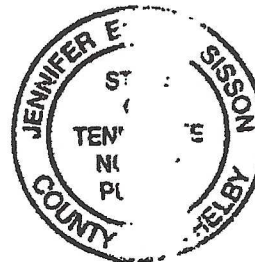


EXHIBIT "A"

Beginning at a point in the northwest corner of Crain Investments property, as recorded in Instrument Number HT 0383 (SCRO), and also being on the east line of Houston Levee Road (114' ROW); thence North 07 degrees 43 minutes 23 seconds East, along the east line of said Houston Levee Road, a distance of 204.76 feet to a point; continuing along the east line of said Houston Levee Road, the following courses and distances; thence South 84 degrees 35 minutes 32 seconds East, a distance of 6.45 feet to a point; thence North 05 degrees 57 minutes 05 seconds East, a distance of 100.70 feet to a point to the beginning of a curve concave to the west having a radius of 2047.97 feet and a central angle of 4 degrees 21 minutes 25 seconds and being subtended by a chord which bears North 02 degrees 49 minutes 56 seconds East 155.70 feet; thence northerly along said curve, a distance of 155.74 feet to a point; thence North 00 degrees 19 minutes 22 seconds East, a distance of 886.52 feet to the Point of Beginning of the herein described tract; thence North 00 degrees 19 minutes 22 seconds East, continuing along the east line of said Houston Levee Road, a distance of 879.67 feet to a point for the southwest corner of the Covenant Baptist Church property, as recorded in Instrument Number KP 5450 (SCRO), and also being the northwest corner of the herein described tract; thence South 89 degrees 09 minutes 14 seconds East, departing the east line of said Houston Levee Road and along the south line of said Covenant Baptist Church property, a distance of 1219.53 feet to a point for the southeast corner of said Covenant Baptist Church property and being on the west line of Elizabeth B. Parr, Trustee property, as recorded in Instrument Number GK 6695 (SCRO), said point also being the northeast corner of the herein described tract; thence South 00 degrees 45 minutes 06 seconds West, along the west line of said Elizabeth B. Parr, Trustee property, a distance of 1201.43 feet to a point; thence North 83 degrees 33 minutes 07 seconds East, a distance of 49.73 feet to a point for the northwest corner of Susa Partnership, L.P. property, as recorded in Instrument Number FY 2314 (SCRO); thence South 15 degrees 28 minutes 10 seconds West, along the west line of said Susa Partnership, L.P. property, a distance of 922.36 feet to a point for the northeast corner of the Shops at Houston Levee property, as recorded in Plot Book 185, Page 8 (SCRO), and also being southeast corner of the herein described tract; thence North 71 degrees 27 minutes 03 seconds West, along the north line of said Shops at Houston Levee property, and along Dwight M. Moore's property, as recorded in Instrument Number KF 0888 (SCRO), a distance of 207.90 feet to a point; thence North 89 degrees 10 minutes 56 seconds West, a distance of 113.79 feet to a point for the southwest corner of the herein described tract; thence North 00 degrees 06 minutes 57 seconds West, a distance of 847.81 feet to a point to the beginning of a curve concave to the north having a radius of 884.00 feet and a central angle of 4 degrees 54 minutes 14 seconds and being subtended by a chord which bears North 85 degrees 53 minutes 06 seconds East 75.64 feet; thence easterly along said curve, a distance of 75.66 feet; thence North 00 degrees 03 minutes 09 seconds West, a distance of 301.58 feet to a point; thence North 89 degrees 58 minutes 01 seconds West, a distance of 773.52 feet to the Point of Beginning.



Attachment 12A R



AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF SHELBY

AUDY HEARNE, being first duly sworn, says that he/she is the applicant named in this application or his/her lawful agent, that this project will be completed in accordance with the application, that the applicant has read the directions to this application, the Agency Rules, and T.C.A. §68-11-1601, et seq., and that the responses to questions in this application or any other questions deemed appropriate by the Tennessee Health Services and Development Agency are true and complete.

Rudolf Lenzel
Name

PRESIDENT
Title

Sworn to and subscribed before me this the 27 day of MAY, 2022 a Notary Public in and for SHELBY County, Tennessee.

