

PLATTE COUNTY LONG-TERM CARE STUDY

OVERVIEW

The Platte County Hospital District (“PCHD”) retained Community Builders, Inc. (“CBI”), a Wyoming-based consulting firm, to conduct a Long-Term Care Facility Study. The goal was to evaluate the community’s needs and desires, weigh them against the capacity of the existing nursing home facility, and then provide a plan for the future.

CBI initially met with PCHD Board members and other interested members of the public. An Advisory Committee was formed to provide guidance to the process. CBI then developed a Public Participation Plan **(TAB 2)**, designed to more fully engage the public. The Public Participation Plan was accepted by PCHD, and focused on surveys of the community and local stakeholders.

The community surveys and the Advisory Committee surveys established a consensus that the existing nursing home is not adequately meeting the long-term care needs of local residents. The lack of ADA-compliant toilets in the rooms, a lack of private rooms, a need for more and larger rooms and the need to contract kitchen and laundry facilities topped the list of shortcomings. Other long-term care needs cited in the surveys included a need for memory care and assisted living. Survey results from both groups were further discussed with PCHD with a PowerPoint presentation **(TAB 3)**.

CBI then developed an objective perspective of local needs, and prepared a Long-Term Care Market Analysis **(TAB 4)**. CBI’s analysis was completed in November 2010. It concluded that there was a growing demand for nursing home units in Platte County (up to 50 are needed), as well as demand for an assisted living facility (22 units). The analysis concluded that there was not sufficient need in the market area for memory care units at this time.

Having established local support, and determined an objective need for long-term care, PCHD then called for an architectural/engineering review of the existing nursing home. Nelson Architects, LLC (and contract engineers) completed their preliminary analysis in January 2011 **(TAB 5)**. The preliminary study identified several options for PCHD to address the county’s long-term care needs. PCHD ultimately chose to pursue Option 4 - construction of a 50-bed Nursing Home and a 22 unit Assisted Living Facility in a new facility on a new site, but also wanted to add a plan for adaptive re-use of the existing facility.

Nelson Architects then finalized their Facility Evaluation Report **(TAB 6)**, to include PCHD’s preferred option. Option 4(A) allows for a phased approach. Phase One would be construction of the nursing home and support spaces, sized to accommodate the addition of Phase Two which would be the 22 bed assisted living facility. This would create an



"aging in place" campus environment. Phase Three would encompass an adaptive re-use plan of the existing nursing home.

In their evaluation report, Nelson Architects, LLC provided conceptual planning costs for a new 31,517 square foot Nursing Home and a new 14,791 square foot Assisted Living Facility. Total cost of both facilities is \$8,999,247, with the important qualifier that no cost for site acquisition is included. If PCHD chooses to proceed with the phased approach, cost estimates break-out at \$6,304,703 for the Nursing Home and support spaces and \$2,694,544 for the Phase II Assisted Living Facility. \$1.1 million is added as a placeholder for the cost of basic remodeling and repairs necessary to allow continued use of this facility (roof demolition and replacement and asbestos abatement) and a \$50/s.f. allowance for overall budgeting purposes for "all other remodel." Nelson Architects, LLC also recommended using a minimum 5% inflation factor for each year that passes until construction is completed.

The size of these facilities was determined by using a preliminary space allocation program. The PCHD Board of Directors provided guidance on the size of residents' rooms, which are intended to be more spacious and with a higher ratio of private to semi-private rooms than the existing nursing home. Because the nursing home is actually an expansion of an ongoing program, rather than a start-up enterprise, creation of an operating reserve should not be necessary.

CBI created an Implementation/Funding Plan for PCHD to accomplish the construction goals included in Option 4A (**TAB 7**). More particularly, this plan provides an overview of funding opportunities to build the new nursing home and for the adaptive re-use of the existing nursing home.

The construction and operation of the proposed assisted living facility is addressed in a separate document prepared by CBI, the Platte County ALF Business Plan (**TAB 8**). Because the net income from the assisted living facility can supplement Platte County's operation of the new nursing home, it was important to develop an operational plan in order to estimate the amount of future income.