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Jun 01 2018

STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

PROPOSED ADJUSTMENT

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410-2-4-.04: Limited Care Facilities - Specialty Care Assisted Living Facilities (SCALFs)

410-2-4-.04(2)(e) Adjustments. Consistent with this provision, coupled with Section 410-2-5-.04(2)(a), the SHCC has recognized the need in Lee County for an additional twenty-four (24) specialty care assisted living facility beds for location in a 55+ community defined to include assisted living beds, independent living apartments and single-family homes.

APPLICANT

The applicant is Chapman H, LLC ("Chapman H"), an Alabama Limited Liability Corporation, whose managing principal and sole owner is Allen C. Harris. Mr. Harris is a long time resident of Lee County. Mr. Harris, through Chapman H, is the owner of the project site and the 55+ residential community in which the SCALF facility is to be located along with ALF, Independent Living and single family homes. Mr. Harris has retained the consultants and other professional firms necessary for the project and this Adjustment Application.

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PA2018-007

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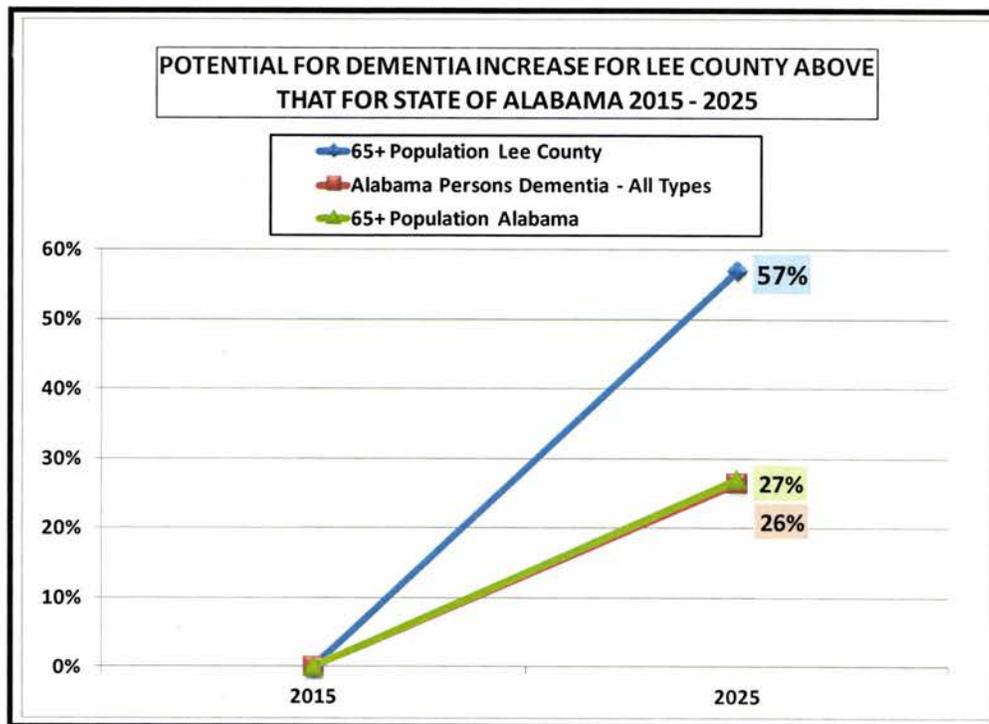
May 30 2018

STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

PLAN ADJUSTMENT APPLICATION FOR 24 SCALF MEMORY CARE BEDS

In a 55+ SENIOR LIVING COMMUNITY IN OPELIKA

Every 65 seconds someone develops Alzheimer's.



SUBMITTED BY

Chapman H, LLC

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GOAL OF ADJUSTMENT

The goal is to provide an adequate supply of SCALF beds to meet the demand of the increasing senior population, which for Lee County is projected to increase 126% from 2015 to 2040 compared to 50% for the State of Alabama. This is an increase of approximately 21,000 seniors on top of the 18,000 seniors living today in Lee County, a more than doubling of the senior population. Much of this increase is expected in the near years of 2015 to 2025, with a 57% increase in the 65+ population compared to just 27% for the State of Alabama.

Should the incidence of Alzheimer's and other forms of dementia be the same in Lee County as in the State of Alabama at large, this disproportionate growth in 65+ populations in Lee County will create disproportionate demand for SCALF services in Lee County. This will also be impacted because the 65+ populations in surrounding counties look to SCALFs within Lee County for this specialized care.

In Lee County, there are four SCALF facilities. These SCALFs accepted communications with the senior living consultants for this project (Windermere Strategic Partners and Greenbrier Senior Living). Windermere Strategic Partners prepared and reviewed quantitative data as well as conducted interviews with the SCALFs. Greenbrier reviewed these data and also performed contacts in Lee County.

The Applicant retained an independent firm having experience in senior living to conduct a Demand Analysis. This firm, Windermere Strategic Partners, reviewed quantitative data as well as conducted interviews with the SCALFs. The firm prepared and reviewed two geographical areas. One geographical area was comprised of a 20-mile radius in which the target populations in 12 zip code zones were utilized, which included Lee County and parts of the counties of Chambers, Macon and Tallapoosa. The other geographical area was just the whole of Lee County. For these two geographical areas, data such as age, households, income, migration, number of SCALF beds in use or licensed and current incidence of dementia were assessed.

Upon analysis of these data and interviews, the conclusion was that Lee County will be under-bedded by approximately 106 to 145 SCALF beds by 2022. ATTACHMENT 6 on page 106 presents the Demand Analysis using the 12 zip code zones in the 20-miles radius (a Map and listing of the 12 zip codes are presented on page 110).

SCALF services located in Lee County serve a much larger senior population than just Lee County. The State Health Plan indicates a 2015 bed need of 108 SCALF beds in the four counties adjacent to Lee County. However, two of these counties do not have SCALF beds. According to ADPH, as of April 2018 there are 78 licensed SCALF beds in these four counties. This illustrates a shortage of 30 beds without consideration of other factors. Therefore, the seniors and their families in these four counties must look to at least Lee County for memory care services. Furthermore, populations from west Georgia also look to Lee County for SCALF services.

PROPOSED ADJUSTMENT

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FEE

\$3,500 paid dlc

COMMUNITY REACTION

One method of evidence for project support is demonstrated by the letters of support, which are presented in ATTACHMENT 5 on page 52 to page 106. Additional evidence of community support comes from the many persons contacted by the Applicant and its representatives as well as those residents who have chosen to buy and live today in the 55+ community of The Springs of Mill Lakes. Not one person objected to supporting this Adjustment.

WHAT IS THE PROJECT - THE LODGE AT MILL LAKES

The Lodge at Mill Lakes ("The Lodge") is being developed as a multi-level rental senior living facility. Set on a 13-acre parcel within the newly developed 55+ single family residential community of The Springs of Mill Lakes ("Springs") in Opelika, Lee County, Alabama, The Lodge will be the only fully integrated, modern full service retirement community of its kind in the Opelika-Auburn service area. The Lodge will offer 112 Independent Living Apartments and 30 Assisted Living accommodations with all necessary and desired commons, amenity and back of house support spaces areas for the operation of a first class community of this type. The subject of this Application, a distinct 24 bed unit in a specialized Memory Care component, is also included as part of the continuum of care. Square footage of the entire community is planned to be approximately 179,400 square feet.

Day-to-day operations of the community will be managed by Greenbrier Senior Living of Birmingham, Alabama, a highly respected firm with management expertise and experience in operating Memory Care, Assisted Living and Independent Senior Living communities in Alabama and throughout the Eastern United States.

The Lodge will consist of a series of interconnected buildings allowing direct access for all residents to the various services which are offered by the Community. As set forth above, The Lodge is part of an 80-acre 55+ master planned community known as The Springs at Mill Lakes, developed by Allen C. Harris, Principal of Bailey-Harris Construction, a highly successful and reputed individual and company located in Auburn-Opelika Alabama. Containing 131 single family residential lots, bordered by a 45-acre perpetual wildlife preserve purchased by the developer, The Springs is unlike any development in the market area and recently was the recipient of 8 awards as the best new 55+ community at the National Association of Home Builders' Annual Convention in Orlando this past January.

The Lodge, as designed, will be comprised of the following elements:

SCALF Memory Care Unit - 24 Private Beds

The SCALF health care component will be an 11,275 square foot dedicated, lock down, 24 private bed Memory Care unit. It will have 24 one bedroom alcove apartments measuring 390 square feet each with a full bath, including a shower. Memory Care programmed elements will include a living/lounge area, a dining room and servery, a private/quiet dining room, a multi-purpose activity room with country kitchen, a life enrichment space, a bathing spa, a gardening room as well as a secured outdoor memory courtyard and garden. The Memory Care unit will be equipped with a state of the art security system. Appropriate and required areas will be provided such as charting stations and medicine storage rooms.

30 Assisted Living Apartments

The community will have 30 Assisted Living Apartments, which along with the Memory Care unit, will comprise the health care component of The Lodge. The Assisted Living apartments are a mix of alcove and one bedroom units with 390 and 470 square foot floor plans respectively, each apartment having a kitchenette and full bathroom. The Assisted Living commons area will include an entry lounge and living area, a dining room with prep kitchen and servery, a small café/ice cream parlor, a private dining room, a bathing spa, a multi-use activity space, a resident laundry and a covered terrace. Appropriate staff areas will be provided as well, such as team alcoves and medication rooms.

The Health Care Staff and Support Area will house administration, social services, professional nurse offices and a home health office. Also located there will be a clinic and exam rooms, visiting doctor's office, a therapy room, and a pharmacy.

The Assisted Living and the Health Care Staff and Support Area will total approximately 25,400 square feet of non-combustible and fully sprinklered construction.

112 Independent Apartment Homes

This will be a combination of a variety of one bedroom and two bedroom homes ranging from 672 square feet to 1,239 square feet. Each unit has a porch or balcony accessed through the living room and includes a full kitchen, private bathroom with shower, laundry closet with stackable washer/dryer. All units will have monitored emergency call, daily electronic check-in, and smoke detectors. Services will include wait staff served meals from a changing menu, bi-weekly housekeeping and full building and grounds maintenance. Also included will be vibrant social, recreational and educational programs. There will also be a comprehensive wellness program for not only our assisted living and memory care residents but the independent living residents as well.

The Commons:

The Commons, having 17,000 square feet, will house dining options, resident social, recreational and educational spaces, and staff areas. The dining area is split into multiple areas including a formal dining room and a café/bistro. A strength /cardio room is provided and equipped as well as a performing arts center which also hosts aerobics and other fitness classes. Other amenities include a spa & salon, library, business center, billiards and card rooms, and art studio as well as outdoor fitness trails.

