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STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

**APPLICATION FOR AN ADJUSTMENT
TO THE ALABAMA STATE HEALTH
PLAN**

**32 SPECIALTY CARE
ASSISTED LIVING FACILITY BEDS**

**IN MONTGOMERY
COUNTY, ALABAMA**

**SUBMITTED BY
SMITH/PACKETT MED-COM, LLC**

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GOAL

The goal of the proposed adjustment is to provide sufficient specialized resources to be utilized by seniors , allowing for a process of aging-in-place. Authorization of additional SCALF beds within the proposed geographic area of Montgomery County will help ensure the provision of enough SCALF beds to meet the growing demand. This will enhance the quality of life for seniors, while also meeting growing demand in the community.

PROPOSED ADJUSTMENT

The Adjustment the SHCC is requested to adopt is as follows:

410-2-4-.04 Limited Care Facilities – Specialty Care Assisted Living Facilities

(2)(e) Adjustments. The bed need, as determined by the methodology, is subject to adjustments by the SHCC. The specialty care assisted living facility bed need may need to be adjusted if the SHCC if an applicant can prove that the identified needs of a targeted population are not being met by existing specialty care assisted living facilities in the county of the targeted population.

Consistent with this provision, coupled with Section 410-2-5-.04(2)(a), the SHCC has recognized the need for an additional thirty-two (32) specialty care assisted living facility beds in Montgomery County. These beds shall be approved so that they provide for a multi-level senior living community which will provide a continuum of senior housing options on a contiguous campus under the same ownership and same management.

The current provisions of the Alabama State Health Plan applicable to Specialty Care Assisted Living Facilities may be found at Attachment 1.

A map of the Montgomery County area showing relevant existing facilities may be found at Attachment 2.

APPLICANT & CONTACT INFORMATION

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Fee: \$3500, payable to the State Health Planning and Development Agency

INTRODUCTION

Smith/Packett Med-Com, LLC (“Smith/Packett”), headquartered in southwestern Virginia, is one of the largest senior housing and healthcare companies in the country, specializing in the design, development, financing, marketing, strategic planning and operation of healthcare facilities. On an annual basis, Smith/Packett typically develops or acquires more than \$100 million in various senior housing care service projects, including service-enhanced senior housing and healthcare communities, independent living, assisted living, memory care, nursing homes, and medical office buildings. Currently, Smith/Packett has ownership interests in over 30 facilities throughout the eastern United States.

Montgomery County, located in the heart of central Alabama, is the state’s fourth most populated county¹, and ranks fifth among Alabama’s 67 counties in per capita income.² The county seat, Montgomery, is the second largest city in Alabama.³ As the state capitol city, Montgomery is one of the most recognized cities in the Southeast, and has become a tourist destination based upon its major historic contributions to both the Civil War and the American Civil Rights Movement. Additionally, Montgomery is home to a major presence of the United States Air Force, in Maxwell-Gunter Air Force Base. In 2004, Montgomery successfully landed one of the largest economic development projects in Alabama history when Hyundai Motors Manufacturing Alabama selected the county as the site of its \$1.4 billion automotive plant, the company’s first assembly and manufacturing plant in the United States. Today, Montgomery is known for its renaissance of a historic downtown and redevelopment of the city’s riverfront areas.

Currently, according to the Alabama Department of Public Health (“ADPH”), Montgomery County has nine licensed Specialty Care Assisted Living Facilities⁴ (“SCALF”), with a total of

¹ April 1, 2015 population estimates from the Center for Business and Economic Research, University of Alabama. See Attachment 7.

² Data is from the 2010 U.S. Census, and the 2006-2010 American Community Survey 5-Year Estimates.

³ 2010 U.S. Census.

⁴ Specialty Care Assisted Living Facilities are defined by Section 410-2-4-.04(1) of the State Health Plan as “intermediate care facilities which provide their residents with increased care and/or supervision, which is designed to address the residents’ special needs due to the onset of dementia, Alzheimer’s disease or similar cognitive impairment and which is in addition to assistance with normal daily activities including, but not limited to, restriction of egress for residents where appropriate and necessary to protect the resident and which require a

178 licensed beds. In addition, Oak Grove Inn has been awarded a Certificate of Need (“CON”) for 32 SCALF beds⁵, but these beds have not yet been licensed. These listings, printed from the ADPH website,⁶ may be found at Attachment 3. According to the most recent Statistical Update⁷ issued by the State Health Planning and Development Agency (“SHPDA”) on October 27, 2015, a need for only 135 beds existed in Montgomery County.⁸ As a matter of comparison, the next two previous Statistical Updates issued by SHPDA, dated August 12, 2014 and September 18, 2012 showed a need for 131 SCALF beds in 2014, and 128 in 2012.⁹ However, a historical look at actual occupancy in Montgomery County’s SCALF beds shows that, as recently as 2013, 223 SCALF beds were licensed in Montgomery County, and that those beds would have been 109% occupied if only 178 beds were in place.¹⁰ Additionally, the actual reports filed with SHPDA by SCALF operators show that, in multiple instances, the facilities themselves choose to not place in use all beds they are authorized to operate, in order to accomplish other goals, such as the offering of private rooms. This further compresses the supply of beds available to seniors. Lastly, also according to these reports, 61 licensed SCALF beds in Montgomery County were closed, and have yet to be adequately replaced to return sufficient choice and availability to the county’s senior population.

Overlaid against this environment are the facts that is that research continues to show a growing incidence of Alzheimer’s Disease and other dementia among our senior citizens. In fact, according to the Alzheimer’s Association, it is estimated there will be a 22.2% increase in the number of persons aged 65 and older with Alzheimer’s in Alabama by the year 2025.

license from the Department of Public Health as a [SCALF] . . .” SCALFs are at times also referred to as “memory care” facilities.

⁵ The beds for Oak Grove Inn were awarded pursuant to an adjustment approved by the Statewide Health Coordinating Council and approved by the Governor on December 16, 2015.

⁶ www.adph.org

⁷ A “statistical update” is an update of a specific section of the SHP to reflect more current population, utilization, or other statistical data. Such an update is made by the SHPDA staff on an as-needed basis. See Ala. Admin. Code §410-2-5-.04.

⁸ A copy of this Statistical Update may be found at Attachment 4.

⁹ Copies of these Statistical Updates may be found at Attachments 5 and 6.

¹⁰ Historical data as actually reported to SHPDA by SCALF facilities for 2011 to present may be found at Attachment 10.

According to the Center for Business and Economic Research (“CBER”) at the University of Alabama, although the population of Montgomery County is not one of the fastest growing counties in Alabama in terms of general population, the portion of the population aged sixty-five and older is growing rapidly¹¹.

Year	Total Population	65+ Population	% of Total 65+	Data Source
2000	223,510	26,307	11.8%	2000 Census
2010	229,363	27,421	11.9%	2010 Census
2015	226,487	31,014	13.7%	CBER Estimate
2020	226,832	33,914	14.9%	CBER Projection
2025	227,480	38,302	16.8%	CBER Projection
2030	228,160	41,547	18.2%	CBER Projection
2035	228,882	42,493	18.6%	CBER Projection
2040	229,647	43,423	18.9%	CBER Projection

Such increases in 65+ population can be expected to cause the need for SCALF services in Montgomery County to expand, as this group of the population needs such services at a higher rate, and the numerical methodology utilized in the State Health Plan is driven by this very population component.

This Adjustment Application requests thirty-two (32) SCALF beds. If the Adjustment Application is approved, Smith/Packett intends to apply for a CON to construct and operate these beds, to be placed at a campus to be developed at 2600 Eastchase Lane. This would be the location of SCALF beds farthest to the east of any senior living developments in Montgomery County offering memory care services. The campus to be developed by Smith/Packett would offer a full complement of senior housing options, up to and including memory care.

Currently, there is a need for additional SCALF beds in Montgomery County, As shown by the Preliminary Market Analysis prepared by Senior Market Research Associates and attached hereto as Attachment 8, there exists an unmet demand for SCALF beds far in excess of the 32

¹¹ Copies of the projections from CBER may be found at Attachment 7.

sought in this adjustment application. Although the market feasibility study focused primarily upon a 10-mile radius of the planned Smith/Packett site, and the Plan Revision Procedures section of the State Health Plan (Ala. Admin. Code Section 410-2-5-.04) does allow an adjustment to be requested, and approved, based upon a portion of a county, this request is instead for the county as a whole. As discussed further in this application, addition of these beds to the available inventory in the subject area will enhance the quality of life for memory care residents and their families in the Montgomery County area.

WHY IS THIS ADJUSTMENT NEEDED?

The following are some of the reasons that additional SCALF beds are needed within the proposed geographic area:

- (1) Demand for SCALF services exceeds the available supply of beds;
- (2) Demand for SCALF services is growing even faster than the population;
- (3) There is a need to respond further to the removal of beds from inventory over the last few years; and
- (4) There is a need to augment the availability of options for choice in living arrangements for seniors, as determined by the senior population, their families, and their caregivers.

Demand for SCALF Services Exceeds the Available Supply of SCALF Beds

Market demand for SCALF services in Montgomery County has been significant in recent years. This is clearly shown by the occupancy rate for SCALF beds as reported by SCALF operators to SHPDA on an annual basis, which when recalculated only for those beds reported by the facilities to actually be in service, was 90% or greater for every year from 2011 through 2015, averaging 93% for that period. In 2016, when a facility that had reported an average of 18 authorized beds as not having been placed in service every year from 2011 through 2015, has yet to file a report, the raw (unadjusted) occupancy rate county-wide is 88.5%.

It is important to note that, based on these annual reports filed with SHPDA by SCALF operators, the total number of available patient days in Montgomery County SCALFs has declined from 81,395 in 2013 to only 64,970 in 2015, despite a reported occupancy in 2013 of some 70,035 patient days. **In other words, the reported census in 2013 was higher than the reported bed supply in 2015, or the licensed bed supply in 2016.**

Clearly, demand for SCALF services is in excess of the available supply.

Demand for SCALF services is growing faster than the population.

In the area of SCALF services, the primary age group to be served is the segment of the population aged 65 and above. Within this segment, the principal age served is over 80, and the majority of persons needing service are female.

As shown in the areas of this Adjustment Application dealing with population projections, the 65+ population of Montgomery County is projected to grow at a rate that will soon approach 20% for a five year period, far surpassing the State of Alabama as a whole (a 36% increase from 2000 to 2010, as opposed to a statewide rate of 13.45%). These projections were prepared by the Center for Business and Economic Research at the University of Alabama, which under SHPDA Rules is the preferred provider of population and demographic data. It is projected that this growth rate will continue through at least 2040.

Additionally, as reported by the Alzheimer's Association, more than 5 million Americans are currently living with Alzheimer's, a number that is projected to increase as high as 16 million by 2050. According to U.S. Census data, the size of the 65+ population will grow to approximately 70 million by 2030. Since age is known to be a leading risk factor for Alzheimer's disease, it is clear that the United States is faced with an exponential increase in the prevalence of Alzheimer's disease.

As shown in the Preliminary Market Analysis prepared for Smith/Packett by Senior Market Research Associates of Cleveland, Tennessee (attached as Attachment 8), demand in the proposed geographic area will actually far exceed the adjustment sought here.

The inventory of resources in the area includes SCALF beds that have been removed from service, and others that – although authorized – have not routinely placed in service.

The most recent Statistical Update to the 2014-2017 Alabama State Health Plan, published by SHPDA on October 27, 2015, shows a need for 135 SCALF beds in Montgomery County, pursuant to the numerical methodology. The Statistical Update also shows a current inventory of 178 licensed beds; there are an additional 32 beds that have been issued to Oak Grove Inn since the Update, but have not yet been licensed. Accordingly, the Statistical Update shows no net need for additional beds in Montgomery County; that leads to the adjustment proposed herein.

However, as clearly illustrated by the annual data reports filed by SCALF operators with SHPDA, the SCALF beds available in Montgomery County have fluctuated in recent years:

Facility	Beds 2013	Beds 2014	Beds 2015	Beds 2016
Angels for the Elderly I	16	16	16	16
Angels for the Elderly II	16	16	16	16
Angels for the Elderly III	16	16	16	16
Angels for the Elderly IV	16	16	16	16
Country Cottage-Holly	16	16	16	16
Country Cottage-Magnolia ¹²			16	16
Elmcroft ¹³	16	16	16	16
Waterford Place ¹⁴	50	50	50	
Wesley Gardens	16	16	16	16
The Cedars ¹⁵	61			
TOTAL	223	162	178	128

¹² Country Cottage-Magnolia first opened on May 23, 2015.

¹³ Although Elmcroft is authorized to operate 16 beds, the facility has periodically reported to SHPDA that they only operated 13.

¹⁴ Although Waterford Place is authorized to operate 50 beds, the facility reported only 31 in use in 2013 and 2014, and 32 in use in 2015. The facility has yet to file a report for 2016.

¹⁵ The license for The Cedars was terminated on July 2013 according to SHPDA records.

Currently, the Alabama Department of Public Health (“ADPH”) shows 178 beds as being licensed; a CON has also been issued to Oak Grove Inn for 32 beds, although those beds have not yet been licensed or placed into service. However, based upon data reports filed by the facilities themselves, it is clear that a number of these beds have not been available for occupancy by seniors in recent years. In addition, it is clear from the market analysis performed by Senior Market Research Associates, included as Attachment 8, that the need for memory care beds in Montgomery County is in excess of the current inventory under the State Health Plan.

Options for Choice in Living Arrangements for Senior Citizens

As shown the need for additional SCALF beds in Montgomery County is large – according to SHPDA data reports, the demand in 2013 exceed supply in 2015 and 2016-- and the most likely population grouping to need SCALF services is growing at a rapid rate. By not having adequate resources for senior citizens, their families and caregivers to choose between for housing options, Alzheimer’s disease and other dementias take a devastating toll on families and caregivers. As shown by the Alzheimer’s Association, in 2016, 15.9 million family and other unpaid caregivers of persons with Alzheimer’s provided an estimated 18.2 billion hours of unpaid care. Nearly 60% of Alzheimer’s and dementia caregivers rate the emotional stress of their responsibilities as high or very high. Almost 40% of such caregivers suffer from depression. Due to the physical and emotions toll of caregiving, Alzheimer’s and dementia caregivers incurred \$10.8 billion in additional healthcare costs of their own in 2016. Additional beds are a necessary step toward ensuring that senior citizens have choice, including the preferred method of “aging-in-place.”

