

**Arkansas Health Services Permit Commission
Permit of Approval Meeting
Mosaic Templars State Temple
906 Broadway, Suite 200
Little Rock, AR 72201
September 19, 2024
10:00 A.M.**

MINUTES

Presiding: Mr. Murry Reagor

Members Present: Dr. Jack Robertson
Mr. Eric Bell (on phone)
Ms. Jamie Ewing (DHS designee)
Mr. John Montgomery
Mr. Haden Gilder

Member(s) Absent: Mr. David Deaton
Dr. Jerrod Anderson(resigned)

Health Services
Agency Staff: Director Sandra Hollowell
Ms. Traci Harris
Ms. Jennifer Cooper

Legal Counsel: Michael Bynum

Guests: On Sign-in sheet

I. COMMISSION BUSINESS

Chairman Reagor called the meeting to order at 9:59 a.m. Chairman Reagor then called for a motion to approve the minutes from the May 21, 2024 meeting.

MINUTES: A motion was made by Mr. Gilder to approve the minutes of the May 21, 2024 Commission meeting. The motion was seconded by Mr. Montgomery. A voice vote was taken and the motion carried.

Chairman Reagor welcomed new Agency Director Sandra Hollowell and she introduced herself and provided information on her background to the Commission and attendees.

Director Sandra Hollowell reviewed the Agency Application Decisions of the June Review Cycle.

LEGAL UPDATE

There was no legal update.

NEW BUSINESS

Nomination and Election of Chair and Vice Chair for the Commission

Murry Reagor, Chairman called for a motion of nomination and election for Chair and Vice Chair of the Commission.

Motion: A motion was made by Mr. Montgomery to elect Mr. Bell for Chair of the Commission and Mr. Gilder for Vice Chair of the Commission and the motion was seconded by Dr. Robertson. A voice vote was taken and the motion carried.

II. EXTENSION REQUESTS

- 1. Trinity Health & Rehab, Garland Co., File# HSPA (1621) - requested their first six-month extension to complete the foundation. Trinity Health & Rehab offers the following to demonstrate “good cause” for extending the time to complete the foundation. At this time, the owners of the Permit Holder are reviewing the construction options and feasibility of a new facility within Garland County. The owners of the Permit Holder operate other facilities in the county which currently have consistently high occupancy rates, including a facility with almost 100% occupancy as of the July 2024 Bed Need Book. Given the success and community commitment to these currently operating facilities, the owner of the Permit Holder has determined that these beds may be better utilized in expanding current skilled nursing facilities in the community. Ms. Amy Wilbourn was present and gave an update.**

Motion: A motion was made by Mr. Montgomery and seconded by Mr. Gilder to grant the first six-month extension to complete the foundation. A voice vote was taken, and the motion carried.

- 2. Meadowview of Fayetteville, Washington Co., File# HSPA (1622) - requested their second six-month extension to obtain the construction contract. Meadowview offers the following to demonstrate “good cause” extending the time to execute a construction contract for this project. As you know, this Permit is for the construction of a 115-room community facility including fifty-seven (57) independent living units and fifty-eight (58) bed Assisted Living Facility Level II units in Fayetteville, Arkansas. Previously, we reported that the Permit Holder had been working diligently to work through some unexpected easement issues on the property, as required by the City of Fayetteville in its lot split process. The Permit Holder has been considering the best options for construction and is reviewing bids previously solicited to confirm a construction contract. Ms. Amy Wilbourn was present and gave an update.**

Motion: A motion was made by Mr. Gilder and seconded by Mr. Montgomery to grant the second six-month extension to obtain the construction contract. A voice vote was taken and the motion carried.