Surrounded by Nature

The Springs of Mill Lakes will encompass 80 acres, and is bordered on the west by a 45-acre perpetually protected wildlife sanctuary. The community's natural setting includes two 3.5-acre mature lakes, a wandering creek, and waterfalls. One lake will be used for recreation; the other lake will be stocked for fishing.

The lush master-planned community, with its monumental entry, will be further enhanced by walkways, a nature trail, paddleboats, canoeing or kayaking, and a dock on the recreation lake. The common grounds will be professionally landscaped and beautifully maintained. Residents will be able to enjoy The Springs of Mill Lakes and its abundant green space on foot, by bike or by golf cart.

WHY IS THIS ADJUSTMENT NEEDED

Five of the keystone reasons why this Adjustment for 24 additional SCALF beds is needed are:

- ❖ **"CHOICE":** To maintain and promote a desirable competitive environment for "Choice" by seniors including residents of Lee County and adjacent counties;
- ❖ **LEE COUNTY - REGIONAL MARKET:** Lee County is a regional drawing area for SCALF residents and families including a leader in attracting retirees to the many services and programs including Auburn University;
- ❖ **POPULATION AND ECONOMIC GROWTH IS VERY STRONG:** Demand is increasing as fast as the population is increasing, if not faster in Lee County, along with strong growth in economic opportunities. The 65+ population in Lee County is projected to have a growth rate higher than the rate of Dementias, including Alzheimer's, for the State of Alabama;
- ❖ **DEMAND INCREASING:** Demand for SCALF services is increasing with Lee County being one of Alabama's leading counties for senior population growth; and
- ❖ **SHORTAGE OF BEDS IN ADJACENT COUNTIES:** To partially respond to the seniors residing in the counties adjacent to Lee County that do not have sufficient or

comparable SCALF beds, but which SHPDA indicates a shortage of 30 SCALF beds for the seniors of those four Alabama counties; and

- ❖ BEDS NOT IN USE & SEMI-PRIVATE ROOMS: Both available beds not in use and semi-private rooms rented as private rooms tend to have a negative relationship and can produce misleading occupancy rates. This negative relationship to occupancy rates has occurred at one or more SCALFs in Lee County.

"Choice" for Seniors - Maintain and Promote Desirable Competitive Environment Benefiting Seniors

Seniors expect and deserve a "Choice" among SCALF providers, especially choice involving the factors of quality, cost, access and bed availability. Not all SCALFs are the same and this is reflected in seniors' choices for SCALF services in Lee County. This Adjustment is intended to promote "Choice" for seniors residing in Lee County as well as residents of adjacent counties that do not have sufficient or comparable SCALF services.

Forcing seniors to accept a SCALF facility simply because it has empty beds does not benefit seniors and was never the intent of the CON Law. Likewise, seniors have varying economic means that require, if not demand, a range of SCALF facilities having varying economic levels since seniors and their families are the primary payors, not government.

Unlike many other health services, SCALF services are a "CHOICE" by seniors - paid for by seniors and their families - and the singular decision of the senior and their family that does not create a negative impact on the taxpayers of Alabama.

Lee County - A Regional Market For SCALF Services

Lee County is a regional market for SCALF services. This fact of being a regional market is not adequately considered by the SCALF Bed Need Methodology for Lee County or any other urban county. Being a regional market is attributable to the growth of Lee County including expanding economic opportunities for the siblings of seniors who reside in Lee County.

Since seniors, spouses and families have "Choice" for SCALF services, Lee County can be expected to remain a regional market for SCALF services serving seniors from several counties in Alabama as well as areas of western Georgia.

Population Growth - Very Strong

Population growth has been and continues to be very strong for Lee County, which this section addresses. In reviewing the need of seniors in Lee County, population data was

obtained from CBER¹ for the 65+ population. CBER is the official source of population data per CON Rules and Regulations.

Lee County - 65+ Population

Looking at the five year increments in 65+ population growth for the time period 2015 to 2025 indicates growth in Lee County is projected to well exceed or about double the growth rate for the State of Alabama. Most of the growth in 65+ in Lee County is projected to occur in the near years of 2015 to 2025 and a lower growth in the far years 2025 to 2040, but still greater growth than for the State of Alabama as a whole. This indicates a stronger near term demand for SCALF services for about 10,000 more persons 65+ for the years 2015 to 2025 and about 12,000 more persons 65+ for the years 2025 to 2040.

Table 1 Lee County and Alabama 65+ Population

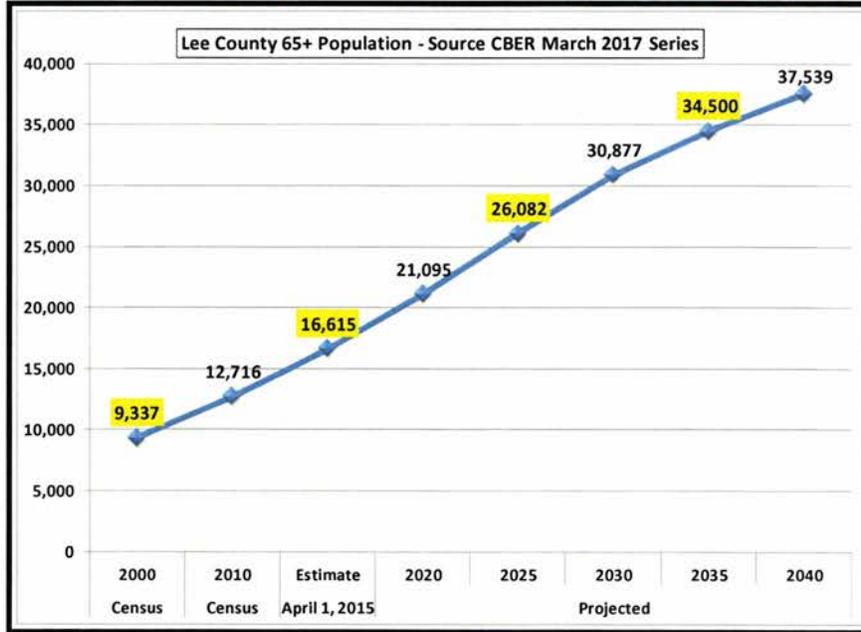
Alabama County Population Aged 65 and Over 2000-2015 and Projections 2020-2040										
POPULATION	Census 2000	Census 2010	2015	2020	2025	2030	2035	2040	Change 2015-2040	
									Number	Percent
Alabama 65+	579,798	657,792	763,724	851,496	970,464	1,067,854	1,114,008	1,144,172	380,448	49.8%
Lee County 65+	9,337	12,716	16,615	21,095	26,082	30,877	34,500	37,539	20,924	125.9%
POPULATION GROWTH EVERY FIVE YEARS										
Alabama 65+			16.1%	11.5%	14.0%	10.0%	4.3%	2.7%		
Lee County 65+			30.7%	27.0%	23.6%	18.4%	11.7%	8.8%		
65+ AS PERCENT OF TOTAL POPULATION										
Alabama 65+	13.0%	13.8%	15.7%	17.2%	19.3%	20.8%	21.3%	21.5%		
Lee County 65+	8.1%	9.1%	10.6%	12.5%	14.4%	16.1%	17.1%	17.8%		
TOTAL POPULATION										
Alabama	4,447,100	4,779,736	4,855,847	4,941,485	5,031,739	5,124,710	5,220,021	5,319,305	463,458	9.5%
Lee County	115,092	140,247	156,351	169,234	180,742	191,587	201,932	211,019	54,668	35.0%

Note: These projections are driven by population change between Census 2000 and Census 2010, taking into account 2015 population estimates. Data on births and deaths for 2000 to 2010 as well as more recent data from the Alabama Department of Public Health are used to derive birth and death rates for the state and each county.

Source: U.S. Census Bureau and Center for Business and Economic Research, The University of Alabama, March 2017.

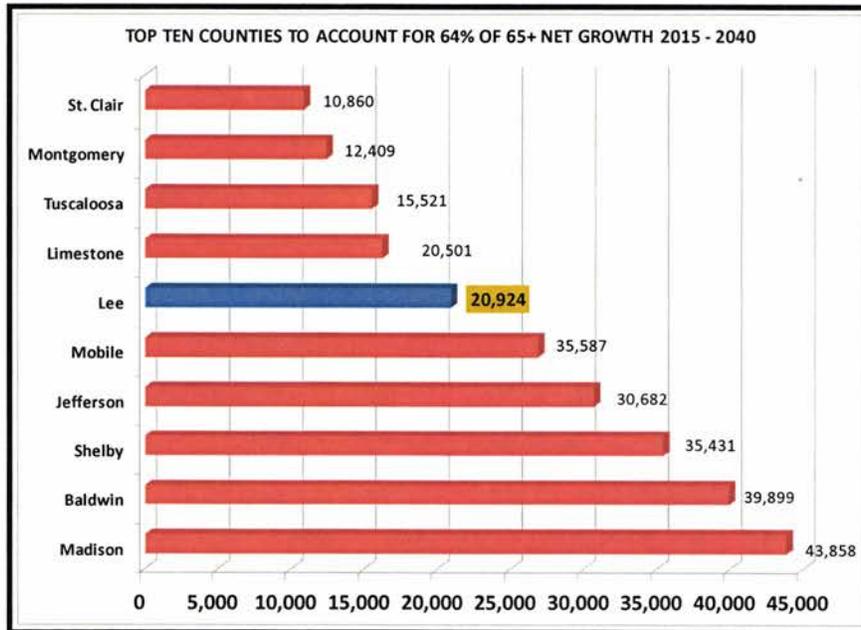
¹ Center for Business and Economic Research at The University of Alabama.

Table 2 Lee County 65+ Population Growth Every Five Years



Source: CBER Mid-Series March 2017

Table 3 Top Ten Alabama Counties For 65+ Population Growth 2015 - 2040



Source: CBER Mid-Series March 2017

Lee County - Total Population

Total population for Lee County is projected by CBER to increase 35% from 2015 to 2040, which is an increase of about 55,000 residents of all ages. This increase of 35% compares to 9.5% for the State of Alabama for the same time period.

From 2015 to 2040, Lee County is projected to increase by about 55,000 residents of which almost 21,000 are to be 65+ years of age.

Table 4 Lee County and Alabama Total Population Growth

Alabama County Population 2000-2015 and Projections 2020-2040										
POPULATION	Census 2000	Census 2010	2015	2020	2025	2030	2035	2040	Change 2015-2040	
									Number	Percent
Alabama	4,447,100	4,779,736	4,855,847	4,941,485	5,031,739	5,124,710	5,220,021	5,319,305	463,458	9.5%
Lee County	115,092	140,247	156,351	169,234	180,742	191,587	201,932	211,019	54,668	35.0%

Note: These projections are driven by population change between Census 2000 and Census 2010, taking into account 2015 population estimates. Data on births and deaths for 2000 to 2010 as well as more recent data from the Alabama Department of Public Health are used to derive birth and death rates for the state and each county.