FACTS AND FIGURES ABOUT ALZHEIMER'S DISEASE

(From the Alzheimer's Association—www.alz.org; for further information, see Attachment 8)

- Alzheimer's disease is the only cause of death in the top 10 in America that cannot be prevented, cured or slowed.
- 1 in 3 Seniors dies with Alzheimer's or another dementia.
- Alzheimer's disease is the sixth leading cause of death in the United States.
- An estimated 5.4 million Americans of all ages are living with Alzheimer's disease. An estimated 5.2 million are 65 or older.
- The number of Americans with Alzheimer's disease and other dementias will grow each year as the size and proportion of the population 65 and older continues to increase. By 2025, the number of persons 65 and older with Alzheimer's disease is estimated to reach 7.1 million – a 40% increase from 2015. By 2050, this is projected to reach 13.8 million.
- In 2016, an estimated 700,000 Americans 65 and older died with Alzheimer's disease.
- Alzheimer's disease takes a devastating toll on caregivers. Nearly 60% of Alzheimer's and dementia caregivers rate the emotional stress as high or very high; about 40% suffer from depression. Due to the physical and emotional toll of caregiving, Alzheimer's and dementia caregivers had \$10.8 billion in additional healthcare costs of their own in 2016.
- Nearly one in every five Medicare dollars is spent on people with Alzheimer's or other dementias. By 2050, this will reach one in every three Medicare dollars.
- Someone in the U.S. develops Alzheimer's disease every 66 seconds.

Alabama Alzheimer's Statistics

- It is estimated that 1885 Alabamians died from Alzheimer's disease in 2014.
- In 2016, there were approximately 89,000 Alabamians 65 and older with Alzheimer's. It is projected that these figures will increase to 110,000 in 2025, a 26.4% increase.
- In 2016, it is estimated that 303,000 Alzheimer's and dementia caregivers to Alabama residents provided 345 million hours of unpaid care, with a total value of \$4.36 billion. This resulted in an estimated increase in the cost of health care for these caregivers of \$177 million.

POPULATION PROJECTIONS

According to the Center for Business and Economic Research (“CBER”) at the University of Alabama¹⁶, Montgomery County is the fourth largest county among Alabama’s sixty-seven in terms of general population, and fifth largest in terms of the population aged sixty-five and older. Between 2000 and 2010, CBER data shows that the general population of Montgomery County grew at a relatively slow rate, a trend it believes will continue for the near future. However, in terms of the market population for SCALF services – the population aged 65 and older -- CBER projects that Montgomery County’s population will increase an additional 58.4% by 2040, clearly showing a need for additional resources for adequate and diverse senior housing.

Such an increase in 65+ population can be expected to have a positive impact on the need for SCALF services in Montgomery County, as this group of the population uses such services at a higher rate; indeed, the numerical methodology utilized in the State Health Plan is driven by this very population component.

Additional support in the area of population and demographic growth may be found in the Preliminary Market Analysis attached hereto as Attachment 8.

¹⁶ According to SHPDA Rule 410-1-6-.06, population estimates and projections from the Center for Business and Economic Research at the University of Alabama and data from the SHPDA Division of Data Management are considered the most reliable data available.

IMPACT ON OTHER FACILITIES

Smith/Packett does not anticipate this proposed adjustment having an impact on existing SCALFs in the subject area due to:

- (1) Over the last six annual SHPDA data reporting cycles, the utilization of SCALF services in Montgomery County has routinely shown in excess of 90.0 % of beds actually reported as being placed in use, which is an efficient occupancy rate;
- (2) The current and projected positive population factors for Montgomery County;
- (3) The increasing incidence of dementia of all forms, including Alzheimer's Disease, as discussed earlier;
- (4) Enhanced local access to SCALF services in Montgomery County can be expected to increase the overall use rate for SCALF services, as is typical; and
- (5) The unmet demand in the subject area, as plainly illustrated by the Market Analysis included herein as Attachment 8, shows a clear anticipation that the majority of residents of a facility created pursuant to a CON granted pursuant to this adjustment, if granted, would be new users of SCALF services, and therefore would create no detrimental impact on existing providers. The Market Analysis referenced was conducted for Smith/Packett by Senior Market Research Associates of Cleveland, Tennessee

USE OF EXISTING SERVICES

SHPDA Annual Reports for all SCALFs in Montgomery County were obtained and reviewed for the years 2011 through 2016. Utilization data found in those Annual Reports is summarized and presented in Attachment 10.

Based on the most recent six annual reporting cycles, the overall occupancy rate for the SCALF beds in Montgomery County that SCALF providers reported as being available for use proposed geographic area was in excess of 92% of those reported beds. This is clearly an efficient use of existing resources, and plainly illustrates that the identified needs of the population needing to utilize SCALF services are not being adequately served by the existing SCALF methodology.

The high occupancy of existing SCALFs; the current and rapidly increasing 65+ population in Montgomery County; the increasing incidence of Alzheimer's Disease and other dementias; and the reputation and abilities of Smith/Packett as a memory care provider are all positive factors that point toward Montgomery County being an appropriate place for an adjustment to expand the available SCALF beds. Location of additional SCALF beds in Montgomery County would enhance local access to SCALF services for residents and their families, alleviating distance concerns.

QUALITY OF CARE

In any type of health care setting, there should be a clear and paramount focus on what is best for the patient. Obtaining the right level of care at the appropriate time in treatment of a patient is critical, and has a direct impact on outcomes. In the Montgomery County area, there is a problem with obtaining the right level of care due to lack of available options.

It has been determined under the State Health Plan that the presence of an adequate number of SCALF beds is critical to the provision of a full continuum of care for our seniors. Without the presence of such adequate resources and facilities, seniors may have to utilize a different, less efficient resource, or to reside at a SCALF in a different county, resulting in their removal from easy access by family, friends, and caregivers. Either of these results in a lower quality of care than can be provided by an aging-in-place alternative.

SCALFs, when coupled with Assisted Living Facility beds and Independent Living beds, can all provide cost-effective levels of senior living that help with a continuum of care in the aging process. Only by having adequate resources in all levels of care can the true aim be realized.

STAFFING

The estimated staffing for an additional thirty-two (32) SCALF beds within Montgomery County would necessarily have to meet both regulatory standards prescribed by the Alabama Department of Public Health and the operational standards of the ultimate licensee(s) for the beds, following award of one or more Certificates of Need.

A specialty care assisted living facility is required to have an administrator, a medical director, at least one Registered Nurse, and a unit coordinator. In addition, SCALF facilities are required to have staff coverage meeting or exceeding the staffing ratios specified in regulation on a 24 hour per day, seven day a week basis.

The addition of these beds to the Montgomery County marketplace would result in the addition of jobs to the local and regional labor markets. Recent estimates provided to SHPDA reflect estimated growth of 40 or more new jobs for each 16 bed SCALF component. Information regarding these new jobs will also be a required component of the CON applications filed to meet the need created by the proposed adjustment.

NAMES OF PATIENTS DENIED SERVICES

Included in the Organizational Outline provided in Section 410-2-5-.05 of the Alabama Administrative Code is the instruction to provide the names of individuals denied services of the type covered by a proposed adjustment. However, various laws and regulations restrict the listing of such persons, and state laws and regulations may prevent the State Health Planning and Development Agency from receiving the names of patients, residents, families and caregivers.

The Applicant has attempted to achieve the same goal herein by providing quantitative data concerning availability of services.

PHYSICIANS COMMITTED TO INVOLVEMENT

Montgomery County is home to outstanding medical centers in Jackson Hospital, Baptist Medical Center South, and Baptist Medical Center East.

Jackson Hospital (“Jackson”) is a 344-bed acute care hospital. Jackson’s history dates back to 1894, when Watkins Infirmary received its first patients at the hospital’s present location. The hospital itself actually opened in 1946.¹⁷ Jackson is a community not-for-profit hospital serving the entire River Region with comprehensive healthcare services. Additionally, Jackson is accredited by the Joint Commission and serves as a Level 3 Trauma Center. Jackson has more than 400 physicians on its medical staff.

Baptist Medical Center South (“Baptist South”), founded in 1963, is a 454-bed acute care hospital affiliated with Baptist Health¹⁸. Baptist South has more than 500 physicians on its medical staff. Baptist South is Montgomery’s largest healthcare facility, and Baptist Health’s tertiary care center. Baptist South is accredited by the Joint Commission, and is a faith-based not-for-profit medical center focused on meeting the healthcare needs of central Alabama.

Baptist Medical Center East (“Baptist East”), is a 150-bed acute care hospital affiliated with Baptist Health, providing a broad range of healthcare services¹⁹. Baptist East was recently named one of the nation’s Top 100 Hospitals by Thomson Reuters, and is accredited by the Joint Commission. Additionally, it is the closest hospital to the planned location of the Smith/Packett senior housing development, being located approximately 2.6 miles from the proposed site.

Throughout its communities across the eastern United States, Smith/Packett works closely and cooperatively with local medical professionals to ensure that the needs of patients of those particular practices are taken into account in the delivery of program resources to area residents.

¹⁷ www.jackson.org

¹⁸ www.baptistfirst.org/locations/

¹⁹ www.baptistfirst.org/locations/

The proposed adjustment for additional SCALF beds does not directly depend upon the need for additional physicians or physician specialties in the geographic area. The selection of a physician is a matter for determination by a resident, through consultation with the resident's family and other caregivers.

INDUSTRY

Montgomery County, located in the heart of central Alabama, is the state's fourth most populated county, and ranks fifth among Alabama's 67 counties in per capita income.²⁰ The county seat, Montgomery, is the second largest city in Alabama. As the state capitol city, Montgomery is one of the most recognized cities in the Southeast, and has become a tourist destination based upon its major historic contributions to both the Civil War and the American Civil Rights Movement. Additionally, Montgomery is home to a major presence of the United States Air Force, in Maxwell-Gunter Air Force Base. In 2004, Montgomery successfully landed one of the largest economic development projects in Alabama history when Hyundai Motors Manufacturing Alabama selected the county as the site of its \$1.4 billion automotive plant, the company's first assembly and manufacturing plant in the United States. Today, Montgomery is known for its renaissance of a historic downtown and redevelopment of the city's riverfront areas.

Business Development

Government has always played a major role in the economy of the Montgomery area, making up about one-fourth of the work force and lending a strong stability to the local economy. The local colleges and universities – Auburn University at Montgomery, Alabama State University, Faulkner University and Huntingdon College – together with the major military presence of Maxwell-Gunter Air Force Base account for a large portion of the remainder of the economy. Further, in 2002, Hyundai Motor Manufacturing Alabama selected Montgomery County as the site of the Korean automotive manufacturer's first manufacturing and assembly plant in the

²⁰ Data is from the 2010 U.S. Census, and the 2006-2010 American Community Survey 5-Year Estimates.

United States. The plant began operations in 2004, and now directly provides jobs to over 3000 area citizens.

Leading Employers in Montgomery County

(Source: Montgomery Area Chamber of Commerce)

Employer	Employees
Maxwell-Gunter Air Force Base	12,280
State of Alabama	11,639
Montgomery Public Schools	4,524
Baptist Health	4,300
Hyundai Motor Manufacturing Alabama	3,100
Alfa Insurance	2,568
City of Montgomery	2,500
MOBIS Alabama	1,400
Jackson Hospital & Clinic	1,300
Koch Foods	1,250
Rheem Water Heaters	1,147
Regions Bank	977
U.S. Postal Service	900
Creek Casino Montgomery	850
Glovis Alabama	832
Alabama State University	792
Montgomery County Commission	700
Alabama Power Company	660
Alorica	660
US Foods	600

ADDITIONAL INFORMATION ON SMITH/PACKETT MED-COM, LLC

Smith/Packett, headquartered in southwestern Virginia, is one of the largest senior housing and healthcare companies in the country, specializing in the design, development, financing, marketing, strategic planning and operation of healthcare facilities. On an annual basis, Smith/Packett typically develops or acquires more than \$100 million in various senior housing projects. These include service-enhanced senior housing and healthcare communities, independent living, assisted living, memory care, nursing homes, and medical office buildings. As one of the most active senior housing care developers in the country, Smith/Packett is also on the cutting edge of market, construction, licensing and financing issues, making it one of the most successful developers and operators. Currently, Smith/Packett has ownership interests in over 30 facilities, and is an active investor in numerous other senior care projects.

Harmony Senior Services, LLC (“Harmony”), is an affiliate of Smith/Packett, also headquartered in southwestern Virginia. Both organizations are family owned and operated, which drives the values and goals of the communities they develop together. Harmony is a fully-integrated management services company with extensive hands-on experience in the management of senior housing, bringing unique operational insight, perspective and understanding to the challenges facing senior housing communities in today’s environment.

LETTERS OF SUPPORT

Letters of Support for the proposed adjustment are presented as Attachment 11, or will subsequently be provided to SHPDA in a timely fashion allowed by rule.

Attachment 1:
**State Health Plan Provisions
Relating to SCALF Services**

Alabama Administrative Code

410. STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

Chapter 410-2-4. FACILITIES

Current through Register Vol. 35, No. 5, February 28, 2017

410-2-4-.04. Limited Care Facilities - Specialty Care Assisted Living Facilities

(1)

Definition. Specialty Care Assisted Living Facilities are intermediate care facilities which provide their residents with increased care and/or supervision which is designed to address the residents' special needs due to the onset of dementia, Alzheimer's disease or similar cognitive impairment and which is in addition to assistance with normal daily activities including, but not limited to, restriction of egress for residents where appropriate and necessary to protect the resident and which require a license from the Department of Public as a Specialty Care Assisted Living Facilities pursuant to Ala. Admin. Code §420-5-20, *et seq.*

(2)

Specialty Care Assisted Living Facility Bed Need Methodology

(a)

Purpose. The purpose of this specialty care assisted living facility bed need methodology is to identify, by county, the number of beds needed to assure the continued availability, accessibility, and affordability of quality care for residents of Alabama.

(b)

General. Formulation of this bed need methodology was accomplished by a committee of the Statewide Health Coordinating Council (SHCC). The committee which provided its recommendations to the SHCC, was composed of providers and consumers of health care. Only the SHCC, with the Governor's final approval, can make changes to this methodology except that the SHPDA staff shall annually update bed need projections and inventories to reflect more current population and utilization statistics. Such updated information is available for a fee upon request. Adjustments are addressed in paragraph (E).

(c)

Basic Methodology. Considering the availability of more community and home based services for the elderly in Alabama, there should be a minimum of 4 beds per 1,000 population 65 and older for each county.

The bed need formula is as follows:

$(4 \text{ beds per thousand}) \times (\text{population } 65 \text{ and older}) = \text{Projected Bed Need}$

(d)

Planning Policies

1.

Projects to develop specialty care assisted living facilities or units in areas where there exist medically underserved, low income, or minority populations should be given priority over projects not being developed in these critical areas when the project to develop specialty care assisted living facilities in areas where there exists medically underserved, low income or minority populations is not more costly to develop than other like projects.

