

STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION

FILED
AHCA
AGENCY CLERK

2017 SEP 20 P 3: 53

NORTH FLORIDA REGIONAL MEDICAL
CENTER, INC.,

Petitioner,

vs.

DOAH CASE NO.: 17-3887CON
AHCA CASE NO.: 2017006918
CON NO.: 10481

STATE OF FLORIDA, AGENCY FOR
HEALTH CARE ADMINISTRATION,

Respondent.
_____ /

MUNROE REGIONAL MEDICAL CENTER,

Petitioner,

vs.

DOAH CASE NO.: 17-3888CON
AHCA CASE NO.: 2017006819
CON NO.: 10478

STATE OF FLORIDA, AGENCY FOR
HEALTH CARE ADMINISTRATION,

Respondent.
_____ /

MARION COMMUNITY HOSPITAL, INC.,
d/b/a WEST MARION COMMUNITY
HOSPITAL and OCALA REGIONAL
MEDICAL CENTER,

Petitioners,

vs.

DOAH CASE NO.: 17-3889CON
AHCA CASE NO.: 2017006914
CON NO.: 10477

STATE OF FLORIDA, AGENCY FOR
HEALTH CARE ADMINISTRATION,

Respondent.
_____ /

SHANDS TEACHING HOSPITAL AND
CLINICS, INC., d/b/a UF HEALTH
SHANDS REHAB HOSPITAL,

Petitioner,

v.

DOAH CASE NO.: 17-3902CON
AHCA CASE NO.: 2017007463
CON NO.: 10480

STATE OF FLORIDA, AGENCY FOR
HEALTH CARE ADMINISTRATION,

Respondent.

FINAL ORDER

THIS CAUSE is before the State of Florida, Agency for Health Care Administration (“the Agency”) concerning the approval of Shands Teaching Hospital And Clinics, Inc., d/b/a UF Health Shands Rehab Hospital (“UF Health”) Certificate of Need (“CON”) Application No. 10480 to establish a 40-bed replacement comprehensive medical rehabilitation (“CMR”) hospital in District 3, Alachua County. The Agency being fully advised in the premises finds as follows:

1. The Agency approved UF Health’s CON Application No. 10480 to establish a 40-bed replacement comprehensive medical rehabilitation hospital in District 3, Alachua County.
2. UF Health’s CON Application No. 10480 was reviewed at the same time as other applications seeking to establish new CMR units at existing hospitals. Marion Community Hospital, Inc. d/b/a West Marion Community Hospital and Ocala Regional Medical Center (“Marion Community”) filed CON No. 10477 to establish a 30-bed CMR unit. Munroe HMA Hospital, LLC d/b/a Timberidge Hospital (“Munroe”) filed CON No. 10478 to establish a 16-bed CMR unit and CON No. 10478P, a partial request for a 10-bed CMR unit. North Florida Regional Medical Center, Inc. d/b/a North Florida Regional Medical Center (“North Florida Regional”) filed CON No. 10479 to establish a 20-bed CMR unit.

3. The Agency denied CON Nos. 10477, 10478, 10478P and 10479.

4. On June 23, 2017, Munroe filed a petition challenging the Agency's approval of UF Health's Application, and challenging the denial of its CON Application No. 10478 and 10478P.

5. On June 27, 2017, North Florida Regional filed a petition challenging the Agency's approval of UF Health's CON Application No. 10480 and challenging the denial of its CON Application No. 10479.

6. On June 27, 2017, Marion Community filed a petition challenging the Agency's approval of UF Health's CON Application No. 10480, and challenging the denial of its CON Application No. 10477.

7. UF Health filed a Petition to challenge any and all other co-batched applications, pursuant to Rule 59C-1.012, Florida Administrative Code. This petition filed by UF Health seeks that the Division of Administrative Hearings uphold the Agency's preliminary approval of UF Health's CON Application No. 10480, and uphold the denials of CON Application No. 10477, No. 10478, No. 10478P and No. 10479.

8. The Agency assigned the following CON numbers to applications at issue in this proceeding and rendered decision with regard to the beds sought as follows:

CON #10480	Applicant UF Health	Amount of Beds 40	Approved
CON #10477	Applicant Ocala Regional	Amount of Beds 30	Denied
CON #10478	Applicant Munroe	Amount of Beds 16	Denied
CON #10479	Applicant North Florida Regional	Amount of Beds 20	Denied

9. In Volume 43, Number 13, of the Florida Administrative Register, dated January 20, 2017, the Agency announced a need for zero (0) additional comprehensive medical rehabilitation beds in District 3, which consists of Alachua, Bradford, Citrus, Columbia, Dixie,

Gilchrist Hamilton, Hernando, Lafayette, Lake, Levy, Marion, Putnam, Sumter, Suwannee and Union counties. See Rule 59C-1.039(5)(a) - (c), Fla. Admin. Code.