Source: U.S. Census Bureau and Center for Business and Economic Research, The University of Alabama, March 2017.

Adjacent Counties and SCALF Beds

There are two counties adjacent to Lee County that does not have any SCALF beds. These counties are Macon and Russell. For these two counties, the effective State Health Plan shows a total need for 47 SCALF beds in 2015. Since these counties do not have SCALF beds, some of the seniors of these two counties must look to Lee County for SCALF services.

The following MAP 1 illustrates the four Alabama counties adjacent to Lee County. Of these four counties, only Chambers and Tallapoosa have SCALF beds. The map also shows the three counties in Georgia that look to Lee County for health and medical services.

SHPDA's latest Update to the State Health Plan indicates a need for 30 additional SCALF beds in the four Alabama counties adjacent to Lee County.

Furthermore, as a result of modifications to the Annual Report, the number of "beds not in use" is not available for 2016, 2017 and 2018. However, for the years 2012, 2013, 2014 and 2015, the Annual Reports identified "beds not in use" ranging from 10 to 24 beds. The effect of "beds not being in use" results in occupancy rates for the four years being 93% or materially above compared to 76% to 89%. Likewise, the April/May 2018 interviews of SCALFs also found not all licensed SCALF beds were in use and available to seniors. Seniors have the right to expect licensed and CON Approved SCALF beds to be available for use.

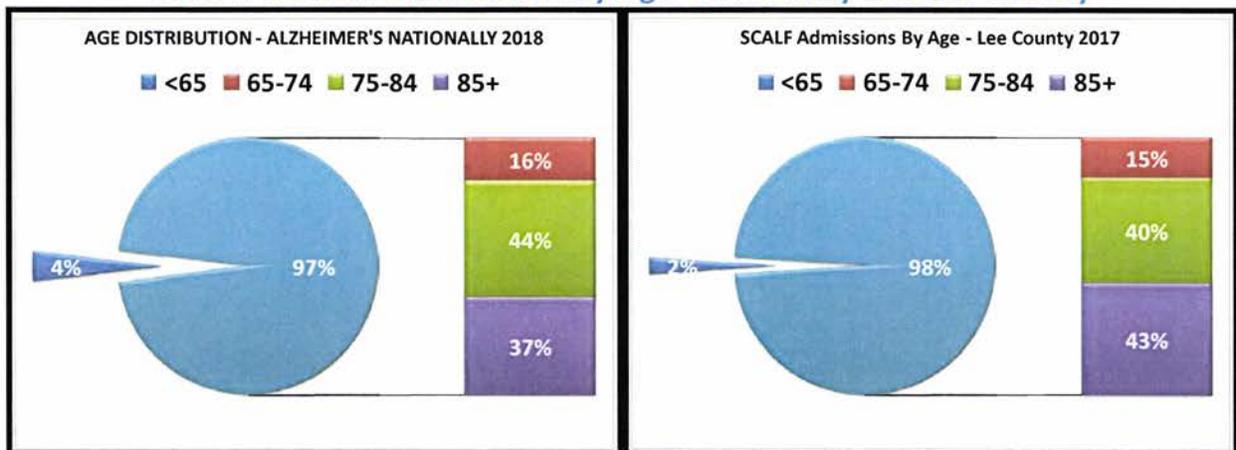
Lastly, occupancy rates were not adjusted for Semi-Private beds; that is using rooms for single occupancy that are actually licensed for two beds. At times, Semi-Private beds are restricted in use due to sex, family desires and other factors. Semi-Private beds reduce the effective occupancy rate that can be achieved; therefore, occupancy rate can be a less than ideal indicator of utilization when Semi-Private beds are available. At least one SCALF in Lee County has indicated in the past the existence of Semi-Private beds.

Use of SCALFs By Age Group

The following chart on the left shows the national prevalence of Alzheimer's by age cohorts. This shows that seniors 65+ are the primary target for Alzheimer's, but that the population below 65 is not immune to early onset. Some reports suggest the below 65 population is increasing in prevalence of Alzheimer's.

The chart on the right shows SCALF admissions by age group in the 2017 Annual Reports for Lee County. The two charts suggest a higher percentage use of SCALF Services in Lee County compared to nationally for the age cohort 85+ years of age and less percentage for the age cohort 75 - 84. This comparison is not atypical for Alabama.

CHART 1 SCALF Distribution By Age - Nationally and Lee County



Source: National data from Alzheimer's Association 2018 and Lee County data from 2017 Annual Reports filed with SHPDA.

Projected Utilization

The Applicant retained an independent firm having experience in senior living to conduct a Demand Analysis. This firm, Windermere Strategic Partners, reviewed quantitative data as well as conducted interviews with the SCALFs. The firm prepared and reviewed two geographical areas. One geographical area was comprised of a 20-mile radius in which the target populations in 12 zip code zones were utilized, which included Lee County and parts of the counties of Chambers, Macon and Tallapoosa. The other geographical area was just the whole of Lee County. For these two geographical areas, data such as age, households, income, migration, number of SCALF beds in use or licensed and current incidence of dementia were assessed.

Upon analysis of these data and interviews, the conclusion was that Lee County will be under-bedded by approximately 106 to 145 SCALF beds by 2022. ATTACHMENT 6 on page 106 presents the Demand Analysis using the 12 zip code zones in the 20-miles radius (a Map and listing of the 12 zip codes are presented on page 110).

GEOGRAPHICAL AREA FOR PROPOSED ADJUSTMENT

The geographical area for the proposed adjustment is Lee County. The following two maps present Lee County with the second map identifying the locations of the four existing SCALFs and the proposed The Lodge to be located in The Springs of Mill Lakes.

MAP 2 MAP OF LEE COUNTY



MAP 3 CURRENT SCALE LOCATIONS & LOCATION OF THE SPRINGS OF MILL LAKES



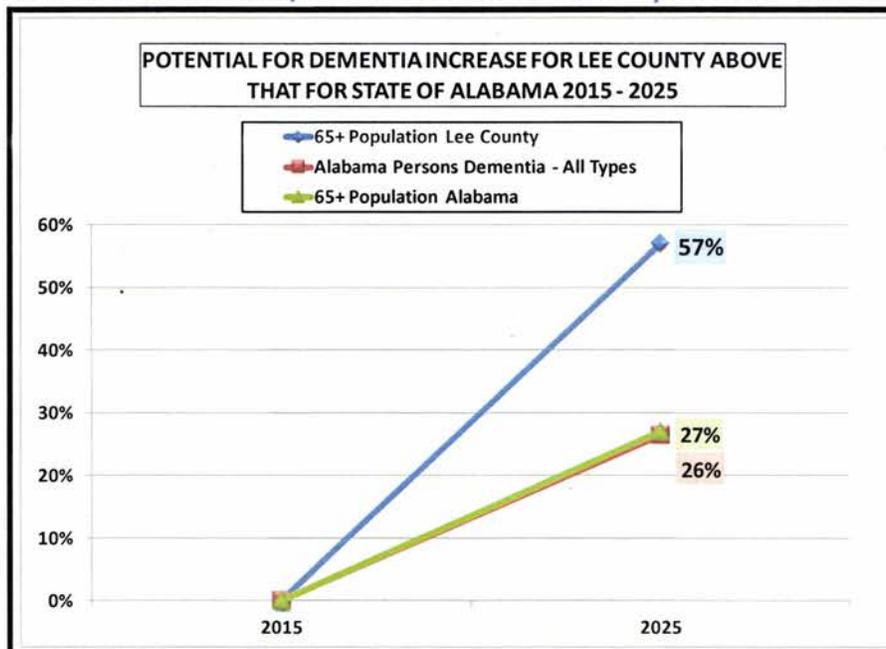
DEMENTIA AND ALZHEIMERS

Dementia and Alzheimer's Compared To 65+ Population Growth

Dementia and the growth in the 65+ population for Lee County are anticipated to essentially experience close to the same growth rate between 2015 and 2025.

The following chart compares the growth of the 65+ population for Lee County to the increase in Dementia in Alabama as projected by the Alzheimer's Association in its 2017 Annual Report. This suggests the growth rate for Dementia in Lee County could significantly exceed the growth rate for the State of Alabama.

CHART 2 Dementia/Alzheimer's and 65+ Population Growth



Note: Based on population data from CBER March 2017 and Dementia figures from Alabama Alzheimer's Association 2017 Annual Report.

Dementias - Prevalence

In its 2018 Report, the Alzheimer's Association has updated its Prevalence for Alzheimer's and Dementias. This 2018 Report's part on Prevalence is presented in ATTACHMENT 1 on page 26.

Several of the points in the Report on Prevalence are:

- ❖ For Alabama, in the next 7 years, 22,200 more Alabamians are projected to have Alzheimer's bringing the total to 110,000 Alabamians in 2025. A projected increase of 19.6 percent.
- ❖ One in 10 people age 65 and older (10 percent) has Alzheimer's dementia.
- ❖ The percentage of people with Alzheimer's dementia increases with age: 3 percent of people age 65-74; 17 percent of people age 75-84; and 32 percent of people age 85 and older have Alzheimer's dementia.
- ❖ Of people who have Alzheimer's dementia, 81 percent are age 75 or older.

The full 88 page 2017 and the 88 page 2018 Reports by the Alzheimer's Association can be found at the web links below. The 2018 Report also has a section on the 16,100,000 "unpaid" Caregivers for loved ones with Alzheimer's, which reading is encouraged.

https://www.alz.org/documents_custom/2017-facts-and-figures.pdf

or

https://www.alz.org/documents_custom/2018-facts-and-figures.pdf

Dementias - Mortality & Morbidity

In its 2018 Report, the Alzheimer's Association also updated its Mortality for Alzheimer's and Dementias. This 2018 Report on Mortality is presented in ATTACHMENT 2 on page 35.

Several of the points in the Report on Mortality are:

- ❖ One in three seniors die with a form of dementia.
- ❖ For Alabama, the Mortality Rate from Alzheimer Disease was 47.0 per 100,000 residents in 2015 compared to the National Rate of 34.4 per 100,000 population.
- ❖ Alabama ranked eighth in Mortality in the United States in 2015. Only the following state had Mortality Rates greater than Alabama: Arkansas; North Dakota; South Carolina; South Dakota; Tennessee; Vermont; and Washington.
- ❖ Alzheimer's is the only top 10 cause of death that cannot be prevented, cured or even slowed.
- ❖ According to 2014 Medicare claims data, about one-third of all Medicare beneficiaries who die in a given year have been diagnosed with Alzheimer's or another dementia.
- ❖ At age 80, approximately 75 percent of those with Alzheimer's are expected to be in a nursing home compared with only 4 percent of the general population at age 80.