3. **Quail Run Health and Rehab, Poinsett Co., File# HSPA (1598)** - requested their **fourth** six-month extension to obtain a construction contract. Quail Run Health and Rehab recently received an Order from the Agency on July 12, 2024 referring its application to transfer the POA from Om ACQ, LLC to Poinsett Co RE, LLC, to the commission for approval. In the Order the Agency stated that the application for transfer "DOES" meet the criteria for transfer. Upon approval by the commission, the need for this extension will be relieved, as the transferee has a construction contract impending the receipt of this transfer. Should the commission not approve the transfer, this extension will be needed for the original and current POA holder to take assignment of the construction contract. Commissioner Bell recused himself from discussion and vote. Commissioner Bell was present on the call and gave an update. Commissioner Bell **withdrew** the extension request due to the approval of the POA transfer.
4. **Applewood Trail Health and Rehab, Craighead Co., File# HSPA (1579)** - requested their **seventh** six-month extension to obtain a construction contract. Applicant states the planned facility's architecture could not be engineered to fit on the original site at 2911 Browns Lane, Jonesboro, Arkansas. Thus, the permit holder has been searching for a new site location for some time. At this point, a new site has been identified and the permit holder is currently working through negotiations to acquire the site. Upon closing of the site, the permit holder expects this project to move forward expeditiously. However, until such time as the permit holder closes on the new site acquisition a construction contract will not be executed. Commissioner Bell recused himself from discussion and vote. Commissioner Bell present on the call and gave an update.

Motion: A motion was made by Mr. Montgomery and seconded by Mr. Gilder to grant the seventh six-month extension to obtain the construction contract. The Commission asked Commissioner Bell to submit a 3-month update to the agency. A voice vote was taken and the motion carried.

5. **Mill Creek Health and Rehab, Washington Co., File# HSPA (1575)** - requested their **seventh** six-month extension to complete the foundation. Mill Creek H&R offers the following to demonstrate "good cause" for extending the time to complete the foundation for this project. As you know, this project was initiated as a replacement facility to accommodate beds from a closed facility located in Washington County, with the addition of previously approved beds. The Permit Holder has successfully worked with the City of Springdale to obtain the necessary permits and approvals to initiate construction of the foundation. The City of Springdale recently approved the building permit to allow construction to begin. Construction of the foundation is in its initial stages and is anticipated to be completed within the next ninety (90) days. The Permit Holder anticipates that no further extension requests to complete the foundation will be necessary. Ms. Amy Wilbourn was present and gave an update.

Motion: A motion was made by Mr. Gilder and seconded by Dr. Robertson to grant the seventh six-month extension to complete the foundation. A voice vote was taken and the motion carried.

6. **Saline Manor fka Stoneybrook Health & Rehab Center, Saline Co., File# HSPA (1460)** – requested their **seventeenth** six- month extension to complete the foundation. Stoneybrook Health & Rehab offers the following to demonstrate "good cause" for extending the time to complete the foundation. As previously reported, the City of Benton's Planning Commission is currently reviewing the Site Development Plan for final approval of the necessary building permit for this project. It is anticipated that the building permit will be issued in the coming month. Preparation site work is in progress, and construction of the foundation is expected to begin by the end of the calendar year. Ms. Amy Wilbourn was present and gave an update.

Motion: A motion was made by Dr. Robertson and seconded by Mr. Montgomery to grant the seventeenth six-month extension to complete the foundation. A voice vote was taken, and the motion carried.

III. MOVEMENT OF BEDS

- 1. The Blossoms at Hot Springs, Garland Co.,** requested to have the twelve (12) beds they had transitioning to The Blossoms at Fort Smith in Sebastian Co. transferred back to their facility in Garland Co. Mr. Israel Ganz was present on the call and gave an update.

Motion: A motion was made by Mr. Montgomery and seconded by Mr. Gilder to grant the transfer of the twelve (12) transitioning beds from the Blossoms at Fort Smith in Sebastian Co. back to The Blossoms at Hot Springs, Garland Co. A voice vote was taken, and the motion was carried.

- 2. Short Mountain Lodge Residential Care, Mulberry Lodge, Clarksville Retirement Center, Greenwood Retirement Center, and Sebastian County Retirement Center,** requested to have fifty-one (51) RCF beds transferred from Magnolia Retirement Center RCF in Pulaski County, Arkansas to be distributed between each of their facilities. Ms. Ashley Hudson was present and gave an update.

Motion: A motion was made by Mr. Gilder and seconded by Dr. Robertson to grant the movement of fifty-one (51) beds from Magnolia Retirement Center RCF in Pulaski Co. The Blossoms at West Dixon in Pulaski County, Arkansas to be distributed between the following facilities: Short Mountain Lodge Residential Care (6 beds), Mulberry Lodge (9 beds), Clarksville Retirement Center (16 beds), Greenwood Retirement Center (8 beds), and Sebastian County Retirement Center (12 beds). A voice vote was taken, and the motion was carried.

