

Barton Health Regional Hospital Project
Certificate of Need (CON) Application - Findings of Fact Packet
Department of Health and Human Services
State of Nevada
2024

| | |
|------------------------------------|---|
| Project Name: | Barton Healthcare System Replacement Hospital Project |
| Project Address: | 168 Highway 50, Lake Tahoe (Stateline), Nevada 89449 |
| County: | Douglas County |
| County Population: | 49,000 |
| City/Town Population: | 595 |
| Number of Beds to be added: | 85 (45 Long-term Care) |
| Contact: | Rich Belli rbeli@bartonhealth.org |

Summary: Certificate of Need is a process whereby certain proposed new construction projects must submit an application to document the needs for the project according to criteria specified in state CON law and regulations, NRS 439A.100 and NAC 439A.010 through NAC 439A.675. The CON reviews are conducted under the Primary Care Office and final determinations are made by the Director, Nevada Department of Health and Human Services.

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Internal CON Timeline

| Date | Action |
|-----------------------|---|
| October 20, 2023 | Nevada DHHS received a Letter of Intent (LOI) for Barton Healthcare System Replacement Hospital Project at 168 Highway 50, Lake Tahoe (Stateline), Nevada 89449 |
| November 3, 2023 | DHHS sent in reply a Letter of Determination (LOD) confirming that the project required a Letter of Approval application and subsequent Certificate of Need review process. |
| November 15, 2023 | Preconference with Barton Health |
| January 2, 2024 | DHHS received and acknowledged a CON application for Barton Health Regional Hospital and fee of \$9,500. |
| January 17, 2024 | Public Hearing Notice posted on Department of Health and Human Services, Division of Public and Behavioral Health, Primary Care Office's website at http://dpbh.nv.gov/Programs/PCO/PCO_Program_Public_Hearings_Workshops/ Notice of Public Hearing posted on Nevada Public Notice website at Home - Nevada Public Notices Website - NV.gov |
| February 6, 2024 | DHHS provided notice of hearing procedures and logistics |
| February 9, 2024 | BMGH presentation received |
| February 6 - 15, 2024 | Two letters of support received from Nevada Hospital Association and Senator Robin Titus |
| February 16th, 2024 | Public Hearing held via Microsoft Teams starting at 10:00 AM; a summary and minutes of the hearing is provided under Attachment D |

NAC 439A.445 states the decision of the Director for a letter of approval will be supported by written findings of fact which must include:

- 1) Whether a need for the proposed project exists in the community;
- 2) Whether the proposed project is financially feasible;
- 3) The effect of the proposed project on the cost of health care; and
- 4) The appropriateness of the proposed project in the community

NAC 439A.455 requires the Director to respond to each application for approval or disapproval, together with a copy of the written findings of fact.

NAC 439A.565 states the applicant for a letter of approval has the burden of proof to satisfy all applicable criteria for review. A finding that the applicant has failed to meet its burden of proof regarding an applicable criterion will be made if the applicant fails to provide sufficient, relevant, demonstrative evidence for a favorable determination or the evidence on the record opposing the application outweighs the evidence in support of the application regarding the criteria. The written findings of fact address the review criteria.

Attachment A
Finding of Facts Packet – Barton Health Regional Hospital
Department of Health and Human Services
State of Nevada

Barton Healthcare System Replacement Hospital Project Summary

Project Description:

- The proposed hospital replacement project will be approximately 200,000 square feet on 9 acres in Lake Tahoe (Stateline), Nevada, in the urban core of the south shore community.
- Health Services will include emergency and trauma care, medical/surgical inpatient care, intensivist care, obstetric/labor and delivery, surgery, gastroenterology, pharmacy, laboratory, infusion center and imaging.
- In addition to these services, other diagnostic and therapeutic services in primary and specialty care services and a skilled nursing/long-term care facility are included in the project.
- Support services include respiratory therapy, central registration, central sterilization, dietary, environmental services, materials management/supply chain, security, engineering, and a central utility plant.
- The newly constructed state of the art hospital will be beneficial to communities that reside in both Nevada and California.
- The location of the hospital is in a well-known tourist destination and will serve residents in nearby communities and visitors alike.

Findings of the Need for the Project

[NAC 439A.605](#) requires that the applicant shall demonstrate the population to be served has a need for the project to be undertaken, based upon:

A. The identification of the population to be served;

The primary service area is located in a remote mountain community straddling the state line between California and Nevada encompassing portions of two different counties. Full time residents make up a population of approximately 26,000 people, with the potential for growth on weekends and holidays up to 100,000 people due to the large tourism economy. The secondary service area populations include the Carson City and Carson Valley areas and the North Lake Tahoe/Truckee region. The zip codes in both the primary and secondary areas include:

Primary Service Area

| | |
|---------------------|---|
| South Lake Tahoe | 96150, 96151, 96152, 96154, 96155, 96156, 96157, 96158 |
| Tahoma/Homewood | 96141, 96142 |
| Kingsbury/Stateline | 89449 |
| Zephyr Cove | 89448 |
| Glenbrook | 89413 |

Secondary Service Area

| | |
|---|---|
| Carson City | 89701, 89702, 89703, 89704, 89705, 89706, 89711, 89712, 89713, 89714, 89721 |
| Gardnerville, Minden, Genoa | 89410, 89423, 89460, 89411 |
| Incline Village, Crystal Bay | 89451, 89402, 89450 |
| Kings Beach, Tahoe City, Carnelian Bay, Tahoe Vista | 96143, 96140, 96148, 96145 |
| Truckee | 96161, 96162 |

B. The projected numbers of persons who will have a need for the proposed service;

According to the Census Bureau (2020), the primary service area population is 26,146; the total of the Carson City/Valley secondary service area is 99,091; and the total of the North Lake Tahoe/Truckee secondary service area is 33,556. The state of California is projecting a 3% decline in population for El Dorado County by 2028. The state of Nevada is projecting a 3% increase in population for Douglas County by 2028. Barton’s primary service area is made up of part of El Dorado County and part of Douglas County, which is not parsed in future projections.

Primary Service Area

| | |
|-----------------------------------|------------------------|
| South Lake Tahoe - city | 21,330 (Census Bureau) |
| South Lake Tahoe (Meyers portion) | 2,163 (Census Bureau) |
| Tahoma/Homewood | 1,034 (Census Bureau) |
| Kingsbury/Stateline | 932 (Census Bureau) |
| Zephyr Cove | 642 (Census Bureau) |
| Glenbrook | 315 (Census Bureau) |

C. A showing that the existing providers of the proposed service in the area cannot or will not meet the projected need of the population to be served;

Currently Barton Health is the only provider of health services in the primary service area (South Lake Tahoe, Stateline, Zephyr Cove, Glenbrook), including populations in part of El Dorado County, California and part of Douglas County, Nevada. The proposal to build a new acute care hospital assumes a rebuild and replacement of the current hospital facilities and services 5.5 miles to the west. The current hospital has an aging infrastructure and will not meet the 2030 seismic requirements in the state of California. Given the remote location of Barton’s primary service area and its geographic isolation between two mountain passes, health services are necessary to serve the residents and visitors, including Medicaid and Medi-Cal patients. Specifically, visitors to the area are active and take part in action sports such as skiing, biking, hiking and water sports, which adds to the need for health services. The secondary service areas continue to have population growth and therefore an expanding need for health services as well. Services in the replacement project will include cardiology, concierge medicine, emergency services and trauma care, ENT, gastroenterology, home health, hospice, imaging, infusion, neurology, OB/GYN, oncology, orthopedics, pediatrics, plastic surgery, primary care, psychiatry, quick care, rehabilitation,

rheumatology, surgical services, and urology. The main secondary service area, Carson Valley, is currently served by Carson Valley Health which is a critical access hospital with limited specialty service lines. The service lines offered by Barton Health will complement and enhance the services offered through Carson Valley Health.