2.

Bed need projections will be based on a three-year planning horizon.

3.

Planning will be on a countywide basis.

4.

Subject to SHCC adjustments, no beds will be added in any county where that county's projected ratio exceeds 4 beds per 1,000 population 65 and older.

5.

When any specialty care assisted living facility relinquishes its license to operate, either voluntarily or involuntarily other than by a Certificate of Need approved transfer, or by obtaining title by a foreclosure as specified in the opinion rendered by the Alabama Attorney General, November 17, 1980, the need for the facility and its resources will automatically be eliminated from the facilities portion of the State Health Plan. The new bed need requirement in the county where the facility was located will be that number which will bring the county ratio up to

4 beds per 1,000 population 65 and older.

6.

Additional need may be shown in situations involving a sustained high occupancy rate either for a county or for a single facility. An applicant may apply for additional beds, and thus the establishment of need above and beyond the standard methodology, utilizing one of the following two policies. Once additional beds have been applied for under one of the policies, that applicant shall not qualify to apply for additional beds under either of these policies unless and until the established time limits listed below have passed. All CON authorized SCALF beds shall be included in consideration of occupancy rate and bed need.

(i)

If the occupancy rate for a county is greater than 92% utilizing the census data in the most recent full year "Annual Report(s) for Specialty Care Assisted Living Facilities (Form DM-1)" published by or filed with SHPDA, an additional need of the greater of either ten percent (10%) of the current total CON Authorized bed capacity of that county or sixteen (16) total beds may be approved for either the creation of a new facility or for the expansion of existing facilities within that county. However, due to the priority of providing the most cost effective health care services available, a new facility created under this policy shall only be allowed through the conversion of existing beds at an Assisted Living Facility currently in possession of a regular, non-probationary license from the Alabama Department of Public Health. Once additional need has been shown under this policy, no new need shall be shown in that county based upon this rule for twenty-four (24) months following issuance of the initial CON, to allow for the impact of those beds in that county to be analyzed. Should the initial applicant for beds in a county not apply for the total number of beds allowed to be created under this rule, the remaining beds would then be available to be applied for by other providers in the county, so long as said providers meet the conditions listed in this rule.

(ii)

If the occupancy rate for a single facility is greater than 92% utilizing the census data in the last two (2) most recent full year "Annual Report(s) for Specialty Care Assisted Living Facilities (Form DM-1)" published by or filed with SHPDA, irrespective of the total occupancy rate of the county over that time period, up to sixteen (16) additional beds may be approved for the expansion of that facility only. Once additional beds have been approved under this policy, no new beds shall be approved for that facility for twenty-four (24) months following issuance of the CON, to

allow for the impact of those beds at that facility to be analyzed.

7.

No application for the establishment of a new, freestanding SCALF shall be approved for fewer than sixteen (16) beds, to allow for the financial feasibility and viability of a project. Because of this, need may be adjusted by the Agency for any county currently showing a need of more than zero (0) but fewer than sixteen (16) total beds to a total need of sixteen (16) new beds, but only in the consideration of an application for the construction of a new facility in that county. Need shall not be adjusted in consideration of an application involving the expansion of a currently authorized and licensed SCALF or for the conversion of beds at an existing Assisted Living Facility.

8.

Any CON Application filed by a licensed SCALF shall not be deemed complete until, and unless:

(i)

The applicant has submitted all survey information requested by SHPDA prior to the application date; and

(ii)

The SHPDA Executive Director determines that the survey information is complete.

9.

No licensed SCALF filing an intervention notice or statement in opposition in any CON proceeding may cite or otherwise seek consideration by SHPDA of such facility's utilization data until, and unless:

(i)

The intervenor or opponent has submitted all survey information requested by SHPDA prior to the application date; and

(ii)

The SHPDA Executive Director determines that the survey information is complete.

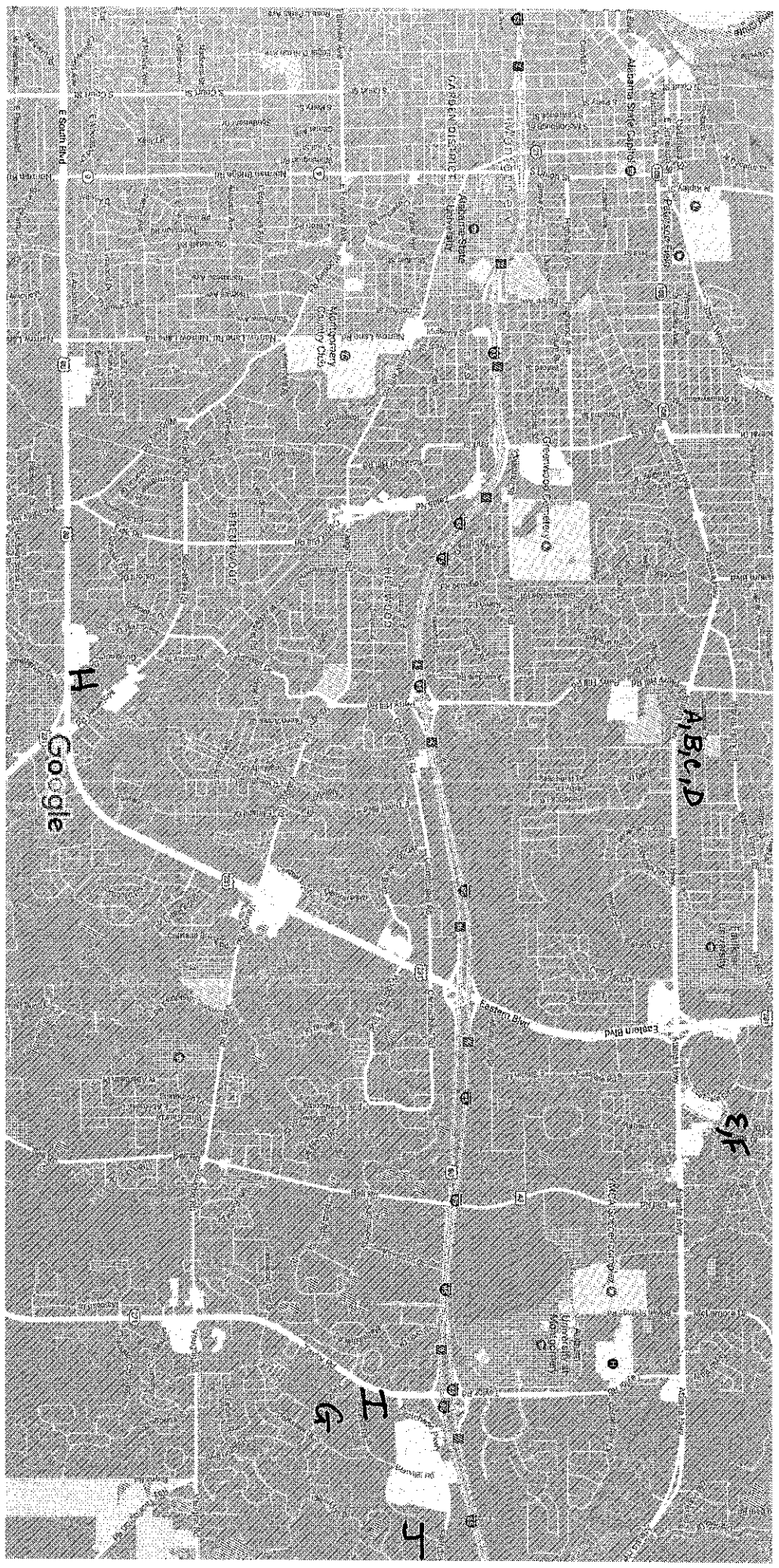
(e)

Adjustments. The bed need, as determined by the methodology, is subject to adjustments by the SHCC. The specialty care assisted living facility bed need may need to be adjusted by the SHCC if an applicant can prove that the identified needs of a targeted population are not being met

by existing specialty care assisted living facilities in the county of the targeted population.	73
(f)	30
Notwithstanding the foregoing, any application for certificate of need for specialty care assisted living facility beds for which a proper letter of intent was duly filed with SHPDA prior to the adoption of the bed need methodology shall not be bound by this bed need methodology.	7
(g)	BARBOUR
	4,034
	16
	16
The determination of need for specialty care assisted living facility beds shall not be linked to the number of existing assisted living beds in the county.	0
	0
	16
SPECIALTY CARE ASSISTED LIVING BED NEED PROJECTIONS	BIBB
COUNTY	2,817
Pop 65 & Older 2006	11
4 Per 1,000 Pop 65 & Older	11
Total Beds Needed	16
Licensed Beds	0
CON Issued	-5
Net Beds Needed	BLOUNT
AUTAUGA	7,881
5,622	32
22	32
22	50
80	70
0	-88
-58	BULLOCK
BALDWIN	1,530
27,411	6
110	6
110	0
	0

Attachment 2:
Map of Proposed Geographic
Area for Adjustment

Google Maps



- A - ANGELS FOR THE ELDERLY I
- B - ANGELS FOR THE ELDERLY II
- C - ANGELS FOR THE ELDERLY III
- D - ANGELS FOR THE ELDERLY IV
- E - COUNTRY COTTAGE - HOLLY

- F - COUNTRY COTTAGE - MAGNOLIA
- G - ELMCROFT OF HALCYON
- H - WATERFORD PLACE
- I - WESLEY GARDENS
- J - PROPOSED SMITH/PACKETT SITE

Attachment 3:
ADPH Health Care Facilities
Directory Listings for SCALF
Facilities in Montgomery
County

Assisted Living Facilities (Specialty Care)

Montgomery County

Angels for the Elderly I
 52 Angels Court
 Montgomery, AL 36109 (334) 270-8050
 16 bed Group Specialty Care Assisted Living Facility
 Licensee Type: Limited Liability Company
 Administrator: Janice Lucas
 Fac ID: P5115 License: Regular
 Medicare: N/A

.....

Angels for the Elderly II
 44 Angels Court
 Montgomery, AL 36109 (334) 270-8050
 16 bed Group Specialty Care Assisted Living Facility
 Licensee Type: Limited Liability Company
 Administrator: Janice Lucas
 Fac ID: P5101 License: Regular
 Medicare: N/A

.....

Angels for the Elderly III
 48 Angels Court
 Montgomery, AL 36109 (334) 270-9122
 16 bed Group Specialty Care Assisted Living Facility
 Licensee Type: Limited Liability Company
 Administrator: Janice Lucas
 Fac ID: P5102 License: Regular
 Medicare: N/A

.....

Angels for the Elderly IV
 40 Angels Court
 Montgomery, AL 36109 (334) 270-9122
 16 bed Group Specialty Care Assisted Living Facility
 Licensee Type: Limited Liability Company
 Administrator: Janice Lucas
 Fac ID: P5112 License: Regular
 Medicare: N/A

.....

Montgomery County

Country Cottage - Montgomery - Holly
 235 Sylvest Drive, Bldg. 100
 Montgomery, AL 36117 (334) 260-8373
 16 bed Group Specialty Care Assisted Living Facility
 Licensee Type: Limited Liability Company
 Administrator: Michelle Kelley
 Fac ID: P5107 License: Regular
 Medicare: N/A

.....

Country Cottage Montgomery-Magnolia
 235 Sylvest Drive
 Montgomery, AL 36117 (334) 260-8373
 16 bed Group Specialty Care Assisted Living Facility
 Licensee Type: Limited Liability Company
 Administrator: Michelle Kelley
 Fac ID: P5116 License: Regular
 Medicare: N/A

.....

Elmcroft of Halcyon Specialty Care
 1775 Halcyon Blvd
 Montgomery, AL 36117 (334) 396-1111
 16 bed Group Specialty Care Assisted Living Facility
 Licensee Type: Limited Liability Company
 Administrator: Joel Burdette
 Fac ID: P5110 License: Regular
 Medicare: N/A

.....

Manor House at Waterford Place
 3920 Antoinette Drive
 Montgomery, AL 36111 (334) 288-2444
 50 bed Congregate Specialty Care Assisted Living Facility
 Licensee Type: Limited Liability Company
 Administrator: Melody Phillips
 Fac ID: P5103 License: Regular
 Medicare: N/A

.....

Assisted Living Facilities (Specialty Care)

Montgomery County

Wesley Gardens Retirement Community-Specialty Care
1555 Taylor Road
Montgomery, AL 36117 (334) 272-7917
16 bed Group Specialty Care Assisted Living Facility
Licensee Type: Non-Profit Corporation
Administrator: Randy Allen
Fac ID: P5113 License: Regular
Medicare: N/A

.....

Attachment 4:
**State Health Plan Statistical
Update for SCALF Facilities
Published October 27, 2015**




STATE HEALTH PLANNING AND DEVELOPMENT AGENCY
100 NORTH UNION STREET, SUITE 870
MONTGOMERY, ALABAMA 36104

October 27, 2015

MEMORANDUM

TO: Recipients of the 2014-2017 *Alabama State Health Plan*

FROM: Alva M. Lambert 
Executive Director

SUBJECT: Statistical Update to the 2014-2017 *Alabama State Health Plan*

Enclosed are statistical updates to the 2014-2017 *Alabama State Health Plan*. The following sections should be replaced:

410-2-4-.04, Limited Care Facilities (SCALF), pages 105-106.