[Signature]
Notary Public

My Commission Expires: 7/31/22



RESPONSES TO SUPPLEMENTAL QUESTIONS

CERTIFICATE OF NEED APPLICATION

FOR

JORDAN RIVER HEALTH CENTER

Project No. CN2205-024

Addition of 30 Nursing Home Beds to
Jordan River Health Center SNF, a Component of
The Farms at Bailey Station,
a Continuing Care Retirement Community

Collierville, Shelby County, Tennessee

June 13, 2022

Contact Person:

Jerry W. Taylor, Esq.
Thompson Burton, PLLC
6100 Tower Circle, Suite 200
Franklin, Tennessee 37067
615-716-2297

Responses to Supplemental Questions
Jordan River Health Center, CN2205-024
June 13, 2022

1. Item 3A., Proof of Publication

Please submit the mentioned Publisher's Affidavit from the Commercial Appeal.

The Publisher's Affidavit is attached following this response.

commercial appeal
PART OF THE USA TODAY NETWORK

of Affidavits: 1

Affidavit of Publication

State of Wisconsin

County of Brown

Personally appeared before me, said legal clerk, of MEMPHIS PUBLISHING COMPANY, a corporation, publishers of The Commercial Appeal, morning and Sunday paper, published in Memphis, Tennessee, who makes oath in due form of law, that she is Legal Clerk of the said Memphis Publishing Company, and that the accompanying and hereto attached notice was published in the following edition of The Commercial Appeal to-wit :

05/15/22

PSALMS DBA KIRBY PIN

305685

Tracie Jacobs
Subscribe and sworn to before me this 26th day of May, 2022

Pang Pappathopoulos
Notary Public

My commission expires 10/23/2023

PANG PAPPATHOPOULOS
Notary Public
State of Wisconsin

Ad Number: 0005256484

Ad Number: 0005256484

Run Dates: 05/15/22

**NOTIFICATION OF INTENT TO APPLY FOR A
CERTIFICATE OF NEED**

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. §68-11-1601 et seq., and the Rules of the Health Services and Development Agency that Jordan River Health Center, a skilled nursing facility owned by Luke, Inc., a not-for-profit corporation, and to be co-managed by Retirement Companies of America and GMSC, Tennessee, LLC, (Greystone), intends to file an application for a Certificate of Need for the addition of 30 skilled nursing home beds. The skilled nursing facility is located at 10001 Crooked Creek Road, Suite 501, Collierville, Shelby County, Tennessee 38017. This application is for a certificate of need to replace CON No. CN1311-045A which was also for 30 skilled nursing beds, which CON lapsed and became void as of January 2, 2022. Jordan River Health Center is a key component of a large continuing care retirement community. The facility was almost ready to open when the CON expired. The beds will be licensed as nursing home beds by the Tennessee Board for Licensing Health Care Facilities and will provide inpatient nursing home services. The total estimated project cost is not to exceed \$17,200,000.00.

The anticipated date of filing the application is on or before June 1, 2022.

The contact person for this project is Jerry W. Taylor, Attorney, who may be reached at: Thompson Burton, PLLC, One Franklin Park, 6100 Tower Circle, Suite 200, Franklin, TN 37067, 615-716-2297.

Upon written request by interested parties, a local Fact-Finding public hearing shall be conducted. Written requests for a hearing should be sent to:

Health Services and Development Agency Andrew Jackson
Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

Pursuant to T.C.A. §68-11-1607 (c)(1): (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) any other person wishing to oppose the application must file written objection with the Health Services and Development Agency prior to the consideration of the application by the Agency.

Responses to Supplemental Questions
Jordan River Health Center, CN2205-024
June 13, 2022

2. Item 7A., Type of Ownership Control

Please provide documentation of the active status of the entity from the Tennessee Secretary of State's website at <https://tnbear.tn.gov/ECommerce/FilingSearch.aspx>

A copy of the requested document is attached following this response.