Summary of the Need:

- Private acute rooms will promote improved healing through comfort and infection prevention
- Increased capacity will allow BMGH to take care of more patients without sending them to another facility
- Private rooms allow for culturally sensitive lifestyles to be protected and private
- There are no other providers in Lander County or northern Eureka County

Findings of Financial Feasibility

[NAC 439A.625](#) requires that the applicant shall demonstrate that it will be able to operate in a manner which is financially feasible as a result of the proposed project without unnecessarily increasing the cost to the user or payer for health services provided by the applicant, by showing:

- A. That it will become financially self-supporting within 3 years after completion; or that the applicant's total facility will be financially self-supporting within this period or that the financial viability of the facility will not be adversely affected by the proposed project.

The proposed facility's current location in South Lake Tahoe, CA has been in operation for over sixty years. This facility is the sole hospital located on the South Shore of Lake Tahoe and has developed a sustainable business model providing robust services to the community.

- B. The factors to be considered in determining whether an applicant has met its burden of proof include:

- 1) The ability of the applicant to obtain any required financing for the proposed project;

Barton's balance sheet has very little existing debt (scheduled to be paid off prior to seeking project financing) along with a strong reserve fund of nearly \$100M. Furthermore, Barton's forecasted operating margin is anticipated to be at least 3% generating cash flow to fund operations and servicing of project debt.

- 2) The extent to which the proposed financing may adversely affect the financial viability of the applicant's facility because of its effect on the long-term and short-term debt of the applicant;

There is no anticipated adverse effect on the financial viability of the new facility. The organization currently has very little debt which is scheduled to be fully paid off prior to project initiation. Furthermore, Barton's forecasted operating margin is anticipated to be at least 3%, generating cash flow to fund operations and servicing of project debt.

- 3) The availability and degree of commitment to the applicant of the financial resources required to operate the proposed project until the project or the applicant’s facility becomes financially self-supporting;

The organization has been in existence for over sixty years with a sustainable business model. Relocating the facility to a lower cost locality in Nevada while generating a positive operating margin will enable the new facility to be self-supportive.

- 4) The relationship between the applicant’s estimated costs of operation, proposed changes and estimated revenues;

As presented in the attached (Appendix H) 3-year financial pro-forma, the estimated net revenues will exceed operating costs at a sustainable operating margin.

- 5) The level at which the affected health services of the applicant must be used for the applicant to break even financially and the likelihood that those levels will be achieved;

The organization can operate at less than capacity in order to break even financially.

- 6) Whether the applicant’s projected costs of operation and charges are reasonable in relationship to each other and to the health services provided by the applicant;

The pro-forma provided presents a modest operating gain based on existing and expected growth along with related operating costs. As this financial model is based on actual operations from our existing hospital location coupled with modest growth, it is a reasonable financial projection.

- 7) Whether the projected revenues to be received by the applicant are likely to be achieved, including the availability of anticipated revenues from federal, state, or local programs if the applicant will be eligible for reimbursement from those programs.

| Source | Percentage |
|-----------------------|------------|
| Medicare | 35% |
| Medicaid | 25% |
| Commercial Insurances | 33% |
| Other | 5% |

This project is financially feasible since Barton Health has an existing facility and business model that has been successful for over 60 years in California, and they will be moving to Douglas County, Nevada.

Funding Source:

Construction Financing

| Funding | Amount | Percentage of Total |
|-----------------------------------|----------------------|---------------------|
| From Applicant’s Funds | \$50,000,000 | 17% |
| Philanthropy | \$50,000,000 | 17% |
| Amount to be finance | \$200,000,000 | 66% |
| Total Capital Expenditures | \$300,000,000 | 100% |

Source of Construction Loan

TBD-Tax exempt bond financing, USDA, and/or commercial construction loan.

| Loan Principal | Interest Rate | Term (years) |
|----------------|---------------|--------------|
| \$200,000,000 | 3-5% | 25-40 years |

Project Cost

| Total Capital Expenditures | Total Project (New Square Footage) |
|--|------------------------------------|
| Land and Building Acquisition | \$0 |
| Architectural and Engineering cost | \$18,000,000 |
| Site development | \$37,000,000 |
| Construction expenditure | \$165,000,000 |
| Fixed equipment (not construction expense) | \$20,000,000 |
| Major medical equipment | \$20,000,000 |
| Other equipment and furnishings | \$10,000,000 |
| Other (specify) QAQC & Permits | \$0 |
| 10% Contingency | \$30,000,000 |
| TOTAL PROJECT COST | \$300,000,000 |

Effect on Costs to the Consumer or Payor

[NAC 439A.635](#) requires that the applicant shall demonstrate that the proposed project will not have an unnecessarily adverse effect on the cost of health services to users or payers by showing that:

- The proposed project will result in a significant saving in costs to users or payers without an adverse effect on the quality of care: or
- If the proposed project will not result in a significant savings in costs to the user or payer for health services, the costs of the service are justified by:

A. A clinical or operational need:

The relocation of the California hospital to a Nevada site is anticipated to reduce the overall cost of care to the users due to the business nature of Nevada.

B. A corresponding increase in the quality of care; or

A new hospital facility design with state-of-the-art equipment will enhance patient and caregiver experience and overall improve the quality of care delivered.

C. A significant reduction in risks to the health of the patients to be served by the applicant.

A Nevada based hospital location will be in closer proximity to tertiary referral facilities in Nevada which will reduce transport times and optimize patient outcomes.

D. The factors to be considered in determining whether the applicant has met its burden of proof include:

1) The added costs to the applicant resulting from any proposed financing for the proposed project:

Our business model incorporates the cost of financing and in preparation for the hospital project, Barton has diligently paid down its existing debt to accommodate future financing.

2) If the proposed project involves construction, the relationship between the project costs of that activity and the prevailing cost for similar construction in the area:

The project costs of construction in Nevada are favorable compared to the cost of a project in California. Thus, a Nevada hospital location will maximize the facility footprint for the care of our community at a cost that the healthcare system and community can afford.

3) The health or other benefits to be received by users compared to the cost to users or payers resulting from the proposed project; and

Due to both the favorable construction costs and business climate in Nevada, the proposed project will not increase the overall cost of care to the users or payors.

4) Whether alternative methods of providing the proposed service exist or are available which provide a greater benefit for the cost without adversely affecting the quality of care.

There are no other alternative methods of providing the proposed hospital services and the California hospital is no longer seismically compliant and must discontinue services in 2030.

Impact

- The hospital relocation from California to Nevada will expand patient access to local, high-quality care, ensure long-term viability of the community health system and provide state of the art facilities and leading medical equipment.
- Construction is expected to create an estimated 100 high-quality construction positions.
- Barton health will employ ~700 full-time equivalent employees with a range of skill levels and expertise.
- There will be an indirect economic boost for neighborhood businesses due to the hospital workforce utilizing nearby services

Appropriateness of the Project for the Area to be Served

NAC 439A.637 requires that in determining whether the proposed project is appropriate for the area to be served, the Director will consider:

A. The location of the project, including:

1) The time for travel and distance to other facilities for required transfers of patients or transfers in the event of an emergency;

The location of the project is at 168 Highway 50, Lake Tahoe (Stateline), Nevada. The nearest health facility is Barton Health ambulatory clinics located at 155 Highway 50 and 165 Highway 50 directly across the proposed project also on Highway 50, time travel less than two minutes. The next closest health facility is Barton Memorial Hospital located at 2170 South Avenue, South Lake Tahoe, California, which is 5.5 miles away from the proposed project, travel time is 15 minutes. Transfers to UC Davis will take 2 hours, 9 minutes, which is 103 miles from the proposed project. Transfers to Renown Regional Medical Center will take 1 hour, 1 minute and is 56 miles away from the proposed project. Lake Tahoe is a mountainous community with transportation challenges due to mountainous roads traveling over passes that often close due to wintery conditions.