AML/blw

Enclosure: As stated

**Specialty Care Assisted Living Facilities
Bed Need
2015**

COUNTY	Pop 65 & Older 2018	Total Beds Needed	Total Licensed Beds	Beds		Notes
				Authorized But Not Licensed	Net Beds Needed	
Autauga	8,985	36	48	0	(12)	
Baldwin	43,779	175	168	0	7	
Barbour	4,793	19	0	0	19	
Bibb	3,709	15	0	0	15	
Blount	11,033	44	50	0	(6)	
Bullock	1,793	7	0	0	7	
Butler	4,122	16	16	0	0	
Calhoun	20,413	82	140	0	(58)	
Chambers	6,622	26	16	0	10	
Cherokee	6,005	24	36	0	(12)	
Chilton	7,332	29	0	0	29	
Choctaw	2,790	11	0	0	11	
Clarke	4,793	19	0	0	19	
Clay	2,773	11	0	0	11	
Cleburne	3,002	12	0	0	12	
Coffee	8,917	36	16	18	2	*
Colbert	10,925	44	45	0	(1)	
Conecuh	2,891	12	0	0	12	
Coosa	2,529	10	0	0	10	
Covington	7,941	32	0	0	32	
Crenshaw	2,600	10	0	0	10	
Cullman	15,514	62	16	0	46	
Dale	8,309	33	0	0	33	
Dallas	7,257	29	16	0	13	
Dekalb	12,264	49	16	0	33	
Elmore	13,689	55	0	0	55	
Escambia	6,738	27	0	0	27	
Etowah	19,512	78	74	0	4	
Fayette	3,506	14	0	0	14	
Franklin	5,302	21	0	0	21	
Geneva	5,644	23	0	0	23	
Greene	1,826	7	0	0	7	
Hale	2,924	12	0	0	12	
Henry	4,114	16	0	0	16	
Houston	19,174	77	32	0	45	
Jackson	10,650	43	16	0	27	
Jefferson	101,406	406	570	86	(250)	(1),(2),(3),(4)
Lamar	3,150	13	0	0	13	
Lauderdale	19,158	77	32	0	45	
Lawrence	6,156	25	0	0	25	
Lee	18,783	75	136	0	(61)	

COUNTY	Pop 65 & Older 2018	Total Beds Needed	Total Licensed Beds	Beds		Notes
				Authorized But Not Licensed	Net Beds Needed	
Limestone	14,704	59	32	0	27	
Lowndes	1,930	8	0	0	8	
Macon	3,633	15	0	0	15	
Madison	54,797	219	192	64	(37)	(5),(6),(7)
Marengo	3,982	16	16	0	0	
Marion	6,546	26	0	26	0	(8)
Marshall	17,059	68	22	0	46	
Mobile	66,667	267	285	0	(18)	
Monroe	4,348	17	0	0	17	
Montgomery	33,625	135	178	0	(43)	
Morgan	21,332	85	78	0	7	
Perry	1,900	8	0	0	8	
Pickens	3,862	15	0	0	15	
Pike	5,215	21	16	0	5	
Randolph	4,809	19	16	0	3	
Russell	7,921	32	0	0	32	
St. Clair	15,724	63	60	0	3	
Shelby	33,968	136	128	36	(28)	(9),(10)
Sumter	2,503	10	0	0	10	
Talladega	14,359	57	16	0	41	
Tallapoosa	8,731	35	46	0	(11)	
Tuscaloosa	27,699	111	130	0	(19)	
Walker	12,512	50	14	0	36	
Washington	3,206	13	0	0	13	
Wilcox	2,107	8	0	0	8	
Winston	5,326	21	16	0	5	
TOTAL	831,288	3,325	2,688	230	408	

27-Oct-15

NOTES (Beds Authorized but not License d)

- * - AL2015-032 - Twenty/Twenty, LLC - 18 Beds (Approved 10/21/2015)
- (1) - AL2013-009, CON 2611-SCALF - St. Martin's in the Pines - 16 Beds
- (2) - AL2013-073, CON 2659-SCALF - Regency Birmingham - 38 Beds
- (3) - AL2014-004, CON 2663-SCALF - Chateau Vestavia - 16 Beds
- (4) - AL2015-021, CON 2716-SCALF - Oaks on Parkwood - 16 Beds
- (5) - AL2014-005, CON 2662-SCALF - Merrill Gardens at Madison - 32 Beds
- (6) - AL2014-024, CON 2682-SCALF - Regency Retirement Village of Huntsville - 16 Beds
- (7) - AL2014-030, CON 2685-SCALF - Redstone Military Retirement Residence Ass'n - 16 Beds
- (8) - AL2012-031, CON 2586-SCALF - St. Clair Services, Inc. - 26 Beds
- (9) - AL2010-192, CON 2691-SCALF - Noland Health Services, Inc. - 24 Beds
- (10) - AL2014-032, CON 2693-SCALF - LakeView Estates - 12 Beds

Attachment 5:
State Health Plan Statistical
Update for SCALF Facilities
Published August 12, 2014
(No longer in effect)




STATE HEALTH PLANNING AND DEVELOPMENT AGENCY
100 NORTH UNION STREET, SUITE 870
MONTGOMERY, ALABAMA 36104

August 12, 2014

MEMORANDUM

TO: Recipients of the 2004-2007 *Alabama State Health Plan*

FROM: Alva M. Lambert
Executive Director 

SUBJECT: Statistical Update to the 2004-2007 *Alabama State Health Plan*

Enclosed are statistical updates to the 2004-2007 *Alabama State Health Plan*. The following sections should be replaced:

410-2-4-.04, Limited Care Facilities (SCALF), pages 105-106.

AML/blw

Enclosure: As stated

**Specialty Care Assisted Living Facilities
Bed Need
2014**

COUNTY	Pop 65 & Older 2017	Total Beds Needed	Total Licensed Beds	Beds		Notes
				Authorized But Not Licensed	Net Beds Needed	
Autauga	8,670	35	48	0	(13)	
Baldwin	41,999	168	157	0	11	
Barbour	4,702	19	0	0	19	
Bibb	3,616	14	0	0	14	
Blount	10,714	43	50	0	(7)	
Bullock	1,744	7	0	0	7	
Butler	4,022	16	16	0	0	
Calhoun	19,948	80	140	0	(60)	
Chambers	6,503	26	16	0	10	
Cherokee	5,845	23	36	0	(13)	
Chilton	7,136	29	0	0	29	
Choctaw	2,761	11	0	0	11	
Clarke	4,710	19	0	0	19	
Clay	2,732	11	0	0	11	
Cleburne	2,925	12	0	0	12	
Coffee	8,704	35	16	0	19	
Colbert	10,746	43	45	0	(2)	
Conecuh	2,822	11	0	0	11	
Coosa	2,448	10	0	0	10	
Covington	7,805	31	0	0	31	
Crenshaw	2,552	10	0	0	10	
Cullman	15,198	61	16	0	45	
Dale	8,119	32	0	0	32	
Dallas	7,096	28	16	0	12	
Dekalb	11,984	48	16	16	16	(2)
Elmore	13,141	53	0	0	53	
Escambia	6,622	26	0	0	26	
Etowah	19,125	77	69	5	3	(6)
Fayette	3,449	14	0	0	14	
Franklin	5,238	21	0	0	21	
Geneva	5,525	22	0	0	22	
Greene	1,759	7	0	0	7	
Hale	2,843	11	0	0	11	
Henry	3,987	16	0	0	16	
Houston	18,566	74	32	0	42	
Jackson	10,430	42	16	0	26	
Jefferson	98,898	396	538	102	(244)	(7), (8), (9)
Lamar	3,105	12	0	0	12	
Lauderdale	18,677	75	32	0	43	
Lawrence	6,032	24	0	0	24	
Lee	17,959	72	136	14	(78)	(3)

COUNTY	Pop 65 & Older 2017	Total Beds Needed	Total Licensed Beds	Beds		Notes
				Authorized But Not Licensed	Net Beds Needed	
Limestone	14,116	56	16	16	24	(10)
Lowndes	1,883	8	0	0	8	
Macon	3,536	14	0	0	14	
Madison	52,852	211	192	48	(29)	(4), (11)
Marengo	3,907	16	16	0	(0)	
Marion	6,451	26	0	26	(0)	(1)
Marshall	16,641	67	22	0	45	
Mobile	64,810	259	285	0	(26)	
Monroe	4,240	17	0	0	17	
Montgomery	32,692	131	178	0	(47)	
Morgan	20,770	83	78	0	5	
Perry	1,879	8	0	0	8	
Pickens	3,775	15	0	0	15	
Pike	5,088	20	0	0	20	
Randolph	4,685	19	16	0	3	
Russell	7,733	31	0	0	31	
St. Clair	15,086	60	54	0	6	
Shelby	32,152	129	104	48	*	(13)*
Sumter	2,420	10	0	0	10	
Talladega	13,990	56	16	16	24	(12)
Tallapoosa	8,537	34	46	0	(12)	
Tuscaloosa	26,692	107	98	16	(7)	(5)
Walker	12,310	49	14	0	35	
Washington	3,128	13	0	0	13	
Wilcox	2,052	8	0	0	8	
Winston	5,225	21	16	0	5	
TOTAL	807,507	3,230	2,546	307	377	

12-Aug-14

NOTES (Beds Authorized but not Licensed)

- (1) AL2012-031, CON 2586-SCALF - St. Clair Services, Inc. - 26 Beds
- (2) CON 2547-SCALF - White House II - Closed 2/7/14 - CON Expires 2/6/15 - 16 Beds
- (3) CON 2534-SCALF - Azalea Place - Closed 3/10/14 - CON Expires 3/9/15 - 14 Beds
- (4) CON 1863-SCALF - Regency Manor - Closed 2/10/14 - CON Expires 2/9/15 - 16 Beds
- (5) CON 1792-SCALF - Pleasant Properties, LLC - 16 Beds
- (6) AL2012-042, CON 2599-SCALF- Oak Landing - 6 of 11 total beds licensed
- (7) AL2013-009, CON 2611-SCALF - St. Martin's in the Pines - 16 Beds
- (8) AL2013-073, CON 2659-SCALF - Regency Birmingham - 70 Beds
- (9) AL2014-004, CON 2663-SCALF - Chateau Vestavia - 16 Beds
- (10) AL2013-012, CON 2615-SCALF - Heritage ALF and Memory Care -16 Beds
- (11) AL2014-005, CON 2662-SCALF - Merrill Gardens at Madison - 32 Beds
- (12) CON 1865-SCALF - Gardens of Talladega II - Closed 2/7/14- CON Expires 2/6/15- 16 Beds
- (13) CON 2055-SCALF - Ashton Gables - 48 Beds

*** CON 2442-SCALF-E (24 Beds) and Project AL2011-002-E (12 Beds) are the subjects of litigation. Current status of CON 2442-SCALF-E and Projects AL2010-190, -192, -193, -195, and AL2011-002-E will not be known until the end of litigation. Need cannot be calculated for Shelby County at this time.**

Closure dates listed are as reported to SHPDA by the ADPH Division of Provider Services.

Attachment 6:
State Health Plan Statistical
Update for SCALF Facilities
Published September 18, 2012
(No longer in effect)

STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

100 NORTH UNION STREET, SUITE 870
MONTGOMERY, ALABAMA 36104

September 18, 2012

MEMORANDUM

TO: Recipients of the 2004-2007 *Alabama State Health Plan*

FROM: Alva M. Lambert *amb*
Executive Director

SUBJECT: Statistical Update to the 2004-2007 *Alabama State Health Plan*

Enclosed are statistical updates to the 2004-2007 *Alabama State Health Plan*. The following sections should be replaced:

410-2-4-.04, Limited Care Facilities (SCALF), pages 105-106.

AML/blw

Enclosure: As stated

**Specialty Care Assisted Living Facilities
Bed Need
2012**

COUNTY	Pop 65 & Older 2015	Total Beds Needed	Total Licensed Beds	CON Authorized	Net Beds Needed	Notes
Autauga	8,118	32	48	0	(16)	
Baldwin	40,780	163	125	32	6	(1)
Barbour	5,255	21	0	0	21	
Bibb	3,931	16	0	0	16	
Blount	10,862	43	34	8	1	(5)
Bullock	1,852	7	0	0	7	
Butler	4,041	16	16	0	0	
Calhoun	19,336	77	123	17	(63)	(3),(4)
Chambers	6,956	28	16	0	12	
Cherokee	6,645	27	36	0	(9)	
Chilton	7,884	32	0	0	32	
Choctaw	3,296	13	0	0	13	
Clarke	5,071	20	0	0	20	
Clay	3,171	13	0	0	13	
Cleburne	2,930	12	0	0	12	
Coffee	8,480	34	16	0	18	
Colbert	10,630	43	45	0	(2)	
Conecuh	2,667	11	0	0	11	
Coosa	2,323	9	0	0	9	
Covington	7,935	32	0	0	32	
Crenshaw	2,628	11	0	0	11	
Cullman	15,717	63	16	0	47	
Dale	8,703	35	0	0	35	
Dallas	7,170	29	32	0	(3)	
Dekalb	12,219	49	32	0	17	
Elmore	11,819	47	0	0	47	
Escambia	6,793	27	0	0	27	
Etowah	18,827	75	52	0	23	
Fayette	3,843	15	0	0	15	
Franklin	5,666	23	0	0	23	
Geneva	5,529	22	0	0	22	
Greene	1,646	7	0	0	7	
Hale	2,847	11	0	0	11	
Henry	3,488	14	0	0	14	
Houston	16,442	66	32	0	34	
Jackson	10,662	43	16	0	27	
Jefferson	96,352	385	568	8	(191)	(7)
Lamar	3,102	12	0	0	12	
Lauderdale	17,405	70	32	0	38	
Lawrence	6,244	25	0	0	25	
Lee	15,386	62	150	0	(88)	

COUNTY	Pop 65 & Older 2015	Total Beds Needed	Total Licensed Beds	CON Issued	Net Beds Needed	Notes
Limestone	11,263	45	32	0	13	
Lowndes	2,354	9	0	0	9	
Macon	3,911	16	0	0	16	
Madison	46,070	184	224	0	(40)	
Marengo	3,802	15	16	0	(1)	
Marion	6,589	26	0	26	0	(6)
Marshall	15,804	63	22	0	41	
Mobile	60,145	241	285	0	(44)	
Monroe	4,239	17	0	0	17	
Montgomery	31,933	128	223	0	(95)	
Morgan	18,882	76	62	16	(2)	(2)
Perry	1,858	7	0	0	7	
Pickens	3,643	15	0	0	15	
Pike	4,897	20	0	0	20	
Randolph	4,581	18	16	0	2	
Russell	7,705	31	0	0	31	
St. Clair	13,432	54	37	0	17	
Shelby	29,135	117	152	0	(35)	
Sumter	2,064	8	0	0	8	
Talladega	14,200	57	32	0	25	
Tallapoosa	8,720	35	46	0	(11)	
Tuscaloosa	23,205	93	98	0	(5)	
Walker	13,545	54	14	0	40	
Washington	3,165	13	0	0	13	
Wilcox	2,003	8	0	0	8	
Winston	5,159	21	16	0	5	
TOTAL	776,955	3,108	2,664	107	337	

NOTES (CONs issued)

- (1) - 2264-SCALF - LifeQuest of Florence LLC 32 Beds
- (2) - 2285-SCALF - Decatur ALF Group, LLC 16 Beds
- (3) - 2515-SCALF - Ladiga Manor, LLC 8 Beds
- (4) - 2550-SCALF - Piedmont Health Care Authority 9 Beds
- (5) - 2571-SCALF - Jacobs House, Inc. 8 Beds
- (6) - 2586-SCALF - St. Clair Services, Inc. 26 Beds
- (7) - AL2012-036 - Chateau Vestavia Hills, LLC 8 beds

18-Sep-12

Attachment 7:
Population Projections and
Demographic Tables

Alabama County Population 2000-2015 and Projections 2020-2040 (Middle Series)

