



March 24, 2015

Kala Shipley, Iowa Dept of Public Health
Lucas State Office Bldg.
321 E 12th St.
Des Moines, IA 50319-0075

RE: Replacement & Modernization Project

Chapter 135.63 L.

The replacement or modernization of any institutional health facility if the replacement or modernization does not add new health services or additional bed capacity for existing health services, notwithstanding any provision in this division to the contrary. With respect to a nursing facility, replacement means establishing a new facility within the same county as the prior closed facility.

Please accept this as our request for a determination of reviewability related to an upcoming replacement and modernization project for Presbyterian Village, dba Grand JiVanté. Grand JiVanté is currently located in Ackley, Iowa which is located in Hardin County. The replacement project would remain in Hardin County but will be built approximately 12 miles west in Iowa Falls. We would not be adding additional bed capacity and would request our current 70-bed licensure to remain intact at the replacement facility.

Background Information

Organization

Grand JiVanté, began providing services in Ackley, Iowa in 1936 and is currently one of the only private non-profit senior services providers in the Hardin County region. Over the years, Grand JiVanté has experienced significant growth in both the services offered and the size of the facility. Grand JiVanté is now a full service Continuing Care Retirement Community (CCRC), which includes Independent and Assisted Living apartments, as well as a 70-bed nursing home licensure. Part of the 70-bed licensure includes a CCDI unit.

In addition to providing campus based services, Grand JiVanté provides a number of home and community based services throughout Hardin County and surrounding communities. Those services include programs such as home delivered meals, community transportation, home health, and outpatient therapy services. In the last calendar year, Grand JiVanté served well over 500 people in all the various service areas and throughout Hardin County.

Project Planning

With an aging building and changing customer demands, the board of directors began making plans for renovations of the Ackley facility. An architect firm was hired in August of 2013 to develop a master plan for the Ackley facility that would provide the new household concept, along with amenities such as a full-service Wellness Center. Master planning was plagued with challenges due to the current facility being landlocked and the restrictions of the building layout. The space available severely restricted the ability to move fully to a household model. In addition to being landlocked, the architects expressed concerns with the existing building related to implementing the needed technologies that are now common in today's service delivery system. Initial costs to renovate the building also encroached on \$20 million, which was significantly over the anticipated budget.

The reason for the cost-creep stemmed primarily from the fact that the building structure was old and the various systems were antiquated. Just to address simple code issues, costs were projected to exceed \$1 million dollars. Upgrading the outdated HVAC system was estimated to exceed \$4 million, and the proposed renovations also included substantial costs for demolition of some portions of the building. Before anything was done cosmetically to increase resident satisfaction, over \$5 million would have to be expended just solely for basic functionality purposes of the building.

It was determined that in order to be prudent with agency resources, other options needed to be explored. After further exploration and careful consideration, it was determined that constructing a new building would be much more efficient and would allow the space to be designed as truly desired, including the ability to incorporate new equipment and technologies.

Due to being landlocked it was necessary to look for alternative locations offering ample space for new construction. Various options were explored in Hardin County to ensure we remained within regulations regarding the nursing home licensure. After months of exploration, it was determined the best locale was in Iowa Falls, which is only 12 miles west of the current facility.

Some of the main reasons this location was selected include:

1. Sufficient acres available for current project and future growth.
2. Close proximity to newly constructed state of the art hospital. The Iowa Falls Hospital is the only hospital in Hardin County.
3. Greater physician choices for residents. The Ackley Medical Clinic used to have four physicians offering residents a choice of providers. However, as with many rural healthcare providers, the Clinic has struggled to recruit new physicians and has had only one physician on staff for much of the past two years. This has greatly limited physician options for current residents and is often voiced as a concern by residents and families. Physicians in the surrounding communities will often not round at our facility due to the commute time, which limits admissions.
4. Due to strained City budgets, concern has been expressed about the long term viability of being able to maintain ambulance services in Ackley. A loss of ambulance services would be detrimental to our residents and our business.

5. As the census continues to decline in Ackley, now down to approximately 1500 people, workforce challenges have become a greater concern. While we enjoy turnover rates below the industry average, with a workforce of approximately 100, we like almost all healthcare providers are constantly working to recruit new employees. Recruiting licensed/certified and specialized positions has become especially difficult. Iowa Falls offers a larger workforce, as well as a community college with a Nursing program.
6. Grand JiVanté is already providing community based services in the Iowa Falls market. This along with the fact that Iowa Falls is a progressive, growing, and business-friendly climate made the community a nice fit for the project.

New Construction


The new location offers 23 acres of land and provides sufficient space for the current project as well as ample space for growth. Customer demand will dictate how quickly the land is developed. The first phase of the new project includes plans for Villa Homes that will be built as sold, and a blend of independent and assisted living apartments with flexible service plans and rental options. Various amenities will also be available such as a Main Street concept and a full-service Wellness Center. Amenities are an important part of services when many customers living on campus no longer drive. It allows seniors to maintain a greater level of independence and to have access to services they are accustomed to frequenting in their communities.

We are very excited to introduce the cottage household model to Hardin County for the extended nursing home portion of the project. Currently plans include four cottages each with their own front door, garage, kitchen, living room, front porch and courtyard. Resident rooms are designed to be private with private bathrooms and showers. However, each cottage will have the capacity for a couple of shared rooms for situations such as a husband and wife. Each cottage is expected to serve approximately 16-18 residents thus remaining within our current 70 bed licensure.

We believe this replacement and modernization project is critical to our future. It will not only allow us to replace an outdated building in poor physical condition but it will enable us to bring a new model of care to seniors in Hardin County. The household model mirrors a traditional family home versus the institutional hospital design of our current location. As noted earlier, some aspects of the project will be built as demand dictates. However, it is our hope to begin site work on the land in May of 2015 with project completion, including the four nursing home cottages, in summer/fall of 2016.

The goal is to provide seniors with innovative services that will allow them to remain in the communities they consider home rather than being forced to relocate to unfamiliar locations for services not often available in rural areas. Grand JiVanté's core belief is that seniors deserve to lead full active lives in all stages of life.

Sincerely,



Julie Hunders, CEO
Grand JiVanté