- ❖ Of those with Alzheimer's, 40 percent of the time is in the most severe state of Alzheimer's.
- ❖ Among people age 70, 61 percent of those with Alzheimer's are expected to die before age 80 compared with 30 percent of people without Alzheimer's.

Dementias - Other Information From 2018 Alzheimer's Report

- ❖ The Report estimates the cost to the State of Alabama Medicaid Program for Dementia persons 65+ is to increase 32 percent between 2018 and 2025.
- ❖ 18.4 billion hours of care are provided by family and other unpaid caregivers.
- ❖ One in three caregivers are 65 years and older.
- ❖ 41 percent of unpaid caregivers have a household income of \$50,000 or less.
- ❖ 66 percent of unpaid caregivers live with the care recipient in the community.
- ❖ About 25 percent of unpaid caregivers are "sandwich generation" caregivers, caring for both 65+ and under age 18.
- ❖ Two-thirds of caregivers are women.
- ❖ Stress in caregivers for Dementia is about twice as high as stress in caregivers for non-dementia.
- ❖ It is estimated there are 304,000 unpaid caregivers in Alabama with the unpaid cost estimated at \$4.6 billion in 2017.
- ❖ In 2017, Medicare began reimbursing physicians and Para-professionals for comprehensive dementia care planning.
- ❖ \$341,840 is the lifetime cost of care for one person with Dementia.
- ❖ Medicare recipients with Dementia are three times more costly than Medicare recipients not having Dementia (\$48,000 vs. \$13,700).
- ❖ 27 percent of persons with Dementia having Medicare coverage also have Medicaid coverage.
- ❖ Dual coverage persons (Medicare and Medicaid coverage) with Dementia in nursing homes translate to high costs for the Medicaid program. About 23 times more costly than those dual coverage persons not having Dementia.
- ❖ Hospital, home health and other costs are likewise higher for single and dual coverage persons having Dementia compared to persons not having Dementia.
- ❖ Without question, more public dollars (Medicare and Medicaid) are spent per person on those with Dementia than those without Dementia.
- ❖ The median cost for care in an assisted living facility is \$45,000 per year compared to a nursing home private room at \$97,000 per year.

SCALF ANNUAL REPORTS FILED WITH SHPDA

Presented in ATTACHMENT 3 on page 42 is a summary of the Annual Reports filed by Lee County SCALF providers to SHPDA for the years 2012 through 2017. Two SCALFs did not file Annual Reports for 2016.

PHYSICIANS COMMITTED TO PRACTICE IN AREA

Lee County is fortunate to have an excellent foundation of physicians. The Adjustment for 24 SCALF beds does not depend on the need for additional physicians or additional physician specialties in Lee County. The selection of a physician is that of the resident and his/her family/caregivers.

STAFFING

The estimated non-physician staffing for SCALF services would represent about 60 to 80 new jobs to be obtained from the local and regional labor markets as well as the local educational and training programs.

EFFECT ON EXISTING SCALF PROVIDERS

No effect is anticipated on existing SCALF providers in the normal course of retaining competitive services, programs, access and quality as perceived by the potential users.

THE WSJ HIGHLIGHTS LATEST DESIGN AMENITIES – INSIDE AND OUT – AT THE SPRINGS OF MILL LAKES

Excerpt from May 9, 2017:

Recently, Allen Harris, developer of The Springs of Mill Lakes, was interviewed for an in-depth story in The Wall Street Journal about the wants and needs of today's boomer homebuyers, especially with regard to the newest developments in technology: "Tech-Savvy Seniors Want Latest Design Amenities," by Joseph Dobrian. Here are some excerpts from the article:

The Springs of Mill Lakes, in Opelika, Ala., incorporates the latest technologies both indoors and out, according to Allen Harris. (...) High-tech securing features include cameras



at the community's entrance with resolution high enough to read license plates, and Opelika is the only city in Alabama with its own fiber-optic service and network, (OPS ONE) – plus round-the-clock repair service with a two-hour service window.

"This community will be served by fiber optic secured by the side of the home," Mr. Harris says. "That is a big plus for this generation, which spends more time online than millennials."

"You can also have a TV camera at your front door that activates your cell phone when someone approaches. You can operate your garage door from your cell phone. We'll have USB outlets underneath the upper kitchen cabinets for easy storage of charging phones."

In 2016, Opelika Power Services introduced OPS ONE – the new name for all of the blazing fast Video, Voice and Data services available to Opelika residents and businesses.

Being able to offer OPS ONE to new homebuyers is very much in line with the vision of Allen Harris. "I am building a single-family community for Baby Boomers. They are savvy buyers, heavy internet users and keen consumers of fast, convenient broadband services."



In addition to offering amenities that appeal to 'tech-savvy seniors,' The Springs of Mill Lakes has numerous other amenities that appeal to many interests of today's sophisticated buyers, such as:

- ❖ A 3,500 sq. ft. clubhouse, The Owl's Roost, that features:
 - ❖ Fireplace Gathering Lounge
 - ❖ Catering Kitchen
 - ❖ Fitness Center
 - ❖ Meeting / Flex Room
 - ❖ Ballroom Dance Floor
- ❖ Other amenities at The Springs of Mill Lakes:
 - ❖ Zero Entry Pool
 - ❖ Pickleball Court with VersaCourt Outdoor Tiles
 - ❖ Two Lakes:
 - Bass-stocked Lake for Fishing
 - Recreational Lake
 - ❖ Walking / Nature Trails
 - ❖ Garden Plots



- ❖ Event Lawn
- ❖ Perpetually Protected Wildlife Sanctuary (45 Acres) Owned by the HOA



NICE TO MEET YOU: ALLEN C. HARRIS, DEVELOPER OF THE SPRINGS OF MILL LAKES



Alabama native Allen C. Harris launched Chapman H, LLC in 2015 to develop The Springs of Mill Lakes in Opelika, Alabama, a master-planned residential community of 134 single-family custom homes that is specifically designed to appeal to the active 55+ homeowner seeking an easy-living lifestyle surrounded by nature.

Allen grew up in Anniston (Ala.) where he landed his first construction job at age 13. He graduated from Auburn University's School of Building Science.

In 1979, Allen Harris and Jack Bailey formed Bailey-Harris Construction Company, Inc., and in 1991 Allen became the sole owner of Bailey-Harris, one of the most respected industrial and commercial contracting firms in the Deep South.

The company is founded on integrity, wisdom, hard work and customer satisfaction. Customer service and a persistent focus on the success of each project have allowed Bailey-Harris to grow its capabilities from the first project of \$214,000 to single projects of \$100M plus. The wealth of the company's repeat business is a result of Allen's insistence to be a responsible, responsive and trusted member of the construction community.

To date, his extensive construction portfolio consists of custom residences, apartment housing, and large, high-visibility commercial projects built throughout the southeast, including the Shelby Engineering Center at Auburn University; Dexter Avenue Office Center, Montgomery; and more than 400 projects in Alabama, Georgia and Louisiana.

"The most important thing we build is our name in the community," is Allen's maxim.

Developing land and building homes for boomers is something Allen has become passionate about – and he notes that a community like The Springs of Mill Lakes is "...essential for East Alabama where this product is scarce. This market needs these homes."

Allen has been inspired to live his best personal and professional life by studying the underlying principles of longevity as illustrated by the population of the Greek island of Ikaria, one of the world's Blue Zones®. A plant-based diet including lots of olive oil, moderate daily physical activity, and community engagement may be big contributors to this longevity.

Allen firmly believes that family and business should be balanced. His family, including four daughters and one son, gathers for weekly Sunday meals, and his son Russell is part of Bailey-Harris Construction Company's management team. Always learning and exploring, Allen is fluent in four languages. "Diversity of knowledge is vitally congruent with good business practices," he notes. Additionally, Allen is an avid Dancesport competitor in Latin and Rhythm Ballroom Dance. "Being competitive by nature and enjoying the opportunity to express, one thing's for certain...the longer you dance the longer you live!"



ATTACHMENTS

ATTACHMENT 1 - ALZHEIMER'S ASSOCIATION - Prevalence 2018

PREVALENCE

Every
65
seconds

someone in the United States
develops Alzheimer's disease

Millions of Americans have Alzheimer's or other dementias. As the size and proportion of the U.S. population age 65 and older continue to increase, the number of Americans with Alzheimer's or other dementias will grow. This number will escalate rapidly in coming years, as the population of Americans age 65 and older is projected to grow from 53 million in 2018 to 88 million by 2030.¹³³⁻¹³⁶ The baby boom generation has already begun to reach age 65 and beyond,¹³⁷ the age range of greatest risk of Alzheimer's; in fact, the oldest members of the baby boom generation turned age 72 in 2018.

This section reports on the number and proportion of people with Alzheimer's dementia to describe the magnitude of the burden of Alzheimer's on the community and health care system. The prevalence of Alzheimer's dementia refers to the number and proportion of people in a population who have Alzheimer's dementia at a given point in time. Incidence refers to the number of new cases per year. Estimates from selected studies on the number and proportion of people with Alzheimer's or other dementias vary depending on how each study was conducted. Data from several studies are used in this section.

Prevalence of Alzheimer's and Other Dementias in the United States

An estimated 5.7 million Americans of all ages are living with Alzheimer's dementia in 2018. This number includes an estimated 5.5 million people age 65 and older¹³⁰ and approximately 200,000 individuals under age 65 who have younger-onset Alzheimer's, though there is greater uncertainty about the younger-onset estimate.¹⁴⁷

- One in 10 people (10 percent) age 65 and older has Alzheimer's dementia.^{62, 92, 145}
- The percentage of people with Alzheimer's dementia increases with age: 3 percent of people age 65-74, 17 percent of people age 75-84, and 32 percent of people age 85 and older have Alzheimer's dementia.⁹⁰
- Of people who have Alzheimer's dementia, 81 percent are age 75 or older (Figure 1).^{62, 90}

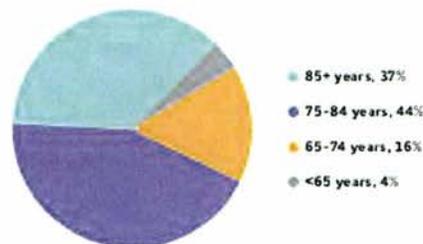
The estimated number of people age 65 and older with Alzheimer's dementia comes from a study using the latest data from the 2010 U.S. Census and the Chicago Health and Aging Project (CHAP), a population-based study of chronic health conditions of older people.⁹⁰

National estimates of the prevalence of all dementias are not available from CHAP, but they are available from other population-based studies including the Aging, Demographics, and Memory Study (ADAMS), a nationally representative sample of older adults.^{64, 148-149} Based on estimates from ADAMS, 14 percent of people age 71 and older in the United States have dementia.¹⁴⁹

Prevalence studies such as CHAP and ADAMS are designed so that everyone in the study is tested for dementia.