2017 series

County	Census		April 1, 2015 Estimate	2020	2025	2030	2035	2040	Change 2010-2040	
	2000	2010							Number	Percent
Alabama	4,447,100	4,779,736	4,855,847	4,941,485	5,031,739	5,124,710	5,220,021	5,319,305	539,569	11.3
Autauga	43,671	54,571	55,333	56,705	58,464	60,327	62,388	64,771	10,200	18.7
Baldwin	140,415	182,265	202,710	222,554	242,345	261,777	281,200	300,899	118,634	65.1
Barbour	29,038	27,457	26,571	25,633	24,891	24,288	23,852	23,634	-3,823	-13.9
Bibb	20,826	22,915	22,575	22,354	22,174	22,023	21,932	21,885	-1,030	-4.5
Blount	51,024	57,322	57,669	58,383	59,154	59,995	60,964	62,095	4,773	8.3
Bullock	11,714	10,914	10,729	10,637	10,538	10,414	10,321	10,271	-643	-5.9
Butler	21,399	20,947	20,185	19,690	19,233	18,909	18,691	18,558	-2,389	-11.4
Calhoun	112,249	118,572	115,713	114,221	113,195	112,529	112,025	111,723	-6,849	-5.8
Chambers	36,583	34,215	34,105	33,918	33,709	33,485	33,283	33,147	-1,068	-3.1
Cherokee	23,988	25,989	25,893	25,835	25,778	25,709	25,632	25,573	-416	-1.6
Chilton	39,593	43,643	43,938	44,308	44,793	45,388	46,109	46,953	3,310	7.6
Choctaw	15,922	13,859	13,200	12,475	11,786	11,167	10,609	10,185	-3,674	-26.5
Clarke	27,867	25,833	24,718	23,759	22,867	21,995	21,169	20,414	-5,419	-21.0
Clay	14,254	13,932	13,551	13,233	12,928	12,639	12,374	12,142	-1,790	-12.8
Cleburne	14,123	14,972	15,032	15,104	15,187	15,278	15,374	15,464	492	3.3
Coffee	43,615	49,948	51,116	52,318	53,663	55,104	56,661	58,469	8,521	17.1
Colbert	54,984	54,428	54,386	54,281	54,026	53,707	53,315	52,890	-1,538	-2.8
Conecuh	14,089	13,228	12,670	12,157	11,647	11,195	10,802	10,470	-2,758	-20.8
Coosa	12,202	11,539	10,745	10,193	9,717	9,281	8,883	8,523	-3,016	-26.1
Covington	37,631	37,765	37,848	37,925	37,994	38,044	38,083	38,096	331	0.9
Crenshaw	13,665	13,906	13,959	14,017	14,081	14,150	14,227	14,315	409	2.9
Cullman	77,483	80,406	81,809	82,904	83,897	84,776	85,636	86,350	5,944	7.4
Dale	49,129	50,251	49,549	48,938	48,411	48,022	47,871	47,780	-2,471	-4.9
Dallas	46,365	43,820	41,264	39,219	37,762	36,743	35,914	35,393	-8,427	-19.2
DeKalb	64,452	71,109	71,101	71,629	72,394	73,615	75,364	77,344	6,235	8.8
Elmore	65,874	79,303	81,357	83,991	86,641	89,231	91,708	93,933	14,630	18.4
Escambia	38,440	38,319	37,788	37,284	36,830	36,421	36,110	35,804	-2,515	-6.6
Etowah	103,459	104,430	103,156	102,137	101,245	100,612	100,280	100,127	-4,303	-4.1
Fayette	18,495	17,241	16,780	16,214	15,698	15,207	14,774	14,380	-2,861	-16.6
Franklin	31,223	31,704	31,670	31,633	31,614	31,604	31,614	31,636	-68	-0.2

Alabama County Population 2000-2015 and Projections 2020-2040 (Middle Series)

2017 series

County	Census		April 1, 2015 Estimate	2020	2025	2030	2035	2040	Change 2010-2040	
	2000	2010							Number	Percent
Geneva	25,764	26,790	26,760	26,894	27,109	27,361	27,662	28,014	1,224	4.6
Greene	9,974	9,045	8,498	7,984	7,601	7,326	7,102	6,907	-2,138	-23.6
Hale	17,185	15,760	15,084	14,509	14,107	13,600	13,161	12,805	-2,955	-18.8
Henry	16,310	17,302	17,210	17,296	17,443	17,597	17,773	17,969	667	3.9
Houston	88,787	101,547	104,157	107,353	110,561	113,789	117,189	120,823	19,276	19.0
Jackson	53,926	53,227	52,472	51,736	51,057	50,424	49,836	49,384	-3,843	-7.2
Jefferson	662,047	658,466	660,367	662,458	663,999	665,244	666,342	667,433	8,967	1.4
Lamar	15,904	14,564	13,927	13,265	12,672	12,086	11,526	11,000	-3,564	-24.5
Lauderdale	87,966	92,709	92,713	92,757	92,914	93,309	93,804	94,385	1,676	1.8
Lawrence	34,803	34,339	33,193	32,260	31,523	30,914	30,458	30,077	-4,262	-12.4
Lee	115,092	140,247	156,351	169,234	180,742	191,587	201,932	211,019	70,772	50.5
Limestone	65,676	82,782	91,400	99,775	108,021	116,015	122,976	129,617	46,835	56.6
Lowndes	13,473	11,299	10,482	9,667	9,048	8,559	8,217	7,947	-3,352	-29.7
Macon	24,105	21,452	19,176	17,617	17,111	16,773	16,492	16,268	-5,184	-24.2
Madison	276,700	334,811	352,345	372,447	392,382	412,126	431,697	451,043	116,232	34.7
Marengo	22,539	21,027	20,055	19,162	18,647	18,213	17,877	17,605	-3,422	-16.3
Marion	31,214	30,776	30,188	29,604	28,956	28,274	27,671	27,122	-3,654	-11.9
Marshall	82,231	93,019	94,633	96,219	98,049	100,136	102,494	105,088	12,069	13.0
Mobile	399,843	412,992	415,278	417,652	420,497	423,579	427,278	431,909	18,917	4.6
Monroe	24,324	23,068	21,729	20,552	19,800	19,163	18,528	17,958	-5,110	-22.2
Montgomery	223,510	229,363	226,487	226,832	227,480	228,160	228,882	229,647	284	0.1
Morgan	111,064	119,490	119,588	119,865	120,464	121,344	122,557	124,028	4,538	3.8
Perry	11,861	10,591	9,703	8,875	8,343	7,925	7,632	7,479	-3,112	-29.4
Pickens	20,949	19,746	20,733	20,743	20,535	20,289	19,985	19,668	-78	-0.4
Pike	29,605	32,899	33,057	33,231	33,598	34,276	35,029	35,907	3,008	9.1
Randolph	22,380	22,913	22,644	22,483	22,370	22,303	22,281	22,301	-612	-2.7
Russell	49,756	52,947	59,673	61,932	64,037	66,162	68,385	70,490	17,543	33.1
St. Clair	64,742	83,593	86,946	90,634	94,713	100,206	106,219	113,123	29,530	35.3
Shelby	143,293	195,085	208,085	224,628	239,859	253,485	265,330	276,373	81,288	41.7
Sumter	14,798	13,763	13,138	12,588	12,147	11,727	11,320	10,935	-2,828	-20.5
Talladega	80,321	82,291	80,961	79,964	79,164	78,524	78,012	77,644	-4,647	-5.6

Alabama County Population 2000-2015 and Projections 2020-2040 (Middle Series)

2017 series

County	Census		April 1, 2015 Estimate	2020	2025	2030	2035	2040	Change 2010-2040	
	2000	2010							Number	Percent
Tallapoosa	41,475	41,616	40,911	40,213	39,690	39,214	38,794	38,442	-3,174	-7.6
Tuscaloosa	164,875	194,656	203,612	212,769	221,743	230,259	238,579	246,892	52,236	26.8
Walker	70,713	67,023	65,362	64,532	64,080	63,759	63,568	63,441	-3,582	-5.3
Washington	18,097	17,581	16,819	16,268	15,827	15,436	15,085	14,783	-2,798	-15.9
Wilcox	13,183	11,670	11,057	10,450	9,868	9,400	8,995	8,668	-3,002	-25.7
Winston	24,843	24,484	23,933	23,388	22,920	22,531	22,188	21,887	-2,597	-10.6

Note: These projections are driven by population change between Census 2000 and Census 2010, taking into account 2015 population estimates. Data on births and deaths for 2000 to 2010 as well as more recent data from the Alabama Department of Public Health are used to derive birth and death rates for the state and each county.

Alabama County Population Aged 65 and Over 2000-2015 and Projections 2020-2040 (Middle S

2017 series

	Census		April 1, 2015 Estimate	2020	2025	2030	2035	2040	Change 2010-2040	
	2000	2010							Number	Percent
Alabama	579,798	657,792	763,724	851,496	970,464	1,067,854	1,114,008	1,144,172	486,380	73.9
Autauga	4,451	6,546	7,919	8,476	9,917	11,466	12,563	13,882	7,336	112.1
Baldwin	21,703	30,568	38,870	47,034	56,876	66,159	72,875	78,769	48,201	157.7
Barbour	3,873	3,909	4,560	4,820	5,087	5,260	5,045	4,795	886	22.7
Bibb	2,413	2,906	3,391	3,673	4,048	4,419	4,658	4,859	1,953	67.2
Blount	6,558	8,439	10,109	10,800	11,922	13,003	13,743	14,275	5,836	69.2
Bullock	1,543	1,469	1,640	1,897	2,139	2,237	2,139	2,050	581	39.6
Butler	3,506	3,489	3,710	4,088	4,431	4,619	4,573	4,460	971	27.8
Calhoun	15,872	16,990	18,915	19,886	21,657	22,710	22,709	22,405	5,415	31.9
Chambers	5,928	5,706	6,361	7,043	7,778	8,181	8,344	8,330	2,624	46.0
Cherokee	3,818	4,651	5,585	5,956	6,711	7,272	7,610	7,798	3,147	67.7
Chilton	5,097	5,921	6,830	7,159	8,016	8,602	8,901	9,231	3,310	55.9
Choctaw	2,332	2,519	2,809	2,889	3,040	3,111	3,012	2,895	376	14.9
Clarke	3,764	4,174	4,570	4,952	5,388	5,623	5,584	5,396	1,222	29.3
Clay	2,359	2,449	2,699	2,756	2,973	3,192	3,245	3,267	818	33.4
Cleburne	1,933	2,361	2,824	3,044	3,314	3,601	3,765	3,874	1,513	64.1
Coffee	6,171	7,210	8,264	8,641	9,369	9,968	10,319	10,710	3,500	48.5
Colbert	8,493	9,463	10,238	11,296	12,369	13,091	13,206	12,983	3,520	37.2
Conecuh	2,223	2,362	2,647	2,929	3,199	3,399	3,342	3,217	855	36.2
Coosa	1,761	1,970	2,063	2,513	2,877	3,054	3,107	3,088	1,118	56.8
Covington	6,740	6,939	7,573	8,176	9,070	9,679	9,714	9,652	2,713	39.1
Crenshaw	2,338	2,210	2,527	2,657	2,955	3,229	3,276	3,382	1,172	53.0
Cullman	11,342	12,810	14,666	16,067	17,867	19,401	19,875	20,057	7,247	56.6
Dale	5,807	6,759	7,802	8,255	9,130	9,662	9,600	9,334	2,575	38.1
Dallas	6,428	6,165	6,713	6,968	7,728	8,156	7,940	7,663	1,498	24.3
DeKalb	8,882	9,875	11,378	12,818	14,368	15,566	16,624	17,376	7,501	76.0
Elmore	7,071	9,436	11,677	13,651	16,262	18,850	20,389	21,757	12,321	130.6
Escambia	5,236	5,812	6,356	6,802	7,324	7,529	7,404	7,405	1,593	27.4
Etowah	16,560	16,508	18,296	19,670	21,388	22,404	22,982	23,404	6,896	41.8
Fayette	2,976	3,084	3,373	3,587	3,779	3,909	3,838	3,675	591	19.2
Franklin	4,637	4,825	5,114	5,277	5,563	5,767	5,777	5,808	983	20.4

Alabama County Population Aged 65 and Over 2000-2015 and Projections 2020-2040 (Middle S

2017 series

	Census		April 1, 2015 Estimate	Change 2010-2040						
	2000	2010		2020	2025	2030	2035	2040	Number	Percent
Geneva	4,203	4,674	5,260	5,705	6,289	6,799	7,093	7,157	2,483	53.1
Greene	1,470	1,454	1,587	1,860	2,127	2,222	2,149	2,016	562	38.7
Hale	2,316	2,370	2,682	3,050	3,484	3,840	3,795	3,670	1,300	54.9
Henry	2,668	3,044	3,662	4,158	4,619	4,976	5,120	5,276	2,232	73.3
Houston	12,162	14,675	17,144	19,276	22,069	24,424	25,591	26,598	11,923	81.2
Jackson	7,210	8,773	9,987	10,962	12,081	12,800	12,960	13,089	4,316	49.2
Jefferson	90,285	86,443	96,633	106,631	119,605	127,360	128,035	127,315	40,872	47.3
Lamar	2,528	2,732	2,929	3,145	3,358	3,426	3,298	3,116	384	14.1
Lauderdale	13,241	15,553	17,325	19,412	21,599	23,261	23,953	24,038	8,485	54.6
Lawrence	4,195	4,999	5,767	6,141	6,830	7,603	7,941	7,913	2,914	58.3
Lee	9,337	12,716	16,615	21,095	26,082	30,877	34,500	37,539	24,823	195.2
Limestone	7,271	10,187	12,973	15,911	19,704	23,867	26,994	29,199	19,012	186.6
Lowndes	1,646	1,655	1,873	1,940	2,130	2,268	2,198	2,025	370	22.4
Macon	3,367	3,031	3,356	3,352	3,669	3,855	3,795	3,698	667	22.0
Madison	30,015	40,873	49,579	56,239	68,286	81,478	89,022	93,437	52,564	128.6
Marengo	3,287	3,424	3,829	3,979	4,332	4,512	4,541	4,475	1,051	30.7
Marion	4,934	5,645	6,171	6,595	7,054	7,394	7,497	7,470	1,825	32.3
Marshall	11,717	13,862	15,749	16,495	18,118	19,526	20,007	20,485	6,623	47.8
Mobile	47,919	53,321	62,022	68,898	78,986	86,139	88,238	88,908	35,587	66.7
Monroe	3,363	3,618	3,949	4,308	4,751	5,075	5,133	5,076	1,458	40.3
Montgomery	26,307	27,421	31,014	33,914	38,302	41,547	42,493	43,423	16,002	58.4
Morgan	13,708	16,871	19,533	21,327	23,823	26,066	27,042	27,382	10,511	62.3
Perry	1,762	1,769	1,779	1,786	1,890	1,873	1,772	1,687	-82	-4.6
Pickens	3,293	3,336	3,663	4,087	4,567	4,963	5,032	4,858	1,522	45.6
Pike	3,727	4,211	4,853	5,188	5,769	6,094	6,207	6,178	1,967	46.7
Randolph	3,564	3,888	4,498	4,847	5,393	5,820	6,016	6,032	2,144	55.1
Russell	6,541	6,720	7,576	8,959	10,124	11,062	11,348	11,416	4,696	69.9
St. Clair	7,578	10,909	13,791	15,078	17,612	20,438	22,577	24,651	13,742	126.0
Shelby	12,179	20,627	28,016	34,714	43,182	51,263	57,471	63,447	42,820	207.6
Sumter	2,056	2,063	2,203	2,537	2,933	3,117	3,055	2,908	845	41.0
Talladega	10,655	11,591	13,412	14,373	15,957	16,911	17,283	17,519	5,928	51.1