10. UF Health filed CON Application No. 10480 to establish a replacement 40-bed replacement comprehensive medical rehabilitation hospital. UF Health did not seek to add any CMR beds through its application. UF Health's proposed replacement comprehensive medical rehabilitation hospital does not increase the number of comprehensive medical rehabilitation beds in District 3.

11. Each of the denied applicants filed applications to establish new comprehensive medical rehabilitation beds that would result in an increase in the number of comprehensive medical rehabilitation beds in District 3. Each argued that "special circumstances" justified the approval of their respective proposals, despite the absence of any predicted need, using the Agency's well-established methodology. See Fla. Admin. Code R. 59C-1.039(3)(d), (5)(e).

12. On July 3, 2017, the Agency published notice of the litigation initiated by the denied applicants. See Fla. Admin. Reg., Vol. 43, No. 128 (July 3, 2017). Pursuant to Rule 59C-1.012(2)(a), Florida Administrative Code, the Agency's notice invited approved applicants, like UF Health, to file a petition in order to place competing applicants' denied applications at issue. Rule 59C-1.012(2)(a) provides a 10-day deadline to file any such petition.

13. The petitions filed by the denied applicants requested the denial of UF Health's preliminarily approved CON Application No. 10480.

14. The petitions were forwarded to the Division of Administrative Hearings and later consolidated for hearing.

15. On August 18, 2017, the following parties filed the following pleadings: North Florida Regional Medical Center, Inc., filed a Notice of Voluntary Dismissal; Munroe Regional

Medical Center, filed a Notice of Voluntary Dismissal; Marion Community Hospital, Inc., d/b/a West Marion Community Hospital; and Ocala Regional Medical Center, filed a Notice of Voluntary Dismissal.

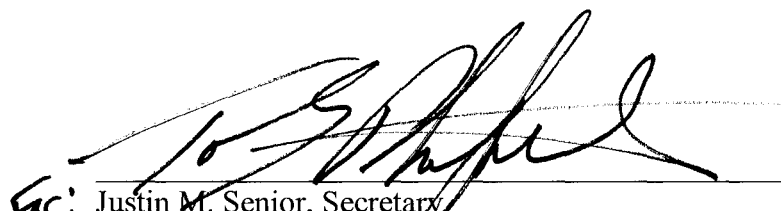
16. As a result of the filing of each respective Notice of Voluntary Dismissal there is not a challenge pending as to the preliminarily approved UF Health's Certificate of Need ("CON") Application No. 10480 to establish a 40-bed replacement comprehensive rehabilitation hospital in District 3, Alachua County. In addition, the challenging parties have dismissed their requests for approval of a certificate of need program.

It is therefore **ORDERED:**

1. The Agency's approval of UF Health's CON No. 10480 to establish a 40-bed replacement comprehensive medical rehabilitation hospital in District 3, Alachua County, is UPHELD and CON Application No. 10480 shall be issued to UF Health.

2. The Agency's denials of CON No. 10477, CON No. 10478 and CON No. 10479 are UPHELD.

ORDERED in Tallahassee, Florida, on this 19 day of September, 2017.

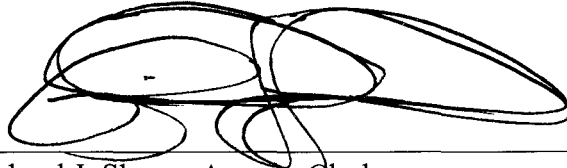

For: Justin M. Senior, Secretary
Agency For Health Care Administration

NOTICE OF RIGHT TO JUDICIAL REVIEW

A party who is adversely affected by this Final Order is entitled to judicial review, which shall be instituted by filing the original Notice of Appeal with the Agency Clerk of AHCA, and a copy along with the filing fee prescribed by law with the District Court of Appeal in the appellate district where the Agency maintains its headquarters or where a party resides. Review of proceedings shall be conducted in accordance with the Florida appellate rules. The Notice of Appeal must be filed within 30 days of the rendition of the order to be reviewed.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Final Order has been furnished by the method designated to the persons named below on this 20th day of September, 2017.



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