FIGURE 1

Ages of People with Alzheimer's Dementia in the United States, 2018



Created from data from Hebert et al.^{61, 90}

Percentages do not total 100 because of rounding.

But outside of research settings, a substantial portion of those who would meet the diagnostic criteria for Alzheimer's and other dementias are not diagnosed with dementia by a physician.¹⁵⁰⁻¹⁵³ Furthermore, fewer than half of Medicare beneficiaries who have a diagnosis of Alzheimer's or another dementia in their Medicare records (or their caregiver, if the beneficiary's cognitive impairment prevented him or her from responding) report being told of the diagnosis.¹⁵⁴⁻¹⁵⁷ Because Alzheimer's dementia is underdiagnosed and underreported, a large portion of Americans with Alzheimer's may not know they have it.

The estimates of the number and proportion of people who have Alzheimer's in this section refer to people who have Alzheimer's dementia. However, as described in the Overview (see page 15) and Special Report (see page 58), revised diagnostic guidelines¹⁵⁸⁻¹⁶¹ recognize that Alzheimer's disease begins many years before the onset of dementia.

While more research is needed to estimate how many people may have MCI due to Alzheimer's disease and how many people may be in the proposed preclinical stage of Alzheimer's disease, some recent studies have begun to address these topics. For example, a new report from the American Academy of Neurology¹⁶² estimates that 15.8 percent of people in the United States age 60 and older have MCI. Using U.S. Census population estimates, that equates to 11.6 million people in 2018. However, because this estimate is not based on biomarker evidence, researchers do not yet know how many of these people have MCI due to Alzheimer's and how many have MCI due to other causes. Regarding the proposed preclinical stage of Alzheimer's disease, another recent article¹⁶³ estimated that in 2017 there were 38.4 million people in the United States age 30 and older who had elevated levels of beta-amyloid in the brain but who did not yet have MCI.

It is important to note that not all people with MCI or people who are in the proposed preclinical stage of Alzheimer's disease will go on to develop Alzheimer's dementia. In addition, further research using biomarkers in large, representative samples is still needed to obtain reliable estimates of the true prevalence of MCI due to Alzheimer's disease and the number of people in the proposed preclinical stage of the disease.

Subjective Cognitive Decline

The experience of worsening or more frequent confusion or memory loss (often referred to as subjective cognitive decline) is one of the earliest warning signs of Alzheimer's disease and may be a way to identify people who are at high risk of developing Alzheimer's or other dementias as well as MCI.¹⁶⁰⁻¹⁶⁴ Subjective cognitive decline does not refer to someone occasionally forgetting their keys or the name of

someone they recently met; it refers to more serious issues such as having trouble remembering how to do things one has always done or forgetting things that one would normally know. Not all of those who experience subjective cognitive decline go on to develop MCI or dementia, but many do.¹⁶⁵⁻¹⁶⁷ According to a recent study, only those who over time consistently reported subjective cognitive decline that they found worrisome were at higher risk for developing Alzheimer's dementia.¹⁶⁸ The Behavioral Risk Factor Surveillance System (BRFSS) survey, which includes questions on self-perceived confusion and memory loss, found that in 2015-2016, 11 percent of Americans age 45 and older reported subjective cognitive decline, but 55 percent of those who reported it had not consulted a health care professional about it.¹⁶⁹ Individuals concerned about declines in memory and other cognitive abilities should consult a health care professional.

Differences Between Women and Men in the Prevalence of Alzheimer's and Other Dementias

More women than men have Alzheimer's or other dementias. Almost two-thirds of Americans with Alzheimer's are women.¹⁶⁵⁻¹⁶⁹ Of the 5.5 million people age 65 and older with Alzheimer's in the United States, 3.4 million are women and 2.0 million are men.^{15, 169} Based on estimates from ADAMS, among people age 71 and older, 16 percent of women have Alzheimer's or other dementias compared with 11 percent of men.¹⁴⁴

There are a number of potential biological and social reasons why more women than men have Alzheimer's or other dementias.¹⁷⁰ The prevailing view has been that this discrepancy is due to the fact that women live longer than men on average, and older age is the greatest risk factor for Alzheimer's.¹⁷¹⁻¹⁷³ Many studies of incidence (which indicates risk of developing disease) of Alzheimer's or any dementia have found no significant difference between men and women in the proportion who develop Alzheimer's or other dementias at any given age.¹⁷⁴⁻¹⁷⁶ A recent study using data from the Framingham Heart Study suggests that because men in middle age have a higher rate of death from cardiovascular disease than women in middle age, men who survive beyond age 65 may have a healthier cardiovascular risk profile and thus an apparent lower risk for dementia than women of the same age.¹⁷¹ Epidemiologists call this "survival bias" because the men who survive to older ages and are included in studies tend to be the healthiest men; as a result, they may have a lower risk of developing Alzheimer's and other dementia than the men who died at an earlier age from cardiovascular disease. More research is needed to support this finding.

TABLE 4

Projections of Total Numbers of Americans Age 65 and Older with Alzheimer's Dementia by State

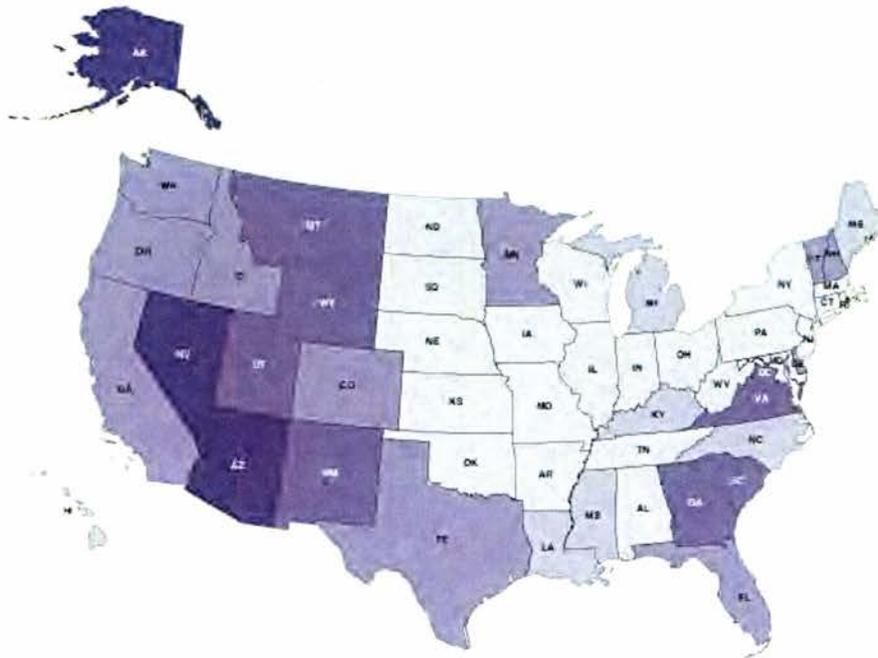
State	Projected Number with Alzheimer's (in thousands)		Percentage Increase 2018-2025	State	Projected Number with Alzheimer's (in thousands)		Percentage Increase 2018-2025
	2018	2025			2018	2025	
Alabama	92	110	19.6	Montana	20	27	35.0
Alaska	7.5	11	46.7	Nebraska	34	40	17.6
Arizona	140	200	42.9	Nevada	45	64	42.2
Arkansas	56	67	19.6	New Hampshire	24	32	33.3
California	650	840	29.2	New Jersey	180	210	16.7
Colorado	71	92	29.6	New Mexico	39	53	35.9
Connecticut	77	91	18.2	New York	400	460	15.0
Delaware	18	23	27.8	North Carolina	170	210	23.5
District of Columbia	8.9	9	1.1	North Dakota	14	16	14.3
Florida	540	720	33.3	Ohio	220	250	13.6
Georgia	140	190	35.7	Oklahoma	64	76	18.8
Hawaii	28	35	25.0	Oregon	65	84	29.2
Idaho	25	33	32.0	Pennsylvania	280	320	14.3
Illinois	220	260	18.2	Rhode Island	23	27	17.4
Indiana	110	130	18.2	South Carolina	89	120	34.8
Iowa	64	73	14.1	South Dakota	17	20	17.6
Kansas	53	62	17.0	Tennessee	120	140	16.7
Kentucky	71	86	21.1	Texas	380	490	28.9
Louisiana	87	110	26.4	Utah	31	42	35.5
Maine	28	35	25.0	Vermont	13	17	30.8
Maryland	110	130	18.2	Virginia	140	190	35.7
Massachusetts	130	150	15.4	Washington	110	140	27.3
Michigan	180	220	22.2	West Virginia	38	44	15.8
Minnesota	94	120	27.7	Wisconsin	110	130	18.2
Mississippi	54	65	20.4	Wyoming	9.7	13	34.0
Missouri	110	130	18.2				

Created from data provided to the Alzheimer's Association by Weuve et al.^{47,48}

FIGURE 2

Projected Increases Between 2018 and 2025 in Alzheimer's Dementia Prevalence by State

13.6% - 20.2% 20.3% - 26.8% 26.9% - 33.5% 33.6% - 40.1% 40.2% - 46.7%



Change from 2018 to 2025 for Washington, DC: 11%

Created from data provided to the Alzheimer's Association by Weuve et al.^{172,173}

Researchers are now questioning whether the risk of Alzheimer's could actually be higher for women at any given age due to biological or genetic variations or differences in life experiences.¹⁷⁶ A number of studies have shown that the APOE-e4 genotype (see the Overview, page 11), the best known genetic risk factor for Alzheimer's dementia, may have a stronger association with Alzheimer's dementia in women than in men.¹⁷⁷⁻¹⁷⁸ However, a recent meta-analysis, which combined data from a number of independent studies, found no difference between men and women in the association between APOE genotype and Alzheimer's dementia except for a slightly elevated risk for women with the APOE-e3/e4 genotype compared with men with the same genotype between ages 65 and 75.¹⁷⁹

It is unknown why the APOE gene could convey different risk for women, but some evidence suggests that it may be due to an interaction between the APOE-e4 genotype and the sex hormone estrogen.¹⁸⁰⁻¹⁸¹ Finally, because low education is a risk factor for dementia,^{85-89,96,178,182-183} it is possible that lower educational attainment in women than in men born in the first half of the 20th century could account for a higher risk of Alzheimer's and other dementias in women.¹⁸⁴

