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October 11, 2016

<u>Via Electronic Mail – shpda.online@shpda.alabama.gov</u>

Alva M. Lambert, Executive Director Alabama State Health Planning & Development Agency 100 North Union Street, Suite 870 Montgomery, Alabama 36104

Re: Methodist Homes for the Aging

d/b/a Fair Haven Retirement Community ("Fair Haven")

Non-Reviewability Determination Request

Dear Mr. Lambert:

Pursuant to §410-1-7-.02 of the CON Program Rules and Regulations, I am writing to request your determination that Fair Haven's proposed renovation of its Specialty Care Assisted Living Facility ("SCALF") is not subject to certificate of need review.

Fair Haven provides a continuum of care that includes 6 garden home cottages, 23 independent living apartments, 76 assisted living beds, 32 SCALF beds, and 197 skilled nursing facility beds. Fair Haven is in the process of completing extensive renovations/new construction for the skilled nursing facility portion of its current campus, as approved by SHPDA pursuant to CON 2526-NH-EXT. This skilled nursing facility CON project should be complete in early 2017 and will increase the skilled nursing facility beds operated by Fair Haven to 259. Once this skilled nursing facility project is complete, Fair Haven proposes to pursue a second project focused on the renovation of the SCALF portion of its current campus.

The SCALF renovation project that is the subject of this letter will involve the temporary relocation of Fair Haven's existing SCALF beds to a newly-constructed building on Fair Haven's campus that will be operated as part of Fair Haven's skilled nursing facility after the SCALF renovation project is completed. Once Fair Haven has relocated the SCALF beds, it will complete extensive renovations to the SCALF portion of its existing campus in two phases: Phase I will involve 20 of Fair Haven's 32 SCALF beds, and Phase II will involve the remaining 12 beds. Fair Haven will renovate an existing skilled nursing unit to establish a household-model SCALF facility. The new SCALF household will include upgraded common areas, such as a living room, dining

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room, and kitchen. The household design of the new SCALF facility will create a homelike, rather than an institutional, environment in which the quality of the residents' lives can be maximized by enhancing relationships with family, extended family, and household staff.

Fair Haven will not provide any new health services or make any expenditures in excess of the applicable spending thresholds under § 410-1-4-.01(1)(b) of the Alabama Certificate of Need Program Rules and Regulations (the "Regulations") in connection with the proposed renovations of its SCALF described above.

The proposed project will not include the addition, relocation, or conversion of any beds, and it will not involve the acquisition of any major medical equipment. Based upon the information set forth above, Fair Haven respectfully requests that the State Health Planning and Development Agency issue a letter confirming that a certificate of need is not required in order for Fair Haven to complete the proposed renovation of its SCALF.

Enclosed, please find a check in the amount of \$1,000 made payable to the Alabama State Health Planning and Development Agency for this reviewability determination. Please feel free to contact me if you need any additional information.

Respectfully submitted,

David M. Hunt

Attorney for Fair Haven