2) The distance and the time for travel required for the population to be served to reach the applicant's facility and other facilities providing similar services; and

The distances to the nearest Barton health facilities are approximately 2 to 15 minutes, or 0.1 to 5.5 miles. All other hospitals are outside of the Lake Tahoe basin and require significant travel time over mountain passes on mountainous roads.

3) The nature of and requirements for zoning for the area surrounding the proposed location of the project.

There are 72 parcels within the South Shore Area Plan designated with a future land use of Mixed-Use with a Town Center Overlay. The Kingsbury Town Center includes 84.79 acres (parcels only). The residential development is located along State Route 207 (Kingsbury Grade). The Lake Vista apartments on Market Street provide 64 units of affordable rental housing and older mobile homes are located in the Kingsbury and Ponderosa Mobile Home Parks (adjacent to the Kingsbury Square Office Complex). The lower Kingsbury area contains more than 100 different commercial, industrial, and public uses. The most notable uses include: Douglas County Government Offices/Tahoe Transportation and Visitors Center, Edgewood Village, Kahle Community Center/Park, Kingsbury Station, Red Hut Center, Shady Lane Commercial (Industrial) Center, Kingsbury Square, and Kingsbury Center. The Kingsbury Town Center's Healthcare Subdistrict contains the seven parcels owned by Barton Healthcare System at the base of Kingsbury Grade and US Highway 50. Four of the parcels are located in the northeast corner of Kingsbury Grade and US Highway 50 and contain the Barton Health ambulatory clinic facilities. The other three parcels are located across US Highway 50 and comprise the former Lakeside Inn site. Barton intends to develop a full-service hospital on that site. The addition of a hospital on the former Lakeside Inn site will contribute to a safer community, continue to support permanent full-time healthcare jobs, and contribute to economic prosperity within the community. The Healthcare Subdistrict will be the core area for healthcare services and related supporting services in the Area Plan.

B. The effect of the proposed project on the cost and quality of care provided by the existing system of health care in the area, based upon the extent to which:

1) The proposed project is likely to stimulate competition which will result in a reduction in costs for the user or payer;

This is a hospital replacement project which will not impact competition in the primary service area.

- 2) The proposed project is likely to increase costs to the user or payer through reductions in market shares for services if those reductions would increase costs per unit of service.

The proposed project is a replacement hospital and will not be reducing market share for services.

- 3) The proposed project contains innovations or improvements in the delivery or financing of health services which will significantly reduce the cost of health care to the user or payer or enhance the quality of care.

The project includes the design and building of a new state of the art hospital facility with a focus on patient centric care. The replacement hospital will be a much-needed improvement to the current older hospital facility which was opened 60 years ago. Our care teams, patients, and community will find the newer facility to be more efficient in the delivery of care with improved patient privacy. The new design will expand and replace existing older facility spaces for the care of patients in the following departments: cardiology, critical care, emergency, gastroenterology, infusion, laboratory, OB/GYN, oncology, pediatrics, pharmacy, pulmonology, radiology, respiratory, surgery, and trauma. The newer spaces will also allow for improved integration of care for our patients and community resulting in enhanced quality of care delivery. The new facility will be built to better accommodate state of the art equipment for patient care in both diagnostic and therapeutic areas such as in the radiology department to expand our care capabilities with more modalities for care and in the surgery department to expand our robotics programs in general surgery, urology, gynecology and orthopedics.

- C. If the proposed project involved the relocation of a health facility or the relocation of an existing service to another health facility, whether the need of the population currently being served will continue to be met

The proposed project does not involve the reduction or elimination of an existing health facility. The acute care hospital services within our existing healthcare system will be relocated to the new replacement hospital. The needs of the population currently being served will continue to be met in the new location.

- D. Whether the proposed project is consistent with the existing system of health care, based upon:
 - 1) The effect of the proposed project on the availability and the cost in the area of the required personnel; and

The hospital replacement project will employ existing personnel that will be relocated from California to Nevada to staff the facility.

- 2) The extent to which the applicant will have adequate arrangements for referrals to and from other health facilities in the area which provide for:
 - Avoidance of unnecessary duplication of effort;
 - Regionalization of highly specialized health care;
 - Comprehensive and continuous care of patients; and
 - Communication and cooperation between related facilities or services

Barton Health is currently a robust community hospital system with established service lines and referral relationships for higher levels of care. Relocation of the hospital to Nevada will improve these existing relationships between referral facilities and reduce patient transfer times to tertiary care facilities in Nevada.

- E. The quality of care provided by the applicant for any existing health facility or service owned or operated by the applicant, based upon:
- 1) Whether the applicant has had any adverse action taken against it with regard to any license or certificate held by the applicant and the results of that action:

There are no adverse actions existing or anticipated.

- 2) The extent to which the applicant has previously provided similar health services; and

The existing hospital services will be relocated to the new hospital site.

- 3) Any additional evidence in the record regarding the applicant's quality of care.

Consistently exceptional care isn't just a promise; it's in the proof. Barton is fully accredited by the Joint Commission and licensed by the state of California. In 2023 Barton was ranked by Newsweek as a World's Best Hospital for the third year in a row. Anthem has recognized Barton's Center for Orthopedics as a Blue Distinction Center for hip and knee replacements. Barton is also a Blue Distinction Center for maternity care. Blue Distinction Centers are nationally designated hospitals that show expertise in delivering improved patient safety and better health outcomes. Barton has a 5-star rating for the Skilled Nursing Facility from the Centers for Medicare and Medicaid services. The long-term care facility was also recognized by the U.S. News and World's Report in 2022/2023 as a Best Nursing Home with the highest possible rating as a "High Performer." Barton's orthopedic care was recognized as one of America's Best Hospitals in Orthopedics by the Women's Choice Awards in 2023. Barton's orthopedics ranked in the top 7% of nearly 4,500 US hospitals with the highest safety ratings for safe surgical practices and lower rates of complications and infections. Barton's orthopedics distinction has earned The Joint Commission's Gold Seal of approval for care certification in spine surgery, total hip and knee joint replacement surgery. Barton is also Lake Tahoe's only Level III Trauma Center certified by the American College of Surgeons.

Barton's safety awards include recognition on the California Hospital Care's Honor Roll, 10 Leapfrog Grade A scores in the past 7 years, and recognition by the state of California as a Mentor Hospital for safe care delivery. Barton has also achieved top performer status in patient experience with top quartile and decile scores throughout the inpatient and outpatient divisions.

- F. The extent to which equal access by all persons in the area to the applicant's facility or services will be provided, based upon:
- 1) Whether any segment of the population in the area to be served will be denied access to health services similar to those proposed by the applicant as a result of the proposed project;

The hospital replacement project will be 5.5 miles away from the existing hospital and will continue to provide excellent access to care to the community. The proposed site is located within the urban core in the primary service area where the majority of residents and visitors are located. The new site is also geographically equidistant from the residents in Meyers, California and Glenbrook, Nevada. These two communities represent the outskirts of the primary service area of the south shore of Lake Tahoe.

- 2) The extent to which the applicant will provide uncompensated care, exclusive of bad debt, and the effect of the proposed project on the cost to local and state governments and other facilities for providing care to indigents; and

Barton currently (and will continue to) provide care to the community regardless of their ability to pay. Barton cares for underserved residents and visitors and does not anticipate an additional cost to our local and state government partners as a result of this project.

- 3) The extent to which financial barriers to access by persons of low income, including any financial preconditions to providing service, will prevent those persons from obtaining needed health services.