INDEPENDENT LIVING FACILITIES

Facility	Total Units	Units Occ.	Studio	1-Bed.	2-Bed.
PRIMARY MARKET AREA					
CaraVita Village 4000 Fieldcrest Drive Montgomery, AL 36111 (334) 284-0370	130	118	\$1,500	\$2,150 - \$2,250	\$2,500 - \$2,650
Oak Grove Inn 3801 Oak Grove Drive Montgomery, AL 36116 (334) 215-8881	56	51	-----	\$2,692 - \$3,804	\$3,411 - \$4,686
Eastdale Estates 5801 Eastdale Drive Montgomery, AL 36117 (334) 465-6295	109	97	\$1,774 - \$2,100	\$2,200 - \$2,600	\$2,700 - \$3,000
Total:	295	266 (90.2%)			

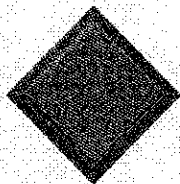
After an inspection of **John Knox Manor Retirement Tower** and **Bell Oaks Retirement Community**, we have determined that these two communities are closer to “affordable senior apartments” rather than “true independent living”. The lack of certain services and amenities combined with very low rental rates has lead us to this decision. To be a true independent living competitive, facilities must provide at least one meal per day and have other services included like weekly housekeeping and laundry.

Alabama County Population Aged 65 and Over 2000-2015 and Projections 2020-2040 (Middle S 2017 series)

	Census		April 1, 2015 Estimate	2020	2025	2030	2035	2040	Change 2010-2040	
	2000	2010							Number	Percent
Tallapoosa	6,872	7,193	8,274	8,694	9,556	9,991	10,037	9,889	2,696	37.5
Tuscaloosa	18,565	21,050	24,509	28,882	33,432	36,492	38,345	40,030	18,980	90.2
Walker	10,453	10,894	12,122	13,418	14,409	14,821	14,581	14,006	3,112	28.6
Washington	2,246	2,590	2,932	3,227	3,589	3,854	3,932	3,872	1,282	49.5
Wilcox	1,810	1,752	2,036	2,170	2,396	2,461	2,394	2,268	516	29.5
Winston	3,533	4,333	4,942	5,363	5,812	6,260	6,404	6,309	1,976	45.6

Note: These projections are driven by population change between Census 2000 and Census 2010, taking into account 2015 population estimates. Data on births and deaths for 2000 to 2010 as well as more recent data from the Alabama Department of Public Health are used to derive birth and death rates for the state and each county.

Attachment 8:
Preliminary Market Analysis
for the Development of
additional Memory Care Beds
in Montgomery County,
Alabama



SENIOR MARKET RESEARCH ASSOCIATES

March 22, 2017

Daniel Dorn
Smith/Packett
4423 Pheasant Ridge Road, Suite 301
Roanoke, Virginia 24014

Mr. Dorn:

Senior Market Research Associates is pleased to deliver to you a market feasibility study for the development of an independent living retirement community for Montgomery (Montgomery County), Alabama. The community would consist of independent living, assisted living, and memory care components, and will be located on a tract of land at 2600 Eastchase Lane, Montgomery (Montgomery County), Alabama, 36117.

Our field research was conducted from March 15-18, 2017. We determined the Primary Market Area to be a 10-mile radius around the subject property. Based on our review of the current inventory in the market, as well as an examination of all projects in active development. Our demand findings are summarized below:

Independent Living Demand - We project an unmet demand for as many as 370 units by 2019 and growing to 398 units by 2021.

Assisted Living Demand - We project an unmet demand for as many as 422 units by 2019 and growing to 449 units by 2021.

Memory Care Demand - We project an unmet demand for as many as 217 beds by 2019 and 263 beds by 2021.

The details of our assumptions and methodologies are presented in the attached report.

Sincerely,

Larry Richardson, Ph.D.
President

COMPETITIVE ASSISTED LIVING FACILITIES

Facility	Total Units	Units Occ.	Studio	1 BR	2 BR
PRIMARY MARKET AREA					
John Knox Manor 4401 Narrow Lane Road Montgomery, AL 36116 (334) 288-6336	8	8	\$2,497 - \$2,650	-----	-----
John Knox at Arrowhead 9081 Atlanta Hwy Montgomery, AL 36117 (334) 409-2828	16	15	\$2,500 - \$2,800	\$3,500	-----
Wesley Gardens 1555 Taylor Road Montgomery, AL 36117 (334) 272-7917	56	52	\$3,171	\$4,354	-----
Belmont Assisted Living 7295 Copperfield Drive Montgomery, AL 36117 (334) 273-0110	32	32	\$2,500	-----	-----
Oak Grove Inn 3801 Oak Grove Drive Montgomery, AL 36116 (334) 215-8881.	43	40	\$3,808	\$4,153 - \$4,466	\$5,517 - \$6,524
Elmcroft of Halcyon 1775 Halcyon Blvd Montgomery, AL 36117 (334) 396-1111	48	44	\$3,450 - \$4,800	\$5,100	-----
Country Cottage 235 Sylvest Drive Montgomery, AL 36117 (334) 260-8373	40	39	\$2,415 - \$3,221	-----	-----
Total:	243	230 (94.7%)			

COMPETITIVE MEMORY CARE COMMUNITIES

Facility	MC Units	Avg. Occ.	Semi-Priv.	Priv. Room
Wesley Gardens 1555 Taylor Road Montgomery, AL 36117 (334) 272-7917	16	15	-----	\$4,513
Elmcroft of Halcyon 1775 Halcyon Blvd Montgomery, AL 36117 (334) 396-1111	16	15	\$5,250	\$6,000 - \$6,450
Manor House of Waterford 3920 Antoinette Drive Montgomery, AL 36111 (334) 288-2444	50 (22)*	48 (0)	-----	\$3,800 - \$4,200
Angels for the Elderly 40 Angles Court Montgomery, AL 36109 (334) 270-8050	64	54	-----	\$4,600 - \$5,100
Country Cottage 235 Sylvest Drive Montgomery, AL 36117 (334) 260-8373	32	31	-----	\$4,054 - \$5,075
Total:	178 (200)	163 (91.6%)		

*Manor House of Waterford is just finishing building an addition that will add 22 more memory care units to the building.

MARKET DEMAND ANALYSIS

We will now analyze demand for senior housing in the Montgomery PMA (10-mile radius). Our analysis will show demand estimates for 2016 (the most current data available), the likely year of the opening of the subject project, and five years from the current data year.

DEFINITION OF TARGET GROUPS

The demand estimates will be based upon the quantity of four potential “target groups” who are likely users of senior housing. Analysis of these four target groups will provide four separate indications of demand for senior housing. We will then consider the indications from each of the four demand indications in deriving our demand conclusions. The target groups are as follows:

TARGET GROUP 1

Although the vast majority of persons entering senior housing are over the age of 80, some persons between the ages of 65 and 80 do elect to live in senior housing. Therefore, the broadest potential target group for senior housing is persons age 65 and over. The number of persons 65+ is often considered in bed need methodologies adopted by various state health care planning agencies.

TARGET GROUP 2

The next potential “target group” typically examined in evaluating demand for senior housing is the number of households headed by a “householder” age 75 and over. The vast majority of senior housing residents fall into the 75+ age range.

TARGET GROUP 3

The next target group consists of the “age qualified” population that has adequate income to live in elderly housing. Many operators, including Sunrise, Alterra and Holiday Management, consider \$25,000 to be the minimum “qualifying” income. Although research has shown that many seniors with lesser income levels can afford to reside in seniors housing due to having income from other sources or assets to spend down, \$25,000 is widely considered a benchmark for the private pay market. Thus, Target Group 3 consists of the number of households with income of \$25,000+ headed by a householder age 75+.

TARGET GROUP 4

Target group 4 consists of a group referred to in the industry as “adult children”. Children and/or other relatives of seniors generally play a significant role in the placement of a senior in a senior housing facility. Market areas where there are large concentrations of persons in the 45-64 age group can often support significantly larger supply of senior housing than would be indicated through analysis of seniors already residing in the area. This is because in-migration of seniors into markets with large adult child populations is common. This phenomenon is largely due to the fact that while many elderly parents of the local residents do not currently live near their children, they will be encouraged to do so as they age in place and require greater care. When frailty and dependence occurs on the part of an aging parent, the adult children frequently elect to move their loved one closer to them so that they can help attend to their needs more frequently. Thus, Target Group 4 is the number of persons in the age 45-64 age bracket.

DISCUSSION OF ACHIEVABLE PENETRATION RATES

There are no industry standard definitions for penetration or capture rates. For the purpose of this type of analysis, a penetration rate is considered to be the number of beds or units of a specific type that should be demanded at market equilibrium within a given market area, divided by the number of persons or households of a specific type in the same market area. For example, if 100 beds of assisted living should be demanded, and there are 1,000 persons aged 65+ that reside in the PMA, the indicated penetration rate is 10%.

In order to determine the appropriate penetration rates, we have relied upon the National Demand Estimates provided in *The Case for Investing in Seniors Housing and Long Term Care Properties With Updated Projections*. Using the updated demand estimates in this study, national penetration rates are calculated in the table below. These penetration rates, derived from the most complete and authoritative study of national demand in existence, will be used as the basis for estimating demand in the subject’s market area. It should be noted that these estimates are for private-pay demand only. Demand for private and public pay accommodations are much higher. Thus, in some markets, higher penetration rates may be achievable. This will depend upon the availability of public funding.

		Independent Living			
		Target Group			
		Persons 65+	Households 75+	Households 75+ Inc. \$25,000+	Persons Age 45-64
A.	Demand for Independent Living 2000 Per Revised Investment Case	706,740	706,740	706,740	706,740
B.	2000 Population/Households for Each Target Group	34,991,753	10,657,476	4,786,520	61,952,636
C.	Achievable Penetration (A divided by B)	2.02%	6.63%	14.77%	1.14%

		Assisted Living			
		Target Group			
		Persons 65+	Households 75+	Households 75+ Inc. \$25,000+	Persons Age 45-64
A.	Demand for Assisted Living 2000 Per Revised Investment Case	706,146	706,146	706,146	706,146
B.	2000 Population/Households for Each Target Group	34,991,753	10,657,476	4,786,520	61,952,636
C.	Achievable Penetration (A divided by B)	2.02%	6.63%	14.75%	1.14%

INDEPENDENT LIVING DEMAND

The demand for independent living is calculated as follows:

Demand for Independent Living				
Target Group 1 – Persons 65+				
Item		YEAR		
		2016	2019	2021
A	PMA Persons Age 65+	27,452	30,385	32,340
B	Achievable Penetration Rate	2.02%	2.02%	2.02%
C	Indicated Market Area Demand (A x B)	555	614	653

Target Group 2 – Households Age 75+				
Item		YEAR		
		2016	2019	2021
A	PMA HHs Age 75+	8,286	8,668	8,923
B	Achievable Penetration Rate	6.63%	6.63%	6.63%
C	Indicated Market Area Demand (A x B)	549	575	592

Target Group 3 – Households Age 75+ With Incomes \$25,000+				
Item		YEAR		
		2016	2019	2021
A	PMA HHs Age 75+ with Incomes \$25,000+	5,426	6,010	6,400
B	Achievable Penetration Rate	14.77%	14.77%	14.77%
C	Indicated Market Area Demand (A x B)	801	888	945

Target Group 4 – Persons Age 45-64 (Adult Children)				
Item		YEAR		
		2016	2019	2021
A	PMA Persons Age 45-64	51,503	51,123	50,869
B	Achievable Penetration Rate	1.14%	1.14%	1.14%
C	Indicated Market Area Demand (A x B)	587	583	580

As the tables above reveal, each methodology yields a slightly different demand estimate. Since no one methodology is considered superior over the others, it would not be reasonable to simply embrace the most optimistic projection, nor would it be prudent to endorse the most conservative projection.

Demand Summary			
Item	YEAR		
	2016	2019	2021
Target Group 1	555	614	653
Target Group 2	549	575	592
Target Group 3	801	888	945
Target Group 4	587	583	580
Average (mean)	623	665	693

If we take an average of the findings from each method, we arrive at a projected demand for 665 independent living units by 2019, and 693 units by 2021.

Calculation of Unmet Demand

For the purpose of estimating the need for additional beds in the Montgomery PMA, we must deduct all of the existing beds operating within the same market as well as pipeline units. Since there are 295 independent living units operating in the Montgomery PMA, we can conclude that the Unmet Demand is equal to the Total Market Demand minus the current inventory and pipeline units.

		2019	2021
Projected Bed Need	=	665 Units	693 Units
Current Inventory	=	- 295 Units	- 295 Units
Pipeline Units	=	- 0 Units	- 0 Units
Unmet Demand	=	370 Units	398 Units

We note that the 65+ population in the Montgomery PMA is projected to increase by 17.8% from 2016-2021.