- 3. Bradford House Nursing and Rehab, Benton Co.,** requested an intercounty movement of beds. Have twelve (12) beds moved from Johnson County Health and Rehab in Johnson County to their facility in Benton County. Ms. Amy Wilbourn was present and gave an update.

Motion: A motion was made by Mr. Montgomery and seconded by Mr. Gilder to grant the movement of twelve (12) beds from Johnson County Health and Rehab in Johnson County to Bradford House Nursing and Rehab in Benton County. A voice vote was taken, and the motion was carried.

IV. REFERRED TO THE COMMISSION

- 1. Poinsett CO RE, LLC d/b/a Quail Run Health and Rehab** referred to the Commission for a decision on applicant meeting the required criteria and transfer of Permit of Approval held by OM ACQ, LLC, HSPA File# (1598)22, POA# 1110, to Poinsett CO RE, LLC for replacing an existing seventy-seven (77) bed Nursing Facility located in Poinsett Co. and adding fifteen (15) beds from Oak Ridge Health and Rehabilitation for a total of ninety-two (92) beds located at 333 Melody Drive, Trumman, Arkansas, Poinsett County.

Motion: A motion was made by Mr. Montgomery and seconded by Dr. Robertson to grant the transfer of the Permit of Approval held by OM ACQ, LLC, HSPA File# (1598)22, POA# 1110, to Poinsett CO RE, LLC for replacing an existing seventy-seven (77) bed Nursing Facility located in Poinsett Co. and adding fifteen (15) beds from Oak Ridge Health and Rehabilitation for a total of ninety-two (92) beds located at 333 Melody Drive, Trumman, Arkansas, Poinsett County. A voice vote was taken and the motion was carried.

V. OTHER BUSINESS

1. Health Services Permit Commission Home Health Subcommittee report from meetings held on July 22, 2024 and August 19, 2024.

The Agency provided update on the HSP Commission Home Health Subcommittee. The subcommittee was formed with Home Health stakeholders e.g. Home Care Association representatives, Health Care Association representative, Home Health providers, DHS, and two (2) Commissioners. The Subcommittee discussed in their two (2) meetings the Home Health industry and the impact of Act 817 of 2021 on the Home Health need methodology. Also, looked at the ADH- Health Facility Services Home Health provider list and the HSPA Bed Need Book Home Health Agency section mirroring each other and revising the Home Health Exception wording and placement in the HSPA Rule Book.

VI. APPEAL HEARING

1. Step by Step Health File# HSPA (1626)23 appeal of the Agency's decision to approve their application to provide Home Health Services Class "A" to Faulkner County from an office in Conway, Arkansas.

Hearing Officer, Charles Moulton, called the hearing to order at 11:45 a.m. with the following Commission members present:

Representing Step by Step Health (the appellee) was, Phyllis Green and Sylvester Smith (attorney); representing Thrive (appellant) was Michelle Mantuano and Ashley Hudson (attorney); representing Care IV (appellant) was Steven Hammond and Bruce Tidwell (attorney); representing Elite Home Health (appellant) was Kelly Smith and Gabriel Mallard (attorney) and representing the Agency was Michael Bynum, attorney from the Arkansas Attorney General Office. Witnesses announced for all parties were sworn in, and following the testimony of the witnesses, exhibits were introduced, the arguments of counsel, and discussion among the members of the Commission, the following motions were made:

Motion one (1): A motion was made by Mr. Montgomery and seconded by Ms. Ewing to accept the Findings of Fact as presented today. A voice vote was taken, and the motion carried.

Motion two (2): A motion was made by Mr. Montgomery and seconded by Mr. Gilder to accept the Conclusions of Law, Item number 1: applicant does not meet the need requirement under the Population-Based Home Health Methodology pursuant to HSC Reg. 300M.A.1.

Motion three (3): A motion was made by Mr. Montgomery and seconded by Mr. Gilder to not accept the Conclusions of Law, Item number 2: the applicant does meet the burden of proving entitlement to a POA under the Exception provision of HSC Reg. 300M.A.2. The Commission hereby orders that the applicant, Step by Step Health, Inc. be denied a Permit of Approval (POA) for the purpose of providing Home Health Services Class "A" to Faulkner County from an office in Conway, Arkansas. With the denial of Item 2, Items 3-4, of the Conclusions of Law were determined irrelevant. A voice vote was taken and there was one (1) no vote. The motion carried.

The hearing was closed at 2:16 p.m.

There being no further business the meeting was adjourned.