Barton currently offers a generous financial assistance program to low income, uninsured or underinsured patients.

Referrals that exist with each health facility/program with which the applicant will have an arrangement for;

Facility: Renown Regional Medical Center
 Agreement for: Transfer of patient care

Facility: UC Davis Medical Center
 Agreement for: Transfer of patient care

Facility: Carson Tahoe Regional Medical Center
 Agreement for: Transfer of patient care

Facility: Northern Nevada Sierra Medical Center
 Agreement for: Transfer of patient care

Project Schedule:

| Step | Target Date |
|-------------------------------------|-------------|
| Use permit | 1/1/2025 |
| Building permit | 3/1/2025 |
| Groundbreaking/ Construction begins | 5//1/2025 |
| Construction ends | 7/15/2029 |

| | |
|--------------------------------------|------------|
| Entire project completed | 10/15/2029 |
| Licensing & certification | 12/15/2029 |
| Services begin | 12/24/2029 |

Conclusion

- A. The findings have established that Barton Healthcare System Replacement Hospital "Project" application has demonstrated the following:
- 1) *The population to be served has a need for the project to be undertaken*
 - 2) *That it will be able to operate in a manner which is financially feasible as a result of the proposed project without unnecessarily increasing the cost to the user or payer for health services provided by the applicant*
 - 3) *That the proposed project will not have an unnecessarily adverse effect on the cost of health services to users or payers*
 - 4) *The proposed project is appropriate for the area to be served*

Attachment B
Letter of Intent – Barton Health Regional Hospital
Department of Health and Human Services
State of Nevada

State of Nevada
Department of Health and Human Services
CERTIFICATE OF NEED - LETTER OF INTENT

The Certificate of Need process is coordinated by the Primary Care Office under the authority of the Director of the Department of Health and Human Services, under Nevada Revised Statutes (NRS) 439A.100. Please email nvpco@health.nv.gov or contact (775) 684-2204 for any questions. See NAC 439A.305 for more information about the letter of intent. A completed Letter of Intent may be electronically emailed to nvpco@health.nv.gov, and if sending by mail please provide advanced notice to nvpco@health.nv.gov along with any tracking information available, so we may take appropriate action as staff are telecommuting. Mailing address: Nevada Primary Care Office, 4150 Technology Way, Suite 300, Carson City, NV 89706.

| | |
|---|--|
| Organization Name: | Barton HealthCare System |
| Street Address: | 2170 South Avenue |
| Type of Organization (Type of Ownership/Profit Status): | Healthcare (501(C)(3)) |
| Date of Incorporation: | May 5, 1960 |
| Location of Incorporation: | CA |
| Contact Person: | Richard Belli |
| Phone #: | (530) 543-5521 |
| Email Address: | rbelli@bartonhealth.org |
| Project Title: | Barton Health Stateline Regional Expansion Project |
| Project Address: | 168 US HWY 50 |
| Project County: | Douglas |
| County Population: | 52,674 |
| City/Town Population: | 913 (based on city/town location of hospital) |
| Number of Beds to be added: | 33 – Patient Beds 48 – Long Term Care Skilled Nursing |

| | |
|------------------------|--|
| Type of Beds to added: | Orthopedic, Medical Surgical, Intensive Care, Obstetrics |
|------------------------|--|

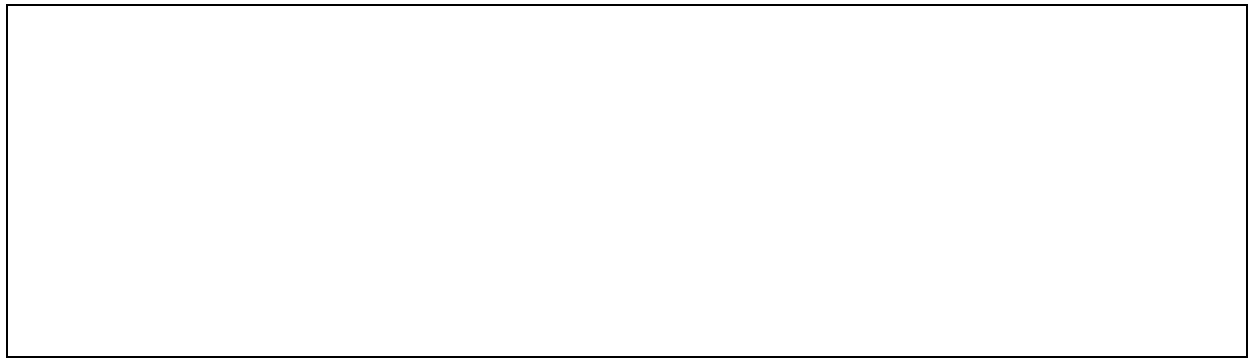
Project Description and Major Facility, Medical Equipment, and Health Services to be Included:

The project consists of the construction and development of a new five story hospital to include imaging x-ray, computed tomography, nuclear medicine, magnetic resonance imaging, dual-energy x-ray absorptiometry, robotics, diagnostics, and emergency helipad. Health services to be included are emergency department, medical surgical, orthopedics, obstetrics/labor & delivery, surgery, pharmacy, laboratory, imaging, gastrointestinal, physical therapy, skilled nursing, and related support services such as central registration, central sterilization, dietary, environmental services, materials management, engineering, and central utility plant.

Please define the Medicaid Provider Types and Specialties that the facility or providers in the facility will use to bill and obtain reimbursement from Medicaid or other public agencies. (see <https://www.medicaid.nv.gov/providers/BillingInfo.aspx>)

Medicaid under the following Medicaid provider types:
 10 - Outpatient Surgery, Hospital Based.
 11 - Hospital, Inpatient
 12 - Hospital, Outpatient
 46 - Ambulatory Surgery Center
 20 - Physician
 24 - Nurse Practitioner
 77 - Physician Assistant
 44 - Swing Beds
 72 – Nurse Anesthetist
 78 - Audiologist

Specialties
 Family Medicine, Obstetrics, Gynecology, Internal Medicine, Pediatrics-Hospitalist, Family Medicine, Hospitalist Internal Medicine, Hospitalist Pathology Internal Medicine, Nephrology Internal Medicine, Critical Care Internal Medicine, Pulmonary Disease, General Surgery Internal Medicine, Gastroenterology Emergency Medicine, Neurology, Urology, Otolaryngology, Audiology, Family Medicine Psychiatry, Surgery Cardiology Physical Medicine, Rehabilitation, Orthopedic Surgery, Nurse Practitioner, Nurse Practitioner Pediatrics, Certified Nursing Midwife Clinical Social Worker, Physician Assistant Rheumatology



Square Footage of Proposed Construction Project (NAC 439A.338):

1. The provisions of subsection 1 of NRS 439A.100 are applicable only to a project which is not dependent on or related to a larger single project.
2. The cost of construction in which no new square footage is added is not subject to a letter of approval. The cost of construction related to the existing space must be deducted from the total capital expenditure to determine the cost of the new construction subject to a letter of approval.
3. The cost of construction attributed to space for a medical office building or an office for a health practitioner to be used solely to provide routine health services as defined in NRS 439A.017 must be deducted from the total capital expenditures to determine the cost of new construction subject to a letter of approval.

| | | |
|-------------------------------|---------|-------------|
| Existing square footage only: | NA | square feet |
| New square footage only: | 200,000 | square feet |

Total Estimated Capital Expenditures:

NAC 439A.070: Provide project information for capital expenditures made by or on behalf of a health facility including the cost of pre-developmental activities, the encumbrance of funds, leases, contractual agreements or donations for purposes which, under generally accepted accounting principles, are not properly chargeable as an expense of operation or maintenance, or both.

| Cost Category | Total Project Cost | Project Cost Related to New Construction |
|----------------------------------|---------------------------|---|
| Construction Costs: | \$ | \$ 195,000,000 |
| Site Development: | \$ | \$ 27,000,000 |
| Architecture & Engineering: | \$ | \$ 18,000,000 |
| Furniture, Fixtures & Equipment: | \$ | \$ 15,000,000 |
| Major Medical Equipment: | \$ | \$ 15,000,000 |
| 10% Contingency: | \$ | \$ 30,000,000 |
| TOTAL | \$ | \$ 300,000,000 |

| | |
|---|-----------------|
| Estimated date construction begins: | May 1, 2025 |
| Estimated date of completion of the proposed project: | October 15 2029 |

Provide a summary and schedule of anticipated future phases of construction within the proposed project:

The project will be broken up into two phases, planning, design, permitting, and infrastructure including a central plant, with the hospital building, hardscape, and final utility connections in phase 2.