ASSISTED LIVING DEMAND

Demand for assisted living in the Montgomery PMA is calculated as follows:

Demand for Assisted Living				
Target Group 1 – Persons 65+				
Item	YEAR			
	2016	2019	2021	
A	PMA Persons Age 65+	27,452	30,385	32,340
B	Achievable Penetration Rate	2.02%	2.02%	2.02%
C	Indicated Market Area Demand (A x B)	555	614	653
Target Group 2 – Households Age 75+				
Item	YEAR			
	2016	2019	2021	
A	PMA HHs Age 75+	8,286	8,668	8,923
B	Achievable Penetration Rate	6.63%	6.63%	6.63%
C	Indicated Market Area Demand (A x B)	549	575	592
Target Group 3 – Households Age 75+ With Incomes \$25,000+				
Item	YEAR			
	2016	2019	2021	
A	PMA HHs Age 75+ with Incomes \$25,000+	5,426	6,010	6,400
B	Achievable Penetration Rate	14.75%	14.75%	14.75%
C	Indicated Market Area Demand (A x B)	800	886	944
Target Group 4 – Persons Age 45-64 (Adult Children)				
Item	YEAR			
	2016	2019	2021	
A	PMA Persons Age 45-64	51,503	51,123	50,869
B	Achievable Penetration Rate	1.14%	1.14%	1.14%
C	Indicated Market Area Demand (A x B)	587	583	580

As the tables above reveal, each methodology yields a slightly different demand estimate. Since no one methodology is considered superior over the others, it would not be reasonable to simply embrace the most optimistic projection, nor would it be prudent to endorse the most conservative projection.

Demand Summary			
Item	YEAR		
	2016	2019	2021
Target Group 1	555	614	653
Target Group 2	549	575	592
Target Group 3	800	886	944
Target Group 4	587	583	580
Average (mean)	623	665	692

When we take an average of the findings from each method, we arrive at a projected demand for 665 assisted living units by 2019, and 692 units by 2021.

Calculation of Unmet Demand

For the purpose of estimating the need for additional assisted living units in the Montgomery PMA, we must deduct all of the existing units operating within the same market.

		<i>2019</i>	<i>2021</i>
Projected Bed Need	=	665 Units	692 Units
Current Inventory	=	- 243 Units	- 243 Units
Unmet Demand	=	422 Units	449 Units

Based on our calculations of projected demand, the Montgomery market would appear to be significantly under-bedded. The lack of competitive facilities in the area combined with a moderate percentage (13.2%) of 65+ population living within the PMA, and projected continued growth of that sector, make this proposed campus very viable.

MEMORY CARE DEMAND

To determine the potential need for a memory care program in a given market, we will make seven assumptions:

1. As indicated earlier, the probable extent of the Montgomery PMA is assumed to be a 10-mile radius around the proposed site at 2600 Eastchase Lane, Montgomery (Montgomery County), Alabama, 36117.
2. In addition to the prospects we will expect to derive from the primary market itself, we will expect the facility to fill approximately 25% of its beds from elderly clients moving to the area from outside the market, primarily from some referrals from the peripheral communities around the Montgomery area.

We also expect a small percentage of move-ins to come from seniors relocating to Montgomery from other parts of the state of Alabama and even other states. This phenomenon is largely due to the fact that while many elderly parents of the local residents do not currently live near their children, they will be encouraged to do so as they age in place and require greater care.

3. Since the proposed Montgomery facility would be expected to open no earlier than the year 2019, we will make population projections for determining whether or not there will be sufficient demand for the number of beds to be built.
4. We will exclude from consideration any prospect who does not earn at least \$60,000 per year. The memory care services in the proposed memory care facility will start at \$4,500 per month for a private room, which will amount to \$54,000 per year, and is 90% of \$60,000.¹ Those earning less than \$60,000 per year would not be able to afford the monthly rents. While it is likely that some of those seniors who fall below the financial threshold would be helped by their children with supplemental assistance to ensure that they could receive such care, we have no way to estimate this percentage, and will therefore consider these prospects part of the 25% in-migration referred to in Assumption #2.

MONTGOMERY, ALABAMA HOUSEHOLD PROJECTIONS

Age Groups	2016		2019		2021	
	Total	% \$60k+	Total	% \$60k+	Total	% \$60k+
55-64	15,296	46.4%	15,563	51.8%	15,741	55.3%
65-74	10,187	37.0%	11,649	42.7%	12,624	45.8%
75+	8,286	30.0%	8,668	35.9%	8,923	39.5%

SOURCE: *Alteryx*

¹ This finding is consistent with *Pathway Senior Living* (www.pathwayseniorliving.com), who estimates that residents of assisted living facilities often pay as much as 90% of income to monthly fees.

5. **Estimating Utilization from Those Below the Income Threshold.** Not only do we expect income-qualified prospects to be candidates for the proposed facility, we also understand that a small percentage of dementia victims who fall below the income threshold (“Non Qualified”) will be placed in the facility by loved ones who will pay the monthly fee on behalf of their mother or father.

While there is no firm data on the percentage of indigent dementia residents living in an all private-pay facility, some estimates have been offered by Maxfield Research, a Minnesota-based market research and consulting firm. Maxfield Research is recognized as the leading market research firm for senior housing in the Upper Midwest. It has conducted more than 250 senior housing studies in 15 states for all types of retirement complexes ranging from "adult" buildings with few services to assisted living and skilled care facilities for the frail elderly.²

According to Maxfield Research, about 5% of indigent dementia victims aged 65-74 will obtain residential care through the benevolence of a loved one, and as many as 15% of indigent dementia victims aged 75+ will have their monthly fees paid for them as well. We will use these percentages in estimating the draw from the “Non-Qualified” prospect pool.

6. **Incidence of Alzheimer’s Disease.** There is some disagreement within the medical community over the prevalence of Alzheimer’s Disease (AD). For example, The National Institute on Aging estimates that about 4.0 million Americans have AD, while the National Alzheimer’s Association places the number at 5.3 million.³ As such, the incidence of AD may be a range from 10% of seniors to 13% of seniors.

Also, the probable incidence of Alzheimer’s Disease increases at various age levels. Below is the latest information from the National Alzheimer's Association ("2010 Alzheimer's Disease Facts & Figures") and "How Many Americans Have Alzheimer's Disease" Nov. 27, 2007 report from Alzheimer's Disease Education and Referral Center, regarding the prevalence of dementia at various age levels:

Incidence of Alzheimer’s Disease

- 1.88% of persons under the age of 65
- 13% of persons 65+
- 5% of persons 65-74
- 22.1% of persons 75+
- 9.68% of persons 75-84
- 50% of persons 85+

We will rely on these numbers in calculating the size of the prospect pool for dementia assisted living care, in the table below.

² See www.maxfieldresearch.com.

³ "2010 Alzheimer's Disease Facts and Figures", published by the National Alzheimer's Association, p. 9.

7. **Saturation Point or Capture Rate.** The Saturation rate is used to compare the inventory of units (or capacity) in the market to the qualified market. The Saturation Rate represents the estimated maximum number of units likely to be filled by the qualified prospect pool.

A 25% capture rate of the dementia assisted living prospect pool is considered an average estimate, according to the National Investment Center for the Senior Housing and Care Industry, a benchmark now commonly used by other senior housing research specialists (i.e. Maxfield Research, The Vinca Group, etc.). Line 10 of the table below presents the expected Saturation Rate for the Montgomery market.

DEMENTIA DEMAND CALCULATION TABLE

The table below incorporates all of the assumptions presented above in order to estimate the probable need for memory care beds in the Montgomery market, for both 2019 and 2021. The table first starts by estimating the number of likely dementia victims in the Montgomery PMA, both income-qualified and non-income qualified, based on incidence assumptions provided by the National Alzheimer's Association and the Alzheimer's Disease Research and Referral Center (ADEAR). The table then factors in the probable draw from secondary markets to yield the total bed need for the Montgomery PMA. From the total prospect pool a saturation rate of 25% is applied, to yield the maximum number of dementia units the market is likely to be able to support. After deducting the existing inventory, we are left with the Unmet Demand for additional dementia units.

MEMORY CARE DEMAND ANALYSIS

Memory Care Demand

2019 Income-Qualified Households Requiring Memory Care								
Age	% Memory	Income Qualified Hholds	# Draw from Qualified Members	Non Income Qualified Hholds	# Non-Qualified Memory	% Draw from Non Qualified	# Draw from Non-Qualified	# Memory Total
55-64	1.88%	8,059	152	7,504	141	5%	7	159
65-74	5.00%	4,974	249	6,675	334	5%	17	266
75+	22.10%	3,113	688	5,555	1,228	15%	184	872
Total		16,146	1,089	19,734	1,703		208	1,297

2021 Income-Qualified Households Requiring Memory Care								
Age	% Memory	Income Qualified Hholds	# Draw from Qualified Members	Non Income Qualified Hholds	# Non-Qualified Memory	% Draw from Non Qualified	# Draw from Non-Qualified	# Memory Total
55-64	1.88%	8,699	164	7,042	132	5%	7	171
65-74	5.00%	5,780	289	6,844	342	5%	17	306
75+	22.10%	3,529	780	5,394	1,192	15%	179	959
Total		18,008	1,233	19,280	1,666		203	1,436

Memory Care Demand Calculation			
		2019	2021
1	Calculated Market Potential	1,297	1,436
2	Identified Competitive Units in Market Area	200	200
3	Maximum Occupancy in Competitive Units	95%	95%
4	Adjusted Competitive Units	190	190
5	Available Prospects in Market Area (Line 1 - Line 4)	1,107	1,246
6	Percent of Added prospects from Outside the Market Area	÷ 0.75	÷ 0.75
7	Prospects from Outside the Market Area (Line 5 ÷ 0.75- Line 5)	369	415
8	Potential Market Area Prospects (Line 5 + Line 7)	1,476	1,661
Market Demand Computation			
9	Total Adjusted Market Potential (Line 4 + Line 8)	1,666	1,851
10	Estimated Percent of Need Met by Memory Care Units	25%	25%
11	Calculated Number of Units to Fill Total Demand	417	463
12	Less Competitive Units (Line 2)	200	200
MEMORY CARE - NET DEMAND		217	263

As the table above indicates, the Unmet Demand for memory care units in the Montgomery PMA is projected to total 217 units by 2019 and 263 units by 2021.

SUMMARY AND CONCLUSIONS

Independent Living Demand

According to the bed need methodologies used by industry experts to calculate the demand for more independent living units, the Montgomery PMA (10-mile radius) appears to be under-bedded, with demand projected to total 370 units by 2019 and growing to 398 units by 2021.

Assisted Living Demand

According to the bed need methodologies used by industry experts to calculate the demand for more assisted living units, the Montgomery PMA (10-mile radius) appears to be significantly under-bedded, with demand projected to total 422 units by 2019 and growing to 449 units by 2021. The demand should easily accommodate the proposed campus.

Memory Care Demand

The prospects for memory care in the Montgomery PMA appear to be equally robust. According to the bed need methodologies used by industry experts to calculate the demand for more memory care beds, the market appears to be under-bedded. The unmet demand for memory care beds is projected to exceed 217 beds by 2019 and 263 beds by 2021.

Attachment 9:
Fact Sheets from the
Alzheimer's Association



ALZHEIMER'S STATISTICS ALABAMA

alzheimer's  association®

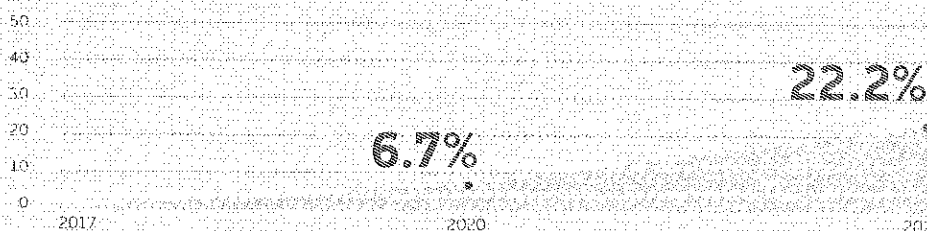
THE BRAINS BEHIND SAVING YOURS.

65+ NUMBER OF PEOPLE AGED 65 AND OLDER WITH ALZHEIMER'S BY AGE*

Year	65-74	75-84	85+	TOTAL
2017	15,000	40,000	35,000	90,000
2020	16,000	43,000	37,000	96,000
2025	18,000	52,000	41,000	110,000

* Totals may not add due to rounding

Percentage change from 2017



U.S. STATISTICS

Over **5 million** Americans are living with Alzheimer's, and as many as **16 million** will have the disease in 2050. The cost of caring for those with Alzheimer's and other dementias is estimated to total **\$259 billion** in 2017, increasing to **\$1.1 trillion** (in today's dollars) by mid-century. Nearly **one in every three** seniors who dies each year has Alzheimer's or another dementia.

HOSPICE

of people in hospice with a primary diagnosis of dementia

5,891

% of people in hospice with a primary diagnosis of dementia

21%

MEDICAID COSTS OF CARING FOR PEOPLE WITH ALZHEIMER'S 2017

\$797
MILLION

% change in Medicaid costs from 2017 to 2025

37%

NUMBER OF DEATHS FROM ALZHEIMER'S DISEASE IN 2014

1,885

6th leading cause of death in Alabama

9th highest Alzheimer's death rate in America

111% increase in Alzheimer's deaths since 2000



For more information, view the **2017 Alzheimer's Disease Facts and Figures** report at alz.org/facts.