Tre Hargett
Secretary of State

Division of Business Services
Department of State
State of Tennessee
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

Filing Information

Name: **LUKE, INC.**

General Information

SOS Control #	000487031	Formation Locale:	TENNESSEE
Filing Type:	Nonprofit Corporation - Domestic	Date Formed:	02/09/2005
	02/09/2005 11:45 AM	Fiscal Year Close	12
Status:	Active		
Duration Term:	Perpetual		
Public/Mutual Benefit:	Mutual		

Registered Agent Address

MARYE HELEN OWEN
STE 500
999 SHADY GROVE RD S
MEMPHIS, TN 38120-4128

Principal Address

3300 S HOUSTON LEVEE RD
COLLIERVILLE, TN 38017-1344

The following document(s) was/were filed in this office on the date(s) indicated below:

Date Filed	Filing Description	Image #
02/11/2022	2021 Annual Report	B1159-8132
	Principal Address 1 Changed From: 2171 JUDICIAL DR To: 3300 S HOUSTON LEVEE RD	
	Principal City Changed From: GERMANTOWN To: COLLIERVILLE	
	Principal Postal Code Changed From: 38138-3878 To: 38017-1344	
	Registered Agent First Name Changed From: JERRY To: MARYE	
	Registered Agent Middle Name Changed From: No Value To: HELEN	
	Registered Agent Last Name Changed From: SISSON To: OWEN	
	Registered Agent Physical Address 1 Changed From: 2171 JUDICIAL DR To: 999 SHADY GROVE RD S	
	Registered Agent Physical Address 2 Changed From: STE 215 To: STE 500	
	Registered Agent Physical City Changed From: GERMANTOWN To: MEMPHIS	
	Registered Agent Physical Postal Code Changed From: 38138-3878 To: 38120-4128	
02/12/2021	2020 Annual Report	B0981-6617
01/22/2020	2019 Annual Report	B0804-3682
02/25/2019	Assumed Name	B0653-4884
	New Assumed Name Changed From: No Value To: The Suites at Jordan River	
02/25/2019	Assumed Name	B0653-4885
	New Assumed Name Changed From: No Value To: Mission Peak Rehabilitation	
6/8/2022 10:38:19 AM		

Responses to Supplemental Questions
Jordan River Health Center, CN2205-024
June 13, 2022

3. Item 10A., Floor Plan

The floor plan submitted as Attachment 10A. is not legible. Please resubmit Attachment 10A. in a higher resolution. Please also submit a more detailed close-up of the floor plan referred to as CON2 of the facility. Please include the total square footage of the facility in the attachment. Please submit a revised Floor Plan (labeled as Attachment 10A.R).

A re-labeled floor plan is attached following this response.

Responses to Supplemental Questions
Jordan River Health Center, CN2205-024
June 13, 2022

4. Item 11A., Public Transportation

Attachment 11A is not attached to the application. Please provide a copy of the Public Transportation Route and describe the relationship of the site to public transportation routes if applicable.

The applicant was mistaken that the bus line runs all the way to the intersection of Poplar Ave. and Houston Levee Road. It actually stops near the intersection of Poplar Ave. and Germantown Parkway, which is about 6 miles west of the facility. A revised response is on Replacement Page 4R, which is attached following this response

Responses to Supplemental Questions
Jordan River Health Center, CN2205-024
June 13, 2022

5. General Information Section, Item 12A., Plot Plan

Please resubmit a plot plan that clearly marks the location of the proposed project's building. In addition, please identify the size of the site in acres on Attachment 12A and resubmit Attachment 12A (labeled as Attachment 12.A.R.).

A plot plan with additional markings indicating the location of Jordan River Skilled Nursing Facility is attached following this response and marked

Attachment 12A(R). The size of the tract for the SNF is 9.3 acres. This is also marked on Attachment 12A(R)

Responses to Supplemental Questions
Jordan River Health Center, CN2205-024
June 13, 2022

6. General Information Section, Bed Complement Data

The Attachment 2E bed complement chart is noted. However, the attachment is not listed on the List of attachment documents page provided. Please revise the list of attachments document page and resubmit (labeled as List of Attachments 1R).

Please respond to the following service specific criteria questions as an attachment labeled Attachment 1N-Supplemental #1.

A revised List of Attachments labeled List of Attachment 1R is attached following this response.

Responses to Supplemental Questions
Jordan River Health Center, CN2205-024
June 13, 2022

7. Service Specific Criteria (Nursing Home Services) Item 9 - Adequate Staffing

The narrative provided in Item 9. does not appear to match the Year 1 projected staffing table provided on Item 8Q. on page 20. Please clarify.

The response to Item 9 has been corrected and is included in Attachment 1N(R), which is attached following this response.

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF Shelby

I, Michelle Vincent, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

Michelle Vincent
Name

Sworn to and subscribed before me this the 13 day of JUNE, 2022, a Notary Public in and for Shelby County Tennessee.

[Signature]
Notary Public

My Commission Expires: 7/31/22