Phase 1 - 26 Months

- Design Phase
- TRPA Permit Review
- Douglas County Building Permit Submittal Review
- NV State Licensing Review
- Fire Department Review
- Construction of Phase 1

Phase 2 - 22 Months

- Construction of Phase 2
- Licensing

When is the estimated financial break-even point for the project expected to occur?

Fifteen Years

Required Appendix: Attach a copy of a written estimate of the cost of construction of the proposed project, by major cost categories, from an architect or contractor.

In accordance with NRS 439A.100 and accompanying regulations, I hereby certify that this Letter of Intent is correct to the best of my knowledge. I further certify that I will provide accurate and complete information necessary to the review of an application for a Letter of Approval. I understand that the information which is submitted is public information and will be made available by the Department of Health and Human Services for public review and inspection.

Certification: This section should be completed by the person who is authorized to commit the applicant to the project and expenditure of funds to complete the project should it be approved.

| | |
|--|---------------------------------------|
| This letter is filed on behalf of (Legal Applicant): | Barton Health |
| Name of Signatory: | Richard Belli |
| Title: | Administrative Director of Facilities |
| Date: | October 20, 2023 |
| Signed: | <i>Richard Belli</i> |

Attachment C
Proof of Publication- Barton Health Regional Hospital
Department of Health and Human Services
State of Nevada



DEPARTMENT OF HEALTH AND HUMAN SERVICES

DIRECTOR'S OFFICE

Helping people. It's who we are and what we do.



Notice of Public Hearing

NOTICE IS HEREBY GIVEN that the Department of Health and Human Services (DHHS) will hold a public hearing on **Friday, February 16th, 2024, beginning at 10:00 AM Pacific Time (US and Canada) via teleconference** to receive comments regarding BARTON HEALTH STATELINE REGIONAL EXPANSION PROJECT application for a Certificate of Need as required by NAC 439A.415. The proposed project includes new construction at 168 US HWY 50, Stateline, NV, 89449. On January 2, 2024, DHHS received and commenced review of the application for a Letter of Approval, pursuant to NRS 439A.100.

Hearing Location:

This hearing will be conducted via video conference and telephone:

https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZDNiZTkzOWUtZmYyMi00ZDIzLTliYTQ0tNjQ5MDU3OWRlNjhh%40thread.v2/0?context=%7b%22id%22%3a%22e4a340e6-b89e-4e68-8eaa-1544d2703980%22%2c%22oid%22%3a%22fd584ae0-7446-4961-b1f2-b3a4b67384b5%22%7d

Or to call in (audio only):

[+1 775-321-6111](tel:+17753216111), United States, Reno
Phone Conference ID: 620155425#

There will be time at the hearing for public comment. Written information regarding this application must be received by February 6th, 2024 per [NAC 439A.395](#) in advance of the meeting and sent to the Nevada Primary Care Office (PCO), via email at nvpco@health.nv.gov or if unable to send via email or need assistance please contact by telephone at 775-684-2204 to make other arrangements. The Nevada Primary Office staff can be contacted to make reasonable accommodations for members of the public who are disabled and wish to attend the hearing.

Please circulate and post this Notice of Public Hearing. A copy of this notice is on file for inspection at notice.nv.gov or available on the Division of Public and Behavioral Health, Primary Care Office website at: http://dpbh.nv.gov/Programs/PCO/PCO_Program_Public_Hearings_Workshops/ or may be copied at the following locations during normal business hours, or by contacting Nevada Primary Care Office staff at nvpco@health.nv.gov or by calling 775-684-2204:

NV Department of Health and Human Services
Primary Care Office
4150 Technology Way, Suite 300
Carson City, NV 89706

Attachment D
Hearing Summary and Minutes – Barton Health Regional Hospital
Department of Health and Human Services
State of Nevada

STATE OF NEVADA
DEPARTMENT OF HEALTH AND HUMAN SERVICES
CON Public Hearing for Barton Health Regional Hospital
Project
February 16, 2024

Hearing Location

In accordance with Governor Sisolak's Declaration of Emergency Directive 006; Subsection 1; The requirement contained in NRS 241.023 (1) (b) that there be a physical location designated for meetings of public bodies where members of the public are permitted to attend and participate is suspended.

Members of Barton HealthCare System Present

Clint Purvance MD
Mindi Befu
Chris Proctor

Members of the Public Present

Kileigh Labrado
Kelly Neiger
Elizabeth Stork
Carla Adams
Pat Fry
Jeff Rahbeck
Jeff Koeck
Wes Rice
Chris Kiser
Rachel Williams
Abby Killebrew
Thea Hardy
Assemblyman Ken Gray
Kirk Ledbetter
Shawn Anderson
Tom Jantos
K Glauner
Matt Milone
Carol Chaplin
Nikki Rudelbach
Lew Feldman
Steve Teshara
Gerald Ackerman

Dept. of Health and Human Services Staff Present

Tarryn Emmerich-Choi
Bethany Schimank

Hearing Summary and Minutes

The hearing commenced at 10:00 a.m.

1. Tarryn Emmerich-Choi, Office Manager for the Primary Care Office in the Nevada Department of Health and Human Services (DHHS), opened the hearing for the Certificate of Need (CON) application proposing new construction for the Barton Health Regional Hospital Project. She outlined the following:
 - a. The CON process aims to reduce the dilution of health care in rural areas and to prevent the resulting price increases and decreases in healthcare quality.

T. Emmerich-Choi concluded her remarks by stating that public comment will become part of the record and that the hearing process does not include a dialog or a question and answer session.

2. Clint Purvance, President and CEO of Barton Healthcare System presented a summary of the project. He states that that one of the biggest challenges is the aging infrastructure, that was built over 60 years ago. They currently have two hospitals on their California campus:
 - a. An acute care facility that houses many of the services related to the ER and trauma system in-patient beds, surgical services, OB and labor and delivery services
 - b. A long term care hospital that houses 48 beds to care for patients around the region and community in both long term care and skilled nursing with skilled nursing needs

He goes on to state that in looking at the aging infrastructure that Barton has with its acute care facility, part of the facility that is 60 years old is not able to be retrofit to meet the seismic requirements of 2030, which has placed the organization in a precarious position because the current laws in California would require the hospitals to close down that cannot be seismically retrofitted or upgraded. He explained that this has led Barth Health to take a look at all it's facilities, including the ambulatory practices on an outpatient basis to determine where they could replace their current California hospital. The current campus is built out and has limited growth opportunities and on the Nevada campus they would be able to build infrastructure, either outpatient ambulatory offices or hospital.

C. Purvance noted that there is an increasing demand for healthcare in our region and we have an aging demographic population in Lake Tahoe. He goes on to say that they also serve the underserved populations on both sides of the state line, Medical in California and Nevada Medicaid in Nevada, also noting that they care for all patients, whether they are insured, underserved or uninsured.

C. Purvance states that in looking at the future for Barton Health, the hospital relocation project really focuses on access to local high quality care and how they can expand that into the future ensuring that we have a long term viable community health system. One

that is affordable for the community and one that is affordable for the patients. He noted that they recognize that they have 60 year old facilities and building state of the art facilities with leading medical equipment and technologies to make certain that the standards of care that they are delivering are the highest that are available for their patients.

C. Purvance goes on to describe who Barton Health is noting the following:

- a. In South Lake Tahoe and in the Tahoe Basin, they are the only comprehensive healthcare system in the basin and that includes, an acute care hospital with an ER and a Level 3 trauma center that is certified and designated through the county and the American College of Surgeons nationally.
- b. They are a world's best hospital.
- c. They pride themselves on delivering safe, high-quality care to the community, which is their mission. They have been recognized by many outside rating agencies as some of the top hospitals in the world for three years in a row by Newsweek.
- d. When you look at the long term care hospital, U.S. News and World Report ranks Barton Health Regional Hospital is one of the top hospitals.

C. Purvance then moves on to talk about how Barton Health's history is deeply rooted in the care for the community. Noting that back in the early 1960's is when an association of men and women got together to plan for and to raise funds to build a hospital. That hospital opened in 1963 and has been present for 60 years and was incorporated as a private, not for profit company. Barton Health was incorporated from a factual standpoint before the city of South Lake Tahoe was incorporated, and so healthcare with art and health leadership has been present for the community for several generations in many years. Their goal is not only to meet the health care needs of the residents that they serve, but the surrounding region, including the many tourists that visit on a daily basis. He goes on to note that they have been known for decades for their orthopedic and sports medicine excellence. They also partner with the United States Ski and Snowboard Organization to bring high level care to Olympic athletes in the region, these tend to be winter athletes as well as our local population and our local everyday athletes.

C. Purvance further notes that if you look at the healthcare system today, it is a bi-state health system and the town is a bi-state town. Noting that the state line crosses through town near the urban core. He goes on to state that they have the healthcare services set up on both sides of the state line on the California campus currently and for the last 60 years, they have their acute care hospital that is licensed at 63 beds and the long term care hospital, which is licensed at 48 beds. The emergency department sees approximately 20,000 visits a year with the community health system health center, which is Barton Community Health Center serving around 21,000 visits a year. Noting that it is their rural health clinic, which is there to serve the underserved. He goes on to state that the majority of the visits outpatient and their outpatient registrations are approximately 265,000 a year. Many of their surgeries are also outpatient, about 3,800 a year, and they have

outpatient care on both campuses. He states that they have a campus at Stateline, in Nevada, where they see many outpatient visits in primary and specialty care as well as a surgery center on the Nevada side, where many of their surgeries occur which augments the current California campus where the acute care hospitals and our long term care hospital is located.

C. Purvance goes on to state that they are ready to rebuild the hospital and are trying to meet the timelines and the constraints of the California laws. Noting that they are on track to rebuild for the future. He goes on to state that when looking at sites in and around Lake Tahoe, where the community and primary service area resides, there are very few sites that can accommodate the healthcare system hospital being built. Barton did acquire, the Lakeside Inn and Casino, which went out of business after the start of COVID in 2020. Initially that parcel was purchased to consolidate many of the ambulatory outpatient services into one structure on the Nevada campus. He states that as it became evident that the California campus would need to be torn down and replaced, and they had limited land in California to accommodate the hospital with a new hospital build and with limited land in and around the South Shore region that could accommodate a hospital that the site of the Lakeside Inn became very attractive to build from ground and then open as they close one hospital and move into the next. The hospital that they are looking to build for the acute care hospital is approximately 120,000 square feet which is larger than the existing hospital. It has roughly the same bed count that they have today for the in-patient beds with roughly 20 observation short surgical stay outpatient beds for patients that need to be in the hospital for less than 24 hours. They are designing and rebuilding a 30,000 square foot skilled nursing long term care hospital in the project which would have approximately 45 beds. There is also space for a Cancer Center. Oncology is in need in our community, and they look to expand in the in the service of oncology and cancer care and in the plan for the facility as additional space that they don't have today for the care of their patients with cancer. The Nevada campus of the future will have the acute care hospital, which does have an emergency department, with a Level 3 trauma system. They will have surgical care and their OB birthing center will be present in the acute care hospital.

C. Purvance then goes on to note that if you look at our rural community and population, we have a primary service area of about 26,000 local residents that stay year round. However, any given weekend, especially in the winter and in the summer time that may grow up to 100,000 people that are staying within the basin, many of those individuals in the South Shore staying in the urban core, which is in that state line core, our secondary service area is about 134,000 patients. He then states that they are a bi-state organization and El Dorado County and Douglas County are two of the primary counties that they serve. There are projected increases in growth in Douglas County, both in the Tahoe Basin and outside. While the future projections are that there will be declines in the El Dorado County region of Lake Tahoe and the areas that we serve as our primary service area, we say we see patients of all types and of all pair mixes and we pride ourselves on caring for everybody whether they are local or out of town or even out of the country. They are a not for profit organization caring for and serving the healthcare needs locally, regionally and worldwide with some of the patients that travel to see us as well as some

of the patients that are here and need our care when they're visiting. About a third of the population that comes through the organization has private insurance, about 35% are elderly and have Medicare from a payer standpoint and then we have a mix of the Medicaid and Medical services and about 25% cash pay or other government payers. Noting that they see quite a blend of patients that we care for in our community, many of those being underserved.

C. Purvance goes on to state that they really want to make a difference for their patients and they believe that expanding services and keeping the local patients local and serving our visitors is at the core of their mission and what they strive to do in service to our community. He stated that they do have regional partnerships. Barton Health started the Carson Valley Medical Center, which is now Carson Valley Health 30 years ago. Barton and Renown are now 50/50 partners in that joint venture in Douglas County, and Barton and Renown together are rebuilding that hospital. That hospital will open in Gardnerville, Nevada later this fall. He goes on to note that they also send their patients quite frequently when they need tertiary referral care to Carson Tahoe Hospital, which is the next closest regional care facility. They also transfer to Renown Health for trauma and other higher level of cares care that they do not provide at Barton Health. From a California and Nevada bi-state location standpoint, both the California campus and the Nevada campus will send patients to all of these entities. Furthermore, the Nevada campus is close in proximity to where the patients are most frequently set in Carson City and in Reno. They also believe that there will be lower cost opportunities in the state of Nevada to conduct business. He states that in general, there are less regulations, and if it's a friendlier business environment in the state of Nevada and that is true for healthcare as well, they do believe that that will allow for them to reduce some of the costs as an organization, which will mean lower cost to not only the community but to the patients they serve and to the insurance payers that they contract. They currently contract and work with all patients' insurances within our health system. He states that they also believe that a new facility will bring it's significant improvements not only to the the facilities and the size of the facilities and spaces from an efficiency standpoint, but from a technology standpoint. He noted that when the 60 year old hospital was built, they did not have things like surgical robots like the da Vinci robot or the Mako robot, which they have today.

This equipment is larger than what they would traditionally use in open surgery or laparoscopic surgery, and new technologies require new spaces. He states that they are excited to build new spaces to house new technologies that they have today and in the future when they come.

C. Purvance states that they also know that this project will mean a lot to the South Shore community and whether you live in California or Nevada the hospital is centrally located to the urban core of our South Shore community and they will be readily accessed by both visitors the local residents and the region, it is a gateway project to the South Shore. He notes that it is one of the first projects that you will see as you enter into the urban core of the South Shore from Nevada and that gateway project will have many health and wellness aspects. It will also set the stage for what our community stands for, which is a

vibrant outdoor wellness and health focused culture. He notes that they have demolished an old, dilapidated hotel that was there, and are able to restore the site and have significant improvements in the environmental impacts not only to the site but to the lake and how they will treat surface water and how they will deal with water in general that moves through the land of that parcel. He states that because there are newer facilities, they will see significant improvements in energy conservation and efficiencies and because of the use being different, it's a hospital versus a hotel and casino, they will also see a reduction in the vehicle miles traveled and the amount of transportation in and around that project. A hospital requires less vehicle miles travel than the casino and hotel that was there previously. He notes that they also look forward to partnering with agencies to make sure that they have a great transportation system so that there can be not only free transit, but public transit in and around the healthcare campus of Nevada and into the South Shore, California community as well.

C. Purvance goes on to state that when you think about the opportunities from an economic standpoint and from a job growth standpoint, a project of this magnitude will be estimated to create at least 100 high quality construction positions for the new hospital design and construction. That project is roughly a three-year project. He noted that they do have permanent staff that will expand as well, with approximately 700 full-time equivalents and about 1000 employees with the range of skill sets and expertise to provide care, maintain new facilities and equipment and to serve our community. He states that they also know that to Nevada there will be a direct economic impact as some of the businesses around the hospital will see an increase in business.

C. Purvance states that they are ready to rebuild their hospital and take the journey into the future. He notes that the next step of transforming their healthcare system is thinking about the financial impacts of building a new health system, a new hospital and also updating and maintaining the current infrastructure that is seismically sound on the California campus. He states that in order to do this, it will require them to look at three areas for funding the project:

- a. One are the cash reserves. We have significant cash reserves in place to pay for a portion of this project.
- b. We're also very minimally leveraged, meaning we have very low debts. In fact, at the time of the start of this project, essentially Barton will have no debt, so we'll have the capacity to take on loans and we'll be looking for opportunities to take on some debt to fund the project.
- c. We also have an incredibly engaged philanthropic base and Tahoe. In fact, the 1st hospital was built on philanthropy and the monies raised by the community. We anticipate there'll be significant philanthropic efforts here to also support the rebuild of our hospital.

C. Purvance goes on to state that they are in a fine strong financial position moving forward to take on a project this size and continue expanding, growing and serving with the existing operations.

C. Purvance states that when you look at the timeline of what this project looks like, back in 2021 is when they first purchased the Lakeside Inn and Casino. He mentions it was

purchased so that they could expand their ambulatory footprint on the Nevada campus and consolidate some of the offices into one building. He notes that it became apparent with more of the seismic research that they did and it was determined that they would not be able to seismically retrofit the existing acute care hospital and long term care hospital and that they would need to be rebuilt. He continued to note that this created many challenges for them because on the California campus, this would mean the demolition of existing hospital structures and the discontinuation of certain hospital based services for a period of three to five years as a new hospital was built on that site, which would not be in the interest of service to the community. He states that they began exploring, in 2022 and 2023, different sites that could accommodate a hospital. The Lakeside Inn and Casino site that was purchased several years previously became the site that looked like it could accommodate the project well and would be closest to the urban core of the majority of the population base in Tahoe. He states that in 2024 they are going to spend most of the year receiving community input from their team members and planning the facility. He stated that he also anticipates working with the community partners, Douglas County, the TRPA (Tahoe Regional Planning Authority) and the state of Nevada as well as the state of California and then many of their partners in and around the basin to determine impacts and how to mitigate those and how to grow the opportunity for care of the community together. In late 2024 and 2025, they anticipate certain levels of project approval, noting that they have many agencies to work with.

He goes on to state that this really is a first step with the state of Nevada and the CON process, if the project is approved, they hope to break ground or at least do some site work in 2025 in the summer, related to the project, and then be in full construction in 2026. The project because of its scope and size is approximately a three year project and given the winters that Tahoe experiences, they anticipate that in 2029 the new hospital will be ready to occupy and open. At that point in time they will decommission the old hospital, move into the new hospital and then will be looking at what can be done with the existing infrastructure, some of which is still has useful life and still will be in place to serve the community's need on the California campus and they will spend some time redesigning the California campus. Currently they are looking at our California campus to continue with many of the ambulatory visits that they do today, including in primary care and specialty care, the rural health clinic, some surgical opportunities for care of the community in an outpatient setting and many more opportunities when it comes to ancillary services such as lab and radiology services. He goes on to state they are also looking at repurposing some of the existing buildings and structures for workforce housing, noting that we have a great need in our community for workforce housing and they hope to be able to repurpose some of the older infrastructure that is aging out to accommodate workforce housing and the development of more residential units for the community. He states that the campus in California is in the back of a residential neighborhood so they look forward to turning over many of the properties there for the development of further residential opportunities for living. The campus and Nevada is in an urban core in closer proximity to many of the not only residents and visitors that we see, but, if you looked at the Nevada campus, it is approximately 5.5 miles away from the existing California campus. They believe that that distance to travel for acute care services will not have significant impacts, not only on the care they deliver, but the

patients that they serve. With the two campus approach to health care, maintaining services on the California campus is a priority for the California community and those that live in closer proximity to that campus.

Lastly C. Purvance concludes by stating that Barton Health wants to thank everyone for joining and for their interest in this project. He looks forward to receiving public comments today and taking those into consideration into the project as well as in second quarter launching their public campaign for input and awareness of the project. He goes on to state that it is a multi year project and they will have many opportunities to engage the community and their goal is to engage the community and the improvement of health and wellness and to set up a long term viable healthcare system to serve generations to come.

3. Public Comment:

Assemblyman Ken Gray supports this project. He states that this is a fantastic project and that this project is coming at the right time and is bringing new technology to the community and advanced healthcare services that we desperately need within his assembly district in our communities. He mentions that cannot wait until the place gets done and we can get people in there. Also that when he first moved to Nevada he was an ER nurse at the old Barton facility and was really looking forward to the new one (facility).

Gerald Ackerman, with the University of Nevada, Reno School of Medicine and the State Office of Rural Health supports this project. He states that he is looking forward to working with the folks at Barton Memorial in working with them and in some of the services and technical assistance that his office is able to provide as the project moves forward.

Kirk Ledbetter is in support of the project. He states that this is a needed facility in Lake Tahoe and it will be neat to see the modern facility. He mentions that his family was involved in the original donation of land that got the property moving in the South Lake Tahoe area so it is neat to see a lot of movement and facilities staying in the Tahoe Basin to serve the population and visitors that go to the lake.

Wes Rice, commissioner of Douglas County, is in support of the project. He states that this will give him a place much closer to home, so he does not have to drive across town. He states that Barton Health has been an incredible source of pride for many people in Douglas County and South Shore. He goes on to state that he sees no downsides to this, only upsides. The people in the neighborhood will be able to walk there and they now have micro transit in South Lake Tahoe so folks can go from their door to the hospital door.

Carol Chaplin, CEO of the Lake Tahoe Visitors Authority, and a 42 year resident of South Shore is in support of the project. She goes on to state that both of her sons were born at Barton and her family has used their services for many years. She states that the new development will give the community so much more access to higher level care. She

notes that her son has had probably 12 surgeries at Barton. They cannot see anything but higher and better quality and even more services that the local community needs. She notes that from a visitors authority standpoint they have people that take advantage of the incredible team at Barton. This new facility would increase the quality of care and variety of services, not to mention that the community is getting more diverse and needs different kinds of medical services.

Tarryn Emmerich-Choi then reads two letters of support that were submitted to the Primary Care Office (copies of these letters are attached at the end of the meeting minutes).

Steve Teshara, Director of Government Relations for the Lake Tahoe South Shore Chamber of Commerce, also known as Tahoe Chamber, fully supports the Barton application. He states that Barton has a long history of service in the community as healthcare options do not come along very often and we should not lose this opportunity, so as the largest business organization on the South Shore they are pleased to support Barton's application.

4. Barton Health Partners are then given time to provide a summation of their position following the public comments. Clint Purvance, President and CEO of Barton Healthcare System thanked the community and community partners for their broad support for the project. Stating that this is a transformational project and they have been serving the community for over 60 years and look forward to serving the community for generations to come. He stated that he believes that this opportunity on the Nevada side will be impactful for not only the local community, but the tourists and the regional patients that they care for. Currently, they are very focused on the needs of the community and making certain that the two campus approach to healthcare is maintained. He continues on to say that even though the hospital will be moving 5.5 miles away from its existing site that the two campus, Nevada and California locations will maintain services to care for those who are close to those campuses for the vast majority of the care that they require. C. Purvance states that he looks forward to engaging the community this year in more public comment opportunities and they are grateful for the opportunity to be in front of the state of Nevada today and thanks those that are in support of the project.

5. The meeting was closed by Tarryn Emmerich-Choi at 10:39 am.



February 2, 2024

NV Department of Health and Human Services (DHHS)
Primary Care Office
4150 Technology Way, Suite 300
Carson City, NV 89706

Sent electronically to: nvpco@health.nv.gov

RE: BARTON HEALTH STATELINE REGIONAL EXPANSION PROJECT

Dear Primary Care Office:

The Nevada Hospital Association supports Barton Memorial Hospital's project to build a new hospital in Stateline, Nevada. Barton enjoys a wonderful reputation, and we believe that Barton will be a great addition to the healthcare delivery system in Nevada.

Thank you for the opportunity to provide comments.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Patrick D. Kelly", is written over a light blue circular watermark or seal.

Patrick D. Kelly
President and CEO
Nevada Hospital Association

Tarryn Emmerich-Choi

From: Titus, Robin Senator <Robin.Titus@sen.state.nv.us>
Sent: Thursday, February 15, 2024 6:58 PM
To: DPBH NV PCO
Cc: Chris Proctor
Subject: Barton Health Hospital Relocation

WARNING - This email originated from outside the State of Nevada. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Hello,

The Barton Health Hospital Relocation Certificate of need public hearing is tomorrow.

Unfortunately, I will not be able to attend as I will be in

The Health and Human Services Legislative Interim Committee.

This email is to express my strong support of the relocation.

Access to health care is a priority of mine and this move would go a long way to improving access in Nevada.

In their application they list the services that they already offer, in addition to the expanded services that they would be able to provide.

Health care opportunities do not come often enough to Nevadan's. We cannot afford to lose this one.

I would be happy to discuss this with you further if needed.

Best wishes,

Robin L. Titus MD
Nevada State Senate Minority Leader
District 17

Attachment E
Hearing Materials – Barton Health Regional Hospital
Department of Health and Human Services
State of Nevada

Barton Health Hospital Relocation



Certificate of Need Public Hearing | February 16, 2024

**not a final rendering*



Growing Need for Healthcare in Lake Tahoe

Replacement Challenges We Face

- Risk of closure
- Aging infrastructure
- 2030 CA seismic mandates
- Limited growth footprint

Prioritizing Care for our Patients

- Increasing demand for healthcare
- Care for underserved populations -
Medi-Cal/Medicaid/Medicare
- Aging population using more
care services



Hospital Relocation

Our Future, Their Health

Goals

- Expand patient access to local, high-quality care
- Ensure long-term viability of the community health system
- Provide state-of-the-art facilities & leading medical equipment



**not a final rendering*

Barton Health

Consistently Exceptional Care

Only comprehensive healthcare option in the Lake Tahoe basin

Level III Trauma Center & clinical expertise

Dedicated to high-quality care




History

Rooted in the Community

**Independent management
since 1963**

**Meets health needs for
residents & tourists**

**Orthopedic & sports
medicine excellence**



**IN AN EMERGENCY
WILL DEATH WAIT?**

...authorities recognized the emergency need for a hospital in the South Lake Tahoe area by the Hill-Burton construction program. The area was a hospital service area. The Hill-Burton law government matching 3 months adequate. Even share of construction cost to raise \$422,011 in 18 months, or the Hill-Burton residents of Placeres 1957, surpassed their \$80,000, and the 50% of the community. The time-payment gift over four tax years allowed tax deductions and corporations up to tax laws. Substantial tax in gifts of stocks, bonds. How much should you Hospital? Think of it as because a bed will be in ment in readiness and a That life could be y How much should you g How much is that i answer?

**BARTON
MEMORIAL
HOSPITAL**

Campaign Headquarters
4422
Room 5, Tahoe
Mailing Address: P
Tahoe



CERTIFIED CENTER OF
EXCELLENCE



Barton

By The Numbers

Patient Care: Across Their Health Journey

- Acute Care: 63 beds
- Skilled Nursing/Long-term Care: 48 beds
- Emergency Department Visits: 20,000/ year
- Community Health Center Visits: 21,000/ year
- Outpatient Registrations/ 265,000/ year
- Surgeries: 3,800/ year

Ready to Rebuild

Construction & Service Plan

BARTON HEALTH FACILITY

Building for Health

- 120,000 sq. ft. acute care
 - 40 inpatient & 20 observation beds
- 30,000 sq. ft. skilled nursing/long-term care
 - 45 beds
- 30,000 sq. ft. cancer care

NV Campus Services

- Acute Care Hospital
- Emergency Department
- Level III Trauma Center
- Surgical Care
- Birthing Center
- Primary Care
- Specialty Care
- Medical Imaging
- Skilled Nursing/Long-Term Care

*not a final rendering

Population

By The Numbers

Rural Community, Worldwide Visitation

- Primary Service Area: 26,000 residents
 - Up to 100,000 on weekends/ holidays
- Secondary Service Area(s): 134,000
- Bi-state Community
 - 3% Projected Decline in El Dorado County, CA
 - 3% Projected Growth in Douglas County, NV

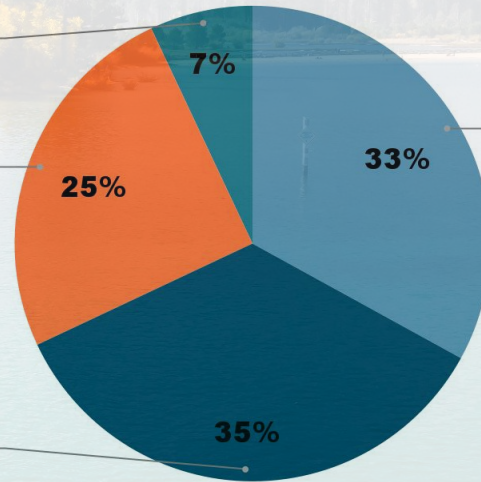
Payor Mix

Cash Pay/ Other
7.0%

Medi-Cal/Medicaid
25.0%

Medicare
35.0%

Private Insurance
33.0%



Making a Difference

Patient Care

Expanded Services

Keeping local patients local; serving visitors

Regional Partnerships/Transfers

Carson Valley Health

Carson Tahoe Health

Renown Health

Lower Costs

For patients & insurance payors

Improved Quality & Technology



Making a Difference

Community & Environment

Community

- Gateway
- Urban core
- Health & wellness focus

Environment

- Reduced traffic
- Surface water treatment project
- Energy conservation & efficiencies



**not a final rendering*

Making a Difference

Job Opportunities & Economic Growth

Construction

Construction is expected to create an estimated 100 high-quality construction positions

Permanent

Barton Health will employ ~700 full-time equivalent employees with a range of skill levels & expertise

Indirect

Economic boost for neighborhood businesses due to hospital workforce utilizing nearby services

Ready to Rebuild

Financials

Strong Financial Position

- Minimally leveraged w/ low debt
- Cash reserves
- Loans
- Engaged philanthropic base

Ready to Build

Timeline





Barton Health

Consistently Exceptional Care

Thank you