Racial and Ethnic Differences in the Prevalence of Alzheimer's and Other Dementias

Although there are more non-Hispanic whites living with Alzheimer's and other dementias than any other racial or ethnic group in the United States, older African-

20 Alzheimer's Association. 2018 Alzheimer's Disease Facts and Figures. *Alzheimer's Dement* 2018;14(3):367-429

Americans and Hispanics are more likely, on a per-capita basis, than older whites to have Alzheimer's or other dementias.¹⁸⁵⁻¹⁹¹ Most studies indicate that older African-Americans are about twice as likely to have Alzheimer's or other dementias as older whites.¹⁹²⁻¹⁹⁴ Some studies indicate Hispanics are about one and one-half times as likely to have Alzheimer's or other dementias as older whites.¹⁹⁵⁻¹⁹⁷ Recent studies suggest the increased likelihood for Hispanics may be slightly lower than this, depending upon the specific Hispanic ethnic group observed (for example, Mexican-Americans compared with Caribbean-Americans).¹⁹⁸

There are fewer data from population-based cohort studies regarding the national prevalence of Alzheimer's and other dementias in racial and ethnic groups other than whites, African-Americans, and Hispanics. However, a study examining electronic medical records of members of a large health plan in California indicated that dementia incidence — determined by the presence of a dementia diagnosis in members' medical records — was highest in African-Americans, intermediate for Latinos (the term used in the study for those who self-reported as Latino or Hispanic) and whites, and lowest for Asian-Americans.¹⁹⁹ A follow-up study with the same cohort showed heterogeneity within Asian-American subgroups, but all subgroups studied had lower dementia incidence than whites.¹⁹⁹ A recent systematic review of the literature found that Japanese-Americans were the only Asian-American subgroup with reliable prevalence data, and that they had the lowest prevalence of dementia compared with all other ethnic groups.¹⁹⁹ More studies, especially those involving population-based cohorts, are necessary to draw conclusions about the prevalence of Alzheimer's and other dementias in Asian-Americans and how it may differ by subgroup.

Variations in health, lifestyle and socioeconomic risk factors across racial groups likely account for most of the differences in risk of Alzheimer's and other dementias by race.¹⁹⁹ Despite some evidence that the influence of genetic risk factors on Alzheimer's and other dementias may differ by race,^{199,200,201} genetic factors do not appear to account for the large prevalence differences among racial groups.^{199,200} Instead, health conditions such as cardiovascular disease and diabetes, which are associated with an increased risk for Alzheimer's and other dementias, are believed to account for these differences, as they are more prevalent in African-American and Hispanic people.²⁰¹⁻²⁰⁴ Socioeconomic characteristics, including lower levels of education, higher rates of poverty, and greater exposure to early life adversity and discrimination may

also increase risk in African-American and Hispanic communities.^{199,200,205} Some studies suggest that differences based on race and ethnicity do not persist in rigorous analyses that account for such factors.^{86,148,199}

There is evidence that missed diagnoses of Alzheimer's and other dementias are more common among older African-Americans and Hispanics than among older whites.²⁰⁶⁻²⁰⁷ Based on data for Medicare beneficiaries age 65 and older, Alzheimer's or another dementia had been diagnosed in 6.9 percent of whites, 9.4 percent of African-Americans and 11.5 percent of Hispanics.²⁰⁸ Although rates of diagnosis were higher among African-Americans than among whites, according to prevalence studies that detect all people who have dementia irrespective of their use of the health care system, the rates should be even higher for African-Americans.

Estimates of the Number of People with Alzheimer's Dementia by State

Table 4 (see page 19) lists the estimated number of people age 65 and older with Alzheimer's dementia by state for 2018, the projected number for 2025, and the projected percentage change in the number of people with Alzheimer's between 2018 and 2025.^{87,104}

As shown in Figure 2, between 2018 and 2025 every state across the country is expected to experience an increase of at least 13 percent in the number of people with Alzheimer's. These projected increases in the number of people with Alzheimer's are due to projected increases in the population age 65 and older in these states. The West and Southeast are expected to experience the largest percentage increases in people with Alzheimer's between 2018 and 2025. These increases will have a marked impact on states' health care systems, as well as the Medicaid program, which covers the costs of long-term care and support for some older residents with dementia.

Incidence of Alzheimer's Dementia

While prevalence refers to existing cases of a disease in a population at a given time, incidence refers to new cases of a disease that develop in a given period of time in a defined population — in this case, the U.S. population age 65 or older. Incidence provides a measure of risk for developing a disease. According to one study using data from the Established Populations for Epidemiologic Study of the Elderly (EPESE), approximately 484,000 people age 65 or older will develop Alzheimer's dementia in the United States in 2018.⁸⁸ The number of new cases of Alzheimer's increases dramatically with age: in 2018, there will be approximately 66,000 new cases among people age 65 to 74, 173,000 new cases among people age 75 to 84 and 245,000 new cases among people age 85 and older.

(the "oldest-old")^{43,240} This translates to approximately two new cases per 1,000 people age 65 to 74, 11 new cases per 1,000 people age 75 to 84, and 37 new cases per 1,000 people age 85 and older.⁴⁵ A study using more recent data from the Adult Changes in Thought (ACT) study, a cohort of members of the Group Health health care delivery system in the Northwest United States, reported even higher incidence rates for Alzheimer's dementia.²⁷⁴ Because of the increasing number of people age 65 and older in the United States, particularly the oldest-old, the annual number of new cases of Alzheimer's and other dementias is projected to double by 2050.²²⁰

- Every 65 seconds, someone in the United States develops Alzheimer's dementia.⁴⁶
- By 2050, someone in the United States will develop Alzheimer's dementia every 33 seconds.⁴⁵

Lifetime Risk of Alzheimer's Dementia

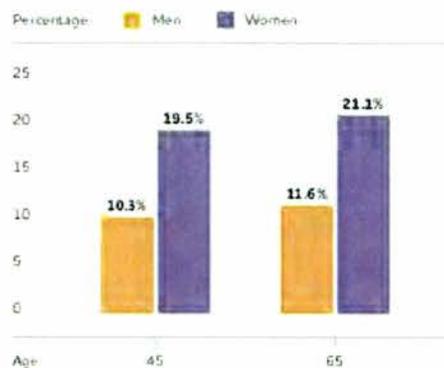
Lifetime risk is the probability that someone of a given age will develop a condition during his or her remaining life span. Data from the Framingham Heart Study were used to estimate lifetime risks of Alzheimer's dementia by age and sex.^{240,277} As shown in Figure 3, the study found that the estimated lifetime risk for Alzheimer's dementia at age 45 was approximately one in five (20 percent) for women and one in 10 (10 percent) for men. The risks for both sexes were slightly higher at age 65.²⁷⁷

Trends in the Prevalence and Incidence of Alzheimer's Dementia

A growing number of studies indicate that the age-specific risk of Alzheimer's and other dementias in the United States and other higher-income Western countries may have declined in the past 25 years,^{211,224} though results are mixed.^{29,225} These declines have been attributed to increasing levels of education and improved control of cardiovascular risk factors.^{214,214,217,218} Such findings are promising and suggest that identifying and reducing risk factors for Alzheimer's and other dementias may be effective. Although these findings indicate that a person's risk of dementia at any given age may be decreasing slightly, it should be noted that the total number of people with Alzheimer's or other dementias in the United States and other high-income Western countries is expected to continue to increase dramatically because of the increase in the number of people at the oldest ages. Furthermore, it is unclear whether these positive trends will continue into the future given worldwide trends showing increases in diabetes and obesity — potential risk factors for Alzheimer's dementia — which may lead to a rebound in dementia risk in coming years.^{60,215,226,227} Thus, while recent findings are promising, the social and economic burden of Alzheimer's and other dementias will

FIGURE 3

Estimated Lifetime Risk for Alzheimer's Dementia, by Sex, at Age 45 and Age 65



Created from data from Chen et al.¹⁷⁷

continue to grow. Moreover, 68 percent of the projected increase in the global prevalence and burden of dementia by 2050 will take place in low- and middle-income countries, where there is no evidence that the risk of Alzheimer's and other dementias has been declining.²²⁶

Looking to the Future

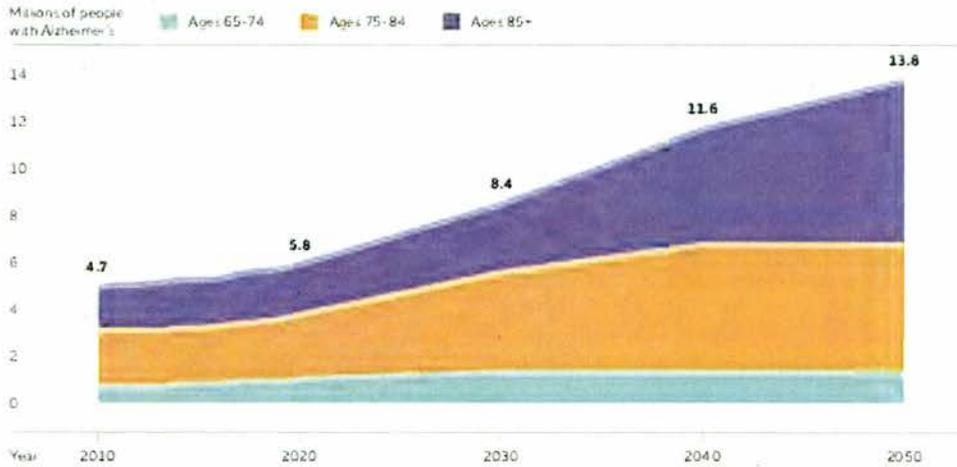
A large segment of the American population — the baby boom generation — has begun to reach age 65 and older, ages when the risk for Alzheimer's and other dementias is elevated. By 2030, the segment of the U.S. population age 65 and older will increase substantially, and the projected 74 million older Americans will make up over 20 percent of the total population (up from 16 percent in 2018).^{145,229} As the number of older Americans grows rapidly, so too will the numbers of new and existing cases of Alzheimer's dementia, as shown in Figure 4.^{411,10}

- In 2010, there were an estimated 454,000 new cases of Alzheimer's dementia. By 2030, that number is projected to be 615,000 (a 35 percent increase), and by 2050, 959,000 (a 110 percent increase from 2010).²¹⁰
- By 2025, the number of people age 65 and older with Alzheimer's dementia is projected to reach 7.1 million — almost a 29 percent increase from the 5.5 million age 65 and older affected in 2018.^{412,10}
- By 2050, the number of people age 65 and older with Alzheimer's dementia may grow from 5.5 million to a projected 13.8 million, barring the development of medical breakthroughs to prevent, slow, or cure Alzheimer's disease.^{411,10}

22 Alzheimer's Association. 2018 Alzheimer's Disease Facts and Figures. Alzheimer's Dement. 2018;14(3):367-429.

FIGURE 4

Projected Number of People Age 65 and Older (Total and by Age) in the U.S. Population with Alzheimer's Dementia, 2010 to 2050



Growth of the Oldest-Old Population

The number of Americans surviving into their 80s, 90s and beyond is expected to grow dramatically due to medical advances, as well as social and environmental conditions.²² Longer life expectancies and aging baby boomers will lead to an increase in the number and percentage of Americans who will be 85 and older, the oldest-old. Between 2012 and 2050, the oldest-old are expected to comprise an increasing proportion of the U.S. population age 65 and older — from 14 percent in 2012 to 22 percent in 2050.^{22, 23} This will result in an additional 12 million oldest-old people — individuals at the highest risk for developing Alzheimer's dementia.^{22, 24}

- In 2018, about 2.1 million people who have Alzheimer's dementia are age 85 or older, accounting for 37 percent of all people with Alzheimer's dementia.¹⁰
- When the first wave of baby boomers reaches age 85 (in 2031), it is projected that more than 3 million people age 85 and older will have Alzheimer's dementia.¹⁰
- By 2050, 7 million people age 85 and older are projected to have Alzheimer's dementia, accounting for half (51 percent) of all people 65 and older with Alzheimer's dementia.¹⁰

Prevalence 23

ATTACHMENT 2 - ALZHEIMER'S ASSOCIATION - Mortality and Morbidity 2018

MORTALITY
AND MORBIDITY

1 in 3

seniors dies with Alzheimer's
or another dementia.