NUMBER OF ALZHEIMER'S AND DEMENTIA CAREGIVERS, HOURS OF UNPAID CARE, AND COSTS OF CAREGIVING

Year	Number of Caregivers	Total Hours of Unpaid Care	Total Value of Unpaid Care	Higher Health Costs of Caregivers
2016	303,000	345,000,000	\$4,359,000,000	\$188,000,000

2017 ALZHEIMER'S DISEASE FACTS AND FIGURES

**MORE
THAN**

15 MILLION AMERICANS
provide unpaid care for people with
Alzheimer's or other dementias

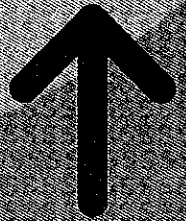
**IN
2016**

these caregivers provided
an estimated
18.2 BILLION HOURS
of care valued at over
\$230 BILLION

In 2017, Alzheimer's and other
dementias will cost the nation
\$259 billion

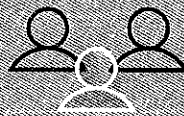
By 2050, these costs could
rise as high as

\$1.1 TRILLION



35% of caregivers for people with
Alzheimer's or another dementia
report that their health has gotten worse
due to care responsibilities, compared to

19% of caregivers for older people
without dementia



1 IN 3

seniors dies
with Alzheimer's or
another dementia



Since 2000, deaths
from heart disease have
decreased by 14%

while deaths from
Alzheimer's disease have
increased by 89%

**IT KILLS
MORE THAN**

breast cancer
and prostate cancer

COMBINED



**ALZHEIMER'S DISEASE IS THE
6TH LEADING CAUSE
OF DEATH IN THE UNITED STATES**

**MORE THAN
5 MILLION
AMERICANS ARE
LIVING WITH
ALZHEIMER'S
BY 2050, THIS
NUMBER COULD
RISE AS HIGH AS
16 MILLION**

EVERY



SECONDS

someone in the
United States
develops the disease

alzheimer's  association®

THE BRAINS BEHIND SAVING YOURS®

factsheet

MARCH 2016

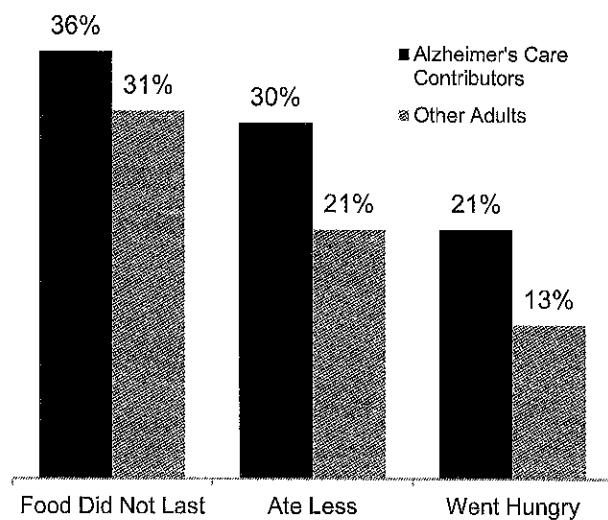
alz.org®

2016 Alzheimer's Disease Facts and Figures

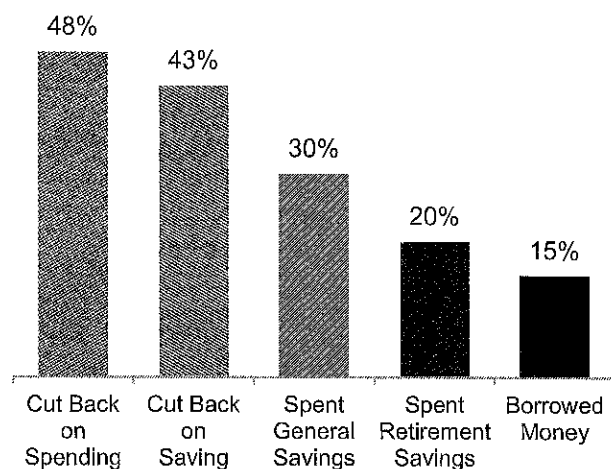
Alzheimer's takes a devastating toll – not just on those with the disease, but on entire families.

- Nearly half of care contributors – those who are caregivers of someone with Alzheimer's and/or contribute financially to their care – cut back on their own expenses (including food, transportation and medical care) to pay for dementia-related care of a family member or friend.
- Care contributors are 28 percent more likely than other adults to eat less or go hungry because they cannot afford to pay for food.
- One in five care contributors cut back on their own doctor visits because of their care responsibilities. And, among caregivers, 74 percent report they are "somewhat" to "very" concerned about maintaining their own health since becoming a caregiver.
- On average, care contributors lose over \$15,000 in annual income as a result of reducing or quitting work to meet the demands of caregiving.
- In total, 15.9 million family and friends provided 18.1 billion hours of unpaid care in 2015 to those with Alzheimer's and other dementias. That care had an estimated economic value of \$221.3 billion.

Consequences of Not Being Able to Afford Food, by Percent of Individuals



Financial Steps Taken to Help Pay for the Needs of Someone with Alzheimer's, by Percent of Care Contributors



Facts in Your State

The 2016 Alzheimer's Disease Facts and Figures report also contains state-by-state data on the impact of the disease. Find the full report and information on your state at www.alz.org/facts.

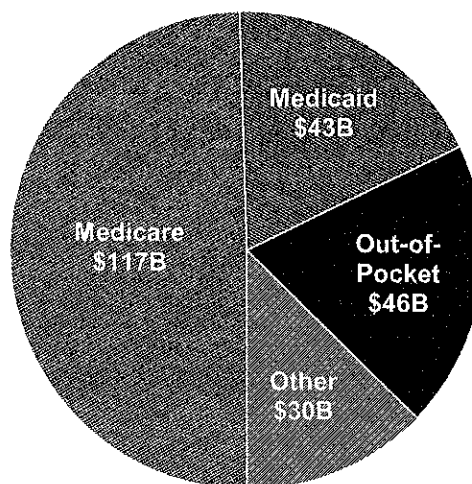
The number of Americans living with Alzheimer's disease is growing – and growing fast.

- Today, 5.4 million Americans are living with Alzheimer's disease, including an estimated 200,000 under the age of 65. By 2050, up to 16 million will have the disease.
- Nearly two-thirds of those with Alzheimer's disease – 3.3 million – are women.
- By 2025, 20 states will see at least 35 percent or greater growth in the number of people with Alzheimer's.
- Someone in the United States develops Alzheimer's every 66 seconds. In 2050, someone in the United States will develop the disease every 33 seconds.

The growing Alzheimer's crisis is helping to bankrupt Medicare.

- In 2016, the direct costs to American society of caring for those with Alzheimer's will total an estimated \$236 billion, with just under half of the costs borne by Medicare.
- Nearly one in every five Medicare dollars is spent on people with Alzheimer's and other dementias. In 2050, it will be one in every three dollars.
- Average per-person Medicare spending for those with Alzheimer's and other dementias is three times higher than average per-person spending across all other seniors. Medicaid payments are 19 times higher.
- Unless something is done, in 2050, Alzheimer's will cost \$1.1 trillion (in 2016 dollars). Costs to Medicare will increase 365 percent to \$589 billion.

2016 Costs of Alzheimer's = \$236 Billion



Alzheimer's is not just memory loss – Alzheimer's kills.

- Alzheimer's disease is the 6th leading cause of death in the United States and the 5th leading cause of death for those aged 65 and older.
- In 2013, over 84,000 Americans officially died *from* Alzheimer's; in 2016, an estimated 700,000 people will die *with* Alzheimer's – meaning they will die after having developed the disease.
- Deaths from Alzheimer's increased 71 percent from 2000 to 2013, while deaths from other major diseases (including heart disease, stroke, breast and prostate cancer, and HIV/AIDS) decreased.
- Among 70-year olds, 61 percent of those with Alzheimer's are expected to die before the age of 80 compared with 30 percent of people without Alzheimer's – a rate twice as high.
- Alzheimer's is the only cause of death among the top 10 in America that cannot be prevented, cured, or even slowed.

Attachment 10:
Summary of SCALF Annual
Reports Filed with SHPDA
2011-2016 for Facilities
Located in Montgomery
County, Alabama

2011 SUMMARY OF SCALF ANNUAL REPORTS FILED WITH SHPDA

Facility ID	Facility	Beds	Total Patient Days	Occupancy Rate	Notes
101-S5115	Angels for the Elderly I	16	5766	98.7	
101-S5101	Angels for the Elderly II	16	5729	98.1	
101-S5102	Angels for the Elderly III	16	5522	94.6	
101-S5110	Angels for the Elderly IV	16	5617	96.2	
101-S5127	Country Cottage-Holly	16	5689	97.4	
101-S5116	Country Cottage-Magnolia				Opened 5/23/15
101-S5129	Elmercroft of Halcyon	16	4745	81.3	Facility reported only 13 beds in use, but the total authorized complement of 16 is included here. With 13, the occupancy rate would have been 100.0%.
101-S5103	Waterford Place	50	11890	65.2	Facility reported only 34 beds in use, but the total authorized complement of 50 is included here. With 13, the occupancy rate would have been 95.8%.
101-S5119	Wesley Gardens	16	4356	74.6	
101-S5113	Cedars				No report filed with SHPDA
	TOTAL	162	49,314	83.4	If only beds reported in use are included, the occupancy rate would have been 94.5%.

2012 SUMMARY OF SCALF ANNUAL REPORTS FILED WITH SHPDA

Facility ID	Facility	Beds	Total Patient Days	Occupancy Rate	Notes
101-S5115	Angels for the Elderly I				Report filed with SHPDA did not include occupancy data.
101-S5101	Angels for the Elderly II	16	5694	97.2	
101-S5102	Angels for the Elderly III	16	5618	95.9	
101-S5110	Angels for the Elderly IV	16	5571	95.1	
101-S5127	Country Cottage-Holly	16	5406	92.6	
101-S5116	Country Cottage-Magnolia				Opened 5/23/15.
101-S5129	Elmcroft of Halcyon	16	4758	81.3	Facility reported only 13 beds in use, but the total authorized complement of 16 is included here. With 13, the occupancy rate would have been 100.0%.
101-S5103	Waterford Place	50	11944	65.3	Facility reported only 33 beds in use, but the total authorized complement of 50 is included here. With 33, the occupancy rate would have been 100.0%.
101-S5119	Wesley Gardens	16	5281	90.2	
101-S5113	Cedars	61	17200	77.0	
	TOTAL	207	61,472	81.1	If only beds reported in use are included, the occupancy rate would have been 89.8%.

2013 SUMMARY OF SCALF ANNUAL REPORTS FILED WITH SHPDA

Facility ID	Facility	Beds	Total Patient Days	Occupancy Rate	Notes
101-S5115	Angels for the Elderly I	16	5670	97.1	
101-S5101	Angels for the Elderly II	16	5694	97.2	
101-S5102	Angels for the Elderly III	16	5408	92.6	
101-S5110	Angels for the Elderly IV	16	5670	97.1	
101-S5127	Country Cottage-Holly	16	5487	93.9	
101-S5116	Country Cottage-Magnolia				Opened 5/23/15
101-S5129	Elmcroft of Halcyon	16	4745	81.3	Facility reported only 13 beds in use, but the total authorized complement of 16 is included here. With 13, the occupancy rate would have been 100.0%.
101-S5103	Waterford Place	50	12410	68.0	Facility reported only 31 beds in use, but the total authorized complement of 50 is included here. With 31, the occupancy rate would have been 100.0%.
101-S5119	Wesley Gardens	16	5182	88.7	
101-S5113	Cedars	61	20039	90.0	
	TOTAL	223	70,035	86.4	If only beds reported in use are included, the occupancy rate would have been 95.5%.

2014 SUMMARY OF SCALF ANNUAL REPORTS FILED WITH SHPDA

Facility ID	Facility	Beds	Total Patient Days	Occupancy Rate	Notes
101-S5115	Angels for the Elderly I	16	5474	93.7	
101-S5101	Angels for the Elderly II	16	4867	83.3	
101-S5102	Angels for the Elderly III	16	4888	83.7	
101-S5110	Angels for the Elderly IV	16	5647	96.7	
101-S5127	Country Cottage-Holly	16	5557	95.2	
101-S5116	Country Cottage-Magnolia				Opened 5/23/15.
101-S5129	Elmcroft of Halcyon	16	4278	73.3	
101-S5103	Waterford Place	50	12775	70.0	Facility reported only 31 beds in use, but the total authorized complement of 50 is included here. With 31, the occupancy rate would have been 100.0%.
101-S5119	Wesley Gardens	16	4784	81.9	
101-S5113	Cedars				License terminated July 2013.
	TOTAL	162	48,270	81.6	If only beds reported in use are included, the occupancy rate would have been 92.5%.

2015 SUMMARY OF SCALF ANNUAL REPORTS FILED WITH SHPDA

Facility ID	Facility	Beds	Total Patient Days	Occupancy Rate	Notes
101-S5115	Angels for the Elderly I	16	5477	93.8	
101-S5101	Angels for the Elderly II	16	4672	80.0	
101-S5102	Angels for the Elderly III	16	5412	92.7	
101-S5110	Angels for the Elderly IV	16	5503	94.2	
101-S5127	Country Cottage-Holly	16	5548	95.0	
101-S5116	Country Cottage-Magnolia	16	3497	98.0	Opened 5/23/15.
101-S5129	Elmcroft of Haleyon	16	4681	80.2	
101-S5103	Waterford Place	50	11315	62.0	Facility reported only 32 beds in use, but the total authorized complement of 50 is included here. With 32, the occupancy rate would have been 96.9%.
101-S5119	Wesley Gardens	16	5706	97.7	
101-S5113	Cedars				License terminated July 2013.
	TOTAL	178	51,811	82.6	If only beds reported in use are included, the occupancy rate would have been 92.4%.

2016 SUMMARY OF SCALF ANNUAL REPORTS FILED WITH SHPDA

Facility ID	Facility	Beds	Total Patient Days	Occupancy Rate	Notes
101-S5115	Angels for the Elderly I	16	5543	94.7	
101-S5101	Angels for the Elderly II	16	5080	86.7	
101-S5102	Angels for the Elderly III	16	5366	91.6	
101-S5110	Angels for the Elderly IV	16	5594	95.5	
101-S5127	Country Cottage-Holly	16	4308	73.8	
101-S5116	Country Cottage-Magnolia	16	5252	89.7	
101-S5129	Elmcroft of Halcyon	16	4968	85.1	
101-S5103	Waterford Place				No report filed with SHPDA
101-S5119	Wesley Gardens	16	5352	91.4	
101-S5113	Cedars				License terminated July 2013.
	TOTAL	128	41,463	88.5	

Attachment 11: Letters of Support



City of **Montgomery**, Alabama

Office of the
CITY COUNCIL

Todd Strange, Mayor

City Council Members

Charles W. Jinright, President

Tracy Larkin - Pres. Pro Tem

Fred F. Bell

Richard N. Bollinger

David M. Burkette

William A. Green, Jr.

Arch M. Lee

Brantley W. Lyons

Glen O. Pruitt, Jr.

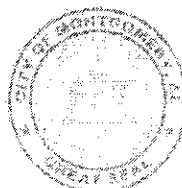
March 30, 2017

TO WHOM IT MAY CONCERN:

My name is Charles W. Jinright and I am President of the Council of the City of Montgomery, Alabama. I wish to express my support for and authorization of additional specialty care assisted living beds at Eastchase Senior Housing Facility in Montgomery, Alabama. It is my hope that the beds will be placed in the area proposed by Eastchase Senior Housing Facility, as I believe it is imperative to maintaining the continuity of care for residents of Montgomery, Alabama.

Sincerely,

Charles W. Jinright, President
Montgomery City Council





April 13, 2017


TO WHOM IT MAY CONCERN:

My name is Gary J. Oos and I am President of the Wynlakes Homeowners' Association.

During February, 2017 the Board of Directors of our Association attended a briefing regarding the proposed development of the Eastchase Senior Housing Facility. Subsequently, the Board was unanimous in its support for this facility and the required rezoning prior to beginning construction. Now, speaking on behalf of the Board, we extend our support for approval of specialty care assisted living beds at this facility.

The Board sees the Eastchase Senior Housing Facility as a valuable addition to the further development of East Montgomery. But, more importantly, it will help meet the needs of residents in the Montgomery Metropolitan area.

Sincerely,



Gary J. Oos
President