



April 20, 2015

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

Re: Replacement & Modernization Project, Hardin County

Dear Ms. Shipley,

I am aware that you have been included in some email threads and have also had to field phone calls in regard to our reviewability request. I would like to personally apologize to you for having to spend your time dealing with this. The decision to move the nursing home licensure as a part of a replacement and modernization project was not something we made lightly. We anticipated there would be some emotions and disappointment around the decision, but the board of directors and administration only made this decision after a lot of careful thought and consideration. Unfortunately, you are only hearing from the group opposed to the project and we are blessed to have many great supporters. Most of our staff are very excited about the project and many of our residents are as well.

In response to your request for additional information, please find our responses below to your three specific questions.

1. **Future use of space**--Despite all of the information and rumors floating around this issue, the board has not made any final decisions as to the use of the space that will be vacated by the nursing home portion of our services. We have from the beginning stated that we plan to continue providing senior services in Ackley and that continues to be our intent. The nursing home portion of our services is actually no longer the biggest portion of our business portfolio. We serve approximately 500 seniors a year with well over 300 of those being in our home and community based services division. We also just finished a \$2.1 million dollar assisted living project in 2013. It is our intent to continue to offer independent living, assisted living, and all of our home and community based services in Ackley.

We are relying on our architect team to advise and guide us on how we can best use the vacated nursing home portion of the Ackley building once moved. As we have openly shared via press releases and meetings, we are open to exploring various options but no final decisions have yet been made. Various ideas and suggestions have been brought forth, some more viable than others.

Unfortunately, we are dealing with an aging building and due to decades of deferred maintenance it will likely be cost prohibitive to bring certain portions of the building up to code. DIA has told us during the past few annual surveys that the aging condition of our building and the various code issues must be addressed. During our most recent annual survey that took place the first week of April, the survey team was pleased to hear that the replacement and modernization project would soon be underway.

The architect team has many things yet to consider as to how the building can best be used and their recommendations will then weigh heavily on how we proceed. We submitted our letter of reviewability to you as we are hoping to soon get the construction of the new building underway and we know this is a required process. Had we been able to submit the letter later this year we would have likely had more concrete decisions made in this regard. Knowing that the construction project is a 12-18 month process, decisions about how to best use the vacated portion of the Ackley building have not yet been made since there is a substantial period of time to make that determination. Our architect team has been very focused on finalizing plans for the new project. Once those plans are finalized and the project is underway, their priorities will shift to evaluating how we can best use the vacated portion of the Ackley building.


I cannot stress enough that no final decisions have been made in this regard. As we have shared publically, we are open to exploring various options once we have better information and recommendations from the architect team.

It is our intent to move the current 70-bed nursing home licensure to the newly constructed facility under the replacement and modernization rule. This will allow us to vacate the nursing home portion of the Ackley location, which as DIA has noted, has many code violations due to the aging condition of the building.

2. **CCDI Unit**--Since 2007 we have had a CCDI unit as a part of our 70-bed licensure. It has ranged in size from 11 to 18 beds. It is our intent to maintain this certification and continue providing CCDI services in the newly constructed building. The statistics related to dementia and memory related disorders are staggering and currently there are no nursing home providers in the Iowa Falls area providing a CCDI unit. We feel it is critically important to continue providing this service.
3. **Number of beds**—I apologize for any confusion in this regard. Current plans call for four distinct cottages serving 16 individuals in each. However, each cottage will offer one shared room as we periodically have a husband and wife or family members that request to share a room. Each of the rooms are also projected to be 300+ square feet. Regulations would allow for rooms that size to be shared but it is our hope and vision to offer private rooms and baths to all residents regardless of funding source. This results in 64 beds in the replacement facility and would fall within the current 70-bed licensure.

Please let me know if you have any further questions. We want this to be as smooth of a transition as possible. We have a team of staff and residents that can't wait to hear that dirt is being moved on the new building. We thank you for your assistance in this process.

Sincerely,

A handwritten signature in black ink that reads "Julie Hinders". The signature is written in a cursive style with a large, prominent loop at the end of the word "Hinders".

Julie Hinders, MHA
CEO