Alzheimer's disease is officially listed in the leading causes of death in the United States.²¹⁹ It is the fifth-leading cause of death for those age 65 and older.²²⁰ However, it may cause even more deaths than official statistics suggest. Alzheimer's is also a leading cause of disability and poor health (morbidity). Before a person with Alzheimer's dies, he or she lives through several months as the disease progresses.

Deaths from Alzheimer's Disease

In this section, the term "Alzheimer's disease" is used rather than "Alzheimer's dementia" to reflect terminology used by the Centers for Disease Control and Prevention (CDC).

It is difficult to determine how many deaths are caused by Alzheimer's disease each year because of the way causes of death are recorded. According to data from the National Center for Health Statistics of the CDC, 110,561 people died from Alzheimer's disease in 2015.²⁴² The CDC considers a person to have died from Alzheimer's if the death certificate lists Alzheimer's as the underlying cause of death, defined by the World Health Organization as "the disease or injury which initiated the train of events leading directly to death."²²¹

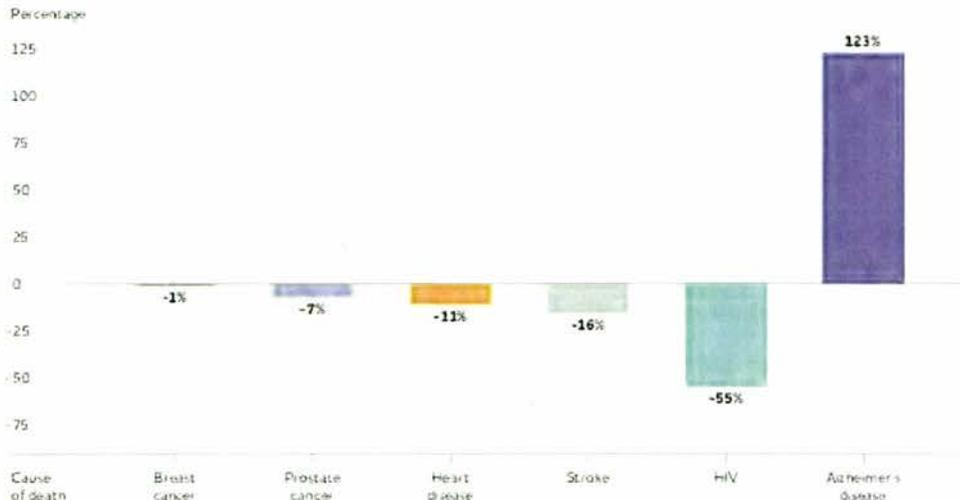
Severe dementia frequently causes complications such as immobility, swallowing disorders and malnutrition that significantly increase the risk of serious acute conditions that can cause death. One such condition is pneumonia (infection of the lungs), which is the most commonly identified cause of death among elderly people with Alzheimer's or other dementias.²²⁴⁻²²⁵ One autopsy study found that respiratory system diseases were the immediate cause of death in more than half of people with Alzheimer's dementia, followed by circulatory system disease in about a quarter.²¹⁶ Death certificates for individuals with Alzheimer's often list acute conditions such as pneumonia as the primary cause of death rather than Alzheimer's.²²⁴⁻²²⁸ As a result, people with Alzheimer's disease who die due to these acute conditions may not be counted among the number of people who die from Alzheimer's disease according to the World Health Organization definition, even though Alzheimer's disease may well have caused the acute condition listed on the death certificate. This difficulty in using death certificates to accurately determine the number of deaths from Alzheimer's has been referred to as a "blurred distinction between death with dementia and death from dementia."²²⁹

Another way to determine the number of deaths from Alzheimer's disease is through calculations that compare the estimated risk of death in those who have Alzheimer's with the estimated risk of death in those who do not have Alzheimer's. A study using data from the Rush Memory and Aging Project and the Religious Orders Study estimated that 500,000 deaths among people age 75 and older in the United States in 2010 could be attributed to Alzheimer's (estimates for people age 65 to 74 were not available), meaning that those deaths would not be expected to occur in that year if those individuals did not have Alzheimer's.²⁴⁰

The true number of deaths caused by Alzheimer's is somewhere between the number of deaths from Alzheimer's recorded on death certificates and the number of people who have Alzheimer's disease when

FIGURE 5

Percentage Changes in Selected Causes of Death (All Ages) Between 2000 and 2015



Created from data from the National Center for Health Statistics.^{26, 27, 28}

they die. According to 2014 Medicare claims data, about one-third of all Medicare beneficiaries who die in a given year have been diagnosed with Alzheimer's or another dementia.¹⁶⁴ Based on data from the Chicago Health and Aging Project (CHAP) study, in 2018 an estimated 700,000 people age 65 and older in the United States will have Alzheimer's when they die.¹⁶⁴ Although some seniors who have Alzheimer's disease at the time of death die from causes that are unrelated to Alzheimer's, many of them die from Alzheimer's disease itself or from conditions in which Alzheimer's was a contributing cause, such as pneumonia.

Irrespective of the cause of death, among people age 70, 61 percent of those with Alzheimer's are expected to die before age 80 compared with 30 percent of people without Alzheimer's.¹⁶⁷

Public Health Impact of Deaths from Alzheimer's Disease

As the population of the United States ages, Alzheimer's is becoming a more common cause of death, and it is the only top 10 cause of death that cannot be prevented, cured or even slowed. Although deaths from other major causes have decreased significantly, official records

indicate that deaths from Alzheimer's disease have increased significantly. Between 2000 and 2015, the number of deaths from Alzheimer's disease as recorded on death certificates have more than doubled, increasing 123 percent, while the number of deaths from the number one cause of death (heart disease) decreased 11 percent (Figure 5).²⁴¹ The increase in the number of death certificates listing Alzheimer's as the underlying cause of death reflects both changes in patterns of reporting deaths on death certificates over time, as well as an increase in the actual number of deaths attributable to Alzheimer's.

State-by-State Deaths from Alzheimer's Disease

Table 5 provides information on the number of deaths due to Alzheimer's by state in 2015, the most recent year for which state-by-state data are available. This information was obtained from death certificates and reflects the condition identified by the physician as the underlying cause of death. The table also provides annual mortality rates by state to compare the risk of death due to Alzheimer's disease across states with varying population sizes. For the United States as a whole, in 2015, the mortality rate for Alzheimer's disease was 34 deaths per 100,000 people.^{242, 243}

26 Alzheimer's Association. 2018 Alzheimer's Disease Facts and Figures. *Alzheimer's Dement* 2018;14(3):367-429

TABLE 5

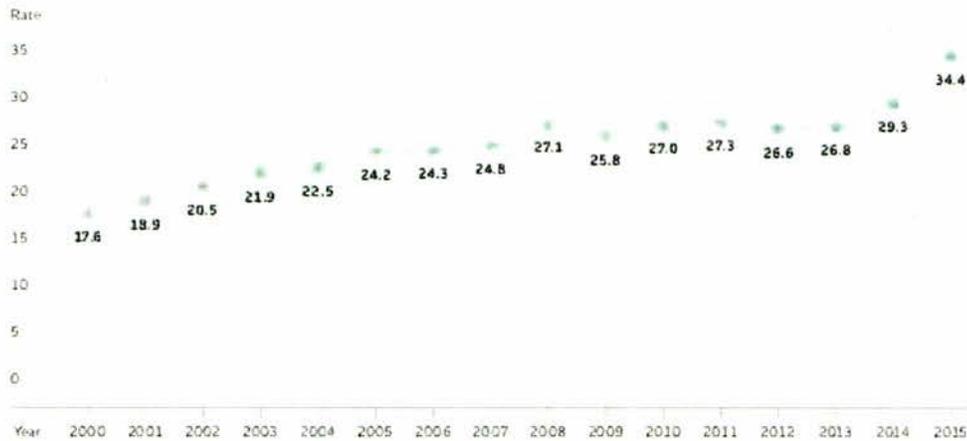
Number of Deaths and Annual Mortality Rate (per 100,000 People) Due to Alzheimer's Disease by State, 2015

State	Number of Deaths	Mortality Rate	State	Number of Deaths	Mortality Rate
Alabama	2,282	47.0	Montana	277	26.8
Alaska	68	9.2	Nebraska	598	31.5
Arizona	2,943	43.1	Nevada	874	30.2
Arkansas	1,457	48.9	New Hampshire	432	32.5
California	15,065	38.5	New Jersey	2,260	25.2
Colorado	1,612	29.5	New Mexico	483	23.2
Connecticut	966	26.9	New York	3,174	16.0
Delaware	264	27.9	North Carolina	3,803	37.9
District of Columbia	129	19.2	North Dakota	376	49.7
Florida	7,031	34.7	Ohio	4,643	40.0
Georgia	3,714	36.4	Oklahoma	1,498	38.3
Hawaii	422	29.5	Oregon	1,652	41.0
Idaho	552	33.4	Pennsylvania	4,012	31.3
Illinois	3,686	28.7	Rhode Island	453	42.9
Indiana	2,513	38.0	South Carolina	2,453	50.1
Iowa	1,339	42.9	South Dakota	421	49.0
Kansas	865	29.7	Tennessee	3,122	47.3
Kentucky	1,694	38.3	Texas	8,903	32.4
Louisiana	2,018	43.2	Utah	906	30.2
Maine	544	40.9	Vermont	298	47.6
Maryland	1,095	18.2	Virginia	2,248	26.8
Massachusetts	1,815	26.7	Washington	3,490	48.7
Michigan	3,771	38.0	West Virginia	738	40.0
Minnesota	1,780	32.6	Wisconsin	2,087	36.2
Mississippi	1,402	46.9	Wyoming	151	25.8
Missouri	2,173	35.7	U.S. Total	110,561	34.4

