

HCRManorCare  
7361 Calhoun Place #300  
Rockville, Maryland 20855  
240.453.8500  
240.453.8501 fax

RECEIVED

JAN 27 2014

HCR ManorCare HEALTH CARE POLICY AND FINANCING

January 14, 2014

Kathleen S. Snow, M.P.A.  
Long Term Care Benefits Policy Specialist  
Department of Health Care Policy & Financing  
1570 Grant Street  
Denver, Colorado 80203

Dear Ms. Snow:

I write to submit a letter of intent on behalf of ManorCare Health Services, LLC (“the Applicant”), to construct and seek Medicaid Certification for 60 beds at a new nursing facility to be called ManorCare Health Services-Lakewood. The number of beds requested for Medicaid certification is a component of the total 120 bed licensed capacity. The new nursing facility would be located in the Lakewood or a closely adjacent area of Jefferson County. The proposed service area will include a population of individuals aged 65 and over who would be the target population for the specialized new Post-Acute Model of Care clinical programs that would be provided at the ManorCare Health Services – Lakewood facility.

The Applicant was formed in the State of Delaware on August 17, 2001 and is qualified to do business in Colorado. The Applicant’s business address is 333 North Summit Street, Toledo, Ohio 43604. The Applicant is wholly-owned by HCR ManorCare, Inc, which is also located at 333 North Summit Street, Toledo, Ohio 43604. HCR ManorCare operates 285 nursing facilities in 29 states, including two nursing facilities in Colorado --- ManorCare Health Services – Denver and ManorCare Health Services – Boulder. HCR ManorCare is an established provider of post-acute services similar to that which will be offered in the proposed Jefferson County facility.

This new post-acute model of care includes specialized clinical programs that focus on returning medically complex patients to the community following successful medical support and intensive rehabilitation, and a specialized building design that includes enlarged therapy rooms, specialized therapy and medical equipment, and electronic medical records. The new post-acute facility would integrate with acute care hospital systems and staff to reduce re-hospitalizations in response to federal CMS and Colorado initiatives. The project is also supported by demographic analysis, showing an insufficient current facility capacity to respond to existing and projected population increases, and the support of local acute care hospitals.

We will submit an application to the Department for the new Medicaid Certification within five months of this letter of intent per requirements of the Departmental Regulation 8.430.3. Correspondence regarding this request should be sent to me or to Lisa Rosenthal, Director of Health Planning at: HCR ManorCare, 7361 Calhoun Place, Suite 300, Rockville, Maryland 20855.

If you have any questions on this letter of intent, please contact me at (240) 453-8585 or Lisa Rosenthal at (240) 453-8569.

We look forward to working with the Department to develop this needed nursing facility, to respond to the current and future needs of Jefferson County residents.

Sincerely,

A handwritten signature in blue ink, appearing to read "Larry R. Godla". The signature is fluid and cursive, with a large initial "L" and "G".

Larry R. Godla  
Vice President, Development and Construction

cc: Fred Miles, Esq., Miles & Peters

July 22, 2013

HAND DELIVERED  
ACKNOWLEDGEMENT OF RECEIPT REQUESTED

Kathleen S. Snow, M.P.A.  
Long Term Care Benefits Policy Specialist  
Department of Health Care Policy & Financing  
1570 Grant Street  
Denver, Colorado 80203

Re: ManorCare Health Services, LLC  
Application for Medicaid Beds

Dear Ms. Snow:

I write to submit a letter of intent on behalf of ManorCare Health Services, LLC (“the Applicant”), to seek Medicaid Certification for 60 beds for a new nursing facility that the Applicant intends to construct to be called ManorCare Health Services-Lakewood pursuant to the Department’s Regulations at §§ 8.430 *et seq.* The number of beds requested for Medicaid certification is a component of the total 120 bed licensed capacity for this facility. The new nursing facility would be located in the Lakewood area, and would serve the surrounding area of Jefferson County. The proposed service area will be geographically contiguous with respect to the population of individuals aged 65 and over who would be the target population for the specialized New Post-Acute Model of Care clinical programs that would be provided at ManorCare Health Services – Lakewood.

The Applicant was formed in the State of Delaware on August 17, 2001 and is qualified to do business in Colorado. The Applicant’s business address is 333 North Summit Street, Toledo, Ohio 43604. The Applicant is wholly-owned by HCR ManorCare, Inc, which is also located at 333 North Summit Street, Toledo, Ohio 43604. HCR ManorCare operates 285 nursing facilities in 29 states, including two nursing facilities in Colorado --- ManorCare Health Services – Denver and ManorCare Health Services – Boulder. The company also operates assisted living facilities and hospice/home health care offices with a total number of 348 facilities.

ManorCare Health Services – Lakewood will provide a New Post-Acute Model of Care, including specialized clinical programs that focus on returning medically complex patients to the community following successful medical support and intensive rehabilitation, and a customized building design that includes enlarged therapy rooms, state of the art therapy and medical equipment, and electronic medical records. The new nursing facility would integrate with acute care hospital systems and staff to substantially reduce re-hospitalizations in response to federal CMS and Colorado initiatives. The project is also supported by our demographic analysis of this area which shows insufficient Medicaid nursing facility capacity to respond to current and significant projected increases in this target population over the course of the next 2 to 5 years. This project also has the support of local acute care hospitals.

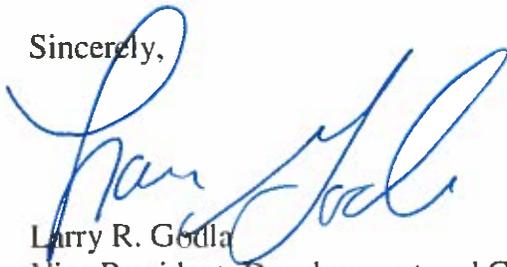
In addition to the foregoing reasons, the Applicant believes that making the care and services of this New Post Acute Model of Care available to Medicaid recipients in this area is consistent with federal law. As you know, Title XIX of the Social Security Act provides that a state plan must make such care and services available to Medicaid recipients to the same extent that such care and services are available to the general population in that geographic area. See 42 U.S.C. § 1396(a)(30)(A).

We will submit an application to the Department for the new Medicaid Certification within five months of this letter of intent per requirements of the Department's Regulation at § 8.430.3. Correspondence regarding this request should be sent to me or to Lisa Rosenthal, Director of Health Planning at: HCR ManorCare, 7361 Calhoun Place, Suite 300, Rockville, Maryland 20855.

If you have any questions on this letter of intent, please contact me at (240) 453-8585 or Lisa Rosenthal at (240) 453-8569.

We look forward to working with the Department to develop this needed nursing facility, to respond to the current and future needs of Jefferson County residents.

Sincerely,



Larry R. Godla  
Vice President, Development and Construction

cc: Fred Miles, Esq., Miles & Peters