Created from data from the National Vital Statistics Report.^{111, 112}

FIGURE 6

U.S. Annual Alzheimer's Death Rate (per 100,000 People) by Year



Created from data from the National Vital Statistics Report.²²

Alzheimer's Disease Death Rates

As shown in Figure 6, the rate of deaths due to Alzheimer's has risen substantially since 2000.²³² Table 6 shows that the rate of death from Alzheimer's increases dramatically with age, especially after age 65.^{432,236} The increase in the Alzheimer's death rate over time has disproportionately affected the oldest-old.²⁴⁴ Between 2000 and 2015, the death rate from Alzheimer's increased only 20 percent for people age 65 to 74, but increased 52 percent for people age 75 to 84, and 76 percent for people age 85 and older. A recent report by the CDC determined that even after adjusting for differences in age distributions over time, the annual Alzheimer's death rate in the United States increased substantially over the last decade and a half.²⁴⁴ Therefore, the growing proportion of older adults in the country is not the only explanation for the increase in Alzheimer's death rates. Other possible reasons include fewer deaths from other common causes of deaths in old age such as heart disease and stroke, increased diagnosis of Alzheimer's especially at earlier stages, and increased reporting of Alzheimer's as a cause of death by physicians and others who fill out death certificates.²⁴⁵

Duration of Illness from Diagnosis to Death

Studies indicate that people age 65 and older survive an average of 4 to 8 years after a diagnosis of Alzheimer's dementia, yet some live as long as 20 years with Alzheimer's

dementia.^{244,246-252} This reflects the slow, insidious progression of Alzheimer's. Of the total number of years that they live with Alzheimer's dementia, individuals will spend an average of 40 percent of this time in dementia's most severe stage.²⁴² Much of the time will be spent in a nursing home. At age 80, approximately 75 percent of people living with Alzheimer's dementia are expected to be in a nursing home compared with only 4 percent of the general population at age 80.²⁴² In all, an estimated two-thirds of those who die of dementia do so in nursing homes, compared with 20 percent of people with cancer and 28 percent of people dying from all other conditions.²⁵⁴

Burden of Alzheimer's Disease

The long duration of illness before death contributes significantly to the public health impact of Alzheimer's disease because much of that time is spent in a state of disability and dependence. Scientists have developed methods to measure and compare the burden of different diseases on a population in a way that takes into account not only the number of people with the condition, but also both the number of years of life lost due to that disease as well as the number of healthy years of life lost by virtue of being in a state of disability. These measures indicate that Alzheimer's is a very burdensome disease, not only to the patients but also to their families and informal caregivers, and that the burden of Alzheimer's has increased more dramatically in the United States

28 Alzheimer's Association. 2018 Alzheimer's Disease Facts and Figures. Alzheimer's Dementia 2018.14(3) 367-429

TABLE 6

U.S. Annual Alzheimer's Death Rates (per 100,000 People) by Age and Year

Age	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
45-54	0.2	0.2	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.2	0.2	0.2	0.2	0.1
55-64	2.0	2.1	1.9	2.0	1.8	2.1	2.1	2.2	2.2	2.0	2.1	2.2	2.2	2.2	2.1	2.4
65-74	18.7	18.6	19.6	20.7	19.5	20.2	19.9	20.2	21.1	19.4	19.8	19.2	17.8	18.1	19.9	22.4
75-84	139.6	147.2	157.7	164.1	163.5	177.0	175.0	175.8	182.5	179.1	184.5	183.9	175.4	171.6	185.6	211.9
85+	667.7	725.4	790.9	846.8	875.3	915.5	923.4	928.7	1,002.2	940.3	987.1	957.1	936.1	929.5	1,006.8	1,174.2

Created from data from the National Vital Statistics Report.²⁰⁷

than other diseases in recent years. The primary measure of disease burden is called disability-adjusted life years (DALYs), which is the sum of the number of years of life lost due to premature mortality and the number of years lived with disability, totaled across all those with the disease or injury. Using age-standardized DALYs, Alzheimer's rose from the 25th most burdensome disease or injury in the United States in 1990 to the 12th in 2015.²⁰⁸ In terms of years of life lost, Alzheimer's disease rose from 32nd to 9th, the largest increase for any disease. In terms of years lived with disability, Alzheimer's disease went from ranking 17th to 12th; only kidney disease equaled Alzheimer's in as high a jump in rank.

Taken together, these statistics indicate that not only is Alzheimer's disease responsible for the deaths of more and more Americans, but also that the disease is contributing to more and more cases of poor health and disability in the United States.

ATTACHMENT 3 - SUMMARY OF SCALF ANNUAL REPORTS FILED WITH SHPDA

Table 5 Summary of Filed SCALF Annual Reports 2012 - 2018

Summary Filed Annual Reports - Lee County SCALFs	Days In Operation	Licensed Beds	Approved Beds In Use	Approved Beds Not In Use	Waiting List	Total Patient Days	Occupancy Rate - Licensed Beds	Occupancy Rate - Beds In Use	Average Daily Census
2018	365	136	NR	NR	NR	NA	NA	NA	NA
2017	365	136	NR	NR	NR	30,454	61%	NA	83
2016	366	58	NR	NR	NR	15,512	73%	NA	42
2015	365	136	124	12	0	42,566	86%	94%	117
2014	365	136	125	11	0	44,052	89%	97%	121
2013	365	136	126	10	0	43,558	88%	95%	119
2012	365	150	126	24	0	42,845	78%	93%	117
<p>Note: (1) NR means Not Requested by Annual Report (2) Two SCALFs did not file Annual Reports for 2016 (3) For 2018, personal site interviews were performed since 2018 ARs not available</p>									
<p>Source: SCALF Providers Filed Annual Reports with SHPDA. 2018 not yet published by SHPDA. ADPH data used for license beds only for 2018.</p>									

In April/May of 2018, the Applicant's representative conducted interviews with the four SCALFs in Lee County. During these interviews, three SCALFs represented almost or full occupancy. This was considered 95% occupancy rather than 100% occupancy. One SCALF did indicate about a 65% occupancy, which was expressed due to ownership problems including SEC violations and federal receivership. Additionally, two other SCALFs interviewed changed ownership in December 2015, which would be reflected in the 2016 and subsequent 2017 Annual Reports. Annual Reports for SCALFs use the time period March 1 through February 28; thus, 10 months of the prior year and 2 months of the current year.

**ATTACHMENT 4 - STATE HEALTH PLAN SCALF SERVICES INCLUDING EFFECTIVE
SHP STATISTICAL UPDATE OF OCTOBER 27, 2015**

(does not include Plan Adjustments since October 27, 2015; however, there have been no Plan Adjustments since that time for SCALF beds in Lee County)

410-2-4-.04 Limited Care Facilities – Specialty Care Assisted Living Facilities

(1) Definition. Specialty Care Assisted Living Facilities are intermediate care facilities which provide their residents with increased care and/or supervision which is designed to address the residents' special needs due to the onset of dementia, Alzheimer's disease or similar cognitive impairment and which is in addition to assistance with normal daily activities including, but not limited to, restriction of egress for residents where appropriate and necessary to protect the resident and which require a license from the Department of Public as a Specialty Care Assisted Living Facilities pursuant to Ala. Admin. Code § 420-5-20, et seq.

(2) Specialty Care Assisted Living Facility Bed Need Methodology

(a) Purpose. The purpose of this specialty care assisted living facility bed need methodology is to identify, by county, the number of beds needed to assure the continued availability, accessibility, and affordability of quality care for residents of Alabama.

(b) General. Formulation of this bed need methodology was accomplished by a committee of the Statewide Health Coordinating Council (SHCC). The committee which provided its recommendations to the SHCC, was composed of providers and consumers of health care. Only the SHCC, with the Governor's final approval, can make changes to this methodology except that the SHPDA staff shall annually update bed need projections and inventories to reflect more current population and utilization statistics. Such updated information is available for a fee upon request. Adjustments are addressed in paragraph (E).

(c) Basic Methodology. Considering the availability of more community and home based services for the elderly in Alabama, there should be a minimum of 4 beds per 1,000 population 65 and older for each county.

The bed need formula is as follows:

$$(4 \text{ beds per thousand}) \times (\text{population 65 and older}) = \text{Projected Bed Need}$$

(d) Planning Policies

1. Projects to develop specialty care assisted living facilities or units in areas where there exist medically underserved, low income, or minority populations should be given priority over projects not being developed in these critical areas when the project to develop specialty care assisted living facilities in areas where there exists medically underserved, low income or minority populations is not more costly to develop than other like projects.

2. Bed need projections will be based on a three-year planning horizon.

3. Planning will be on a countywide basis.

4. Subject to SHCC adjustments, no beds will be added in any county where that county's projected ratio exceeds 4 beds per 1,000 population 65 and older.

5. When any specialty care assisted living facility relinquishes its license to operate, either voluntarily or involuntarily other than by a Certificate of Need approved transfer, or by obtaining title by a foreclosure as specified in the opinion rendered by the Alabama Attorney General, November 17, 1980, the need for the facility and its resources will automatically be eliminated from the facilities portion of the State Health Plan. The new bed need requirement in the county where the facility was located will be that number which will bring the county ratio up to 4 beds per 1,000 population 65 and older.

6. Additional need may be shown in situations involving a sustained high occupancy rate either for a county or for a single facility. An applicant may apply for additional beds, and thus the establishment of need above and beyond the standard methodology, utilizing one of the following two policies. Once additional beds have been applied for under one of the policies, that applicant shall not qualify to apply for additional beds under either of these policies unless and until the established time limits listed below have passed. All CON authorized SCALF beds shall be included in consideration of occupancy rate and bed need.

(i) If the occupancy rate for a county is greater than 92% utilizing the census data in the most recent full year "Annual Report(s) for Specialty Care Assisted Living Facilities (Form DM-1)" published by or filed with SHPDA, an additional need of the greater of either ten percent (10%) of the current total CON Authorized bed capacity of that county or sixteen (16) total beds may be approved for either the creation of a new facility or for the expansion of existing facilities within that county. However, due to the priority of providing the most cost effective health care services available, a new facility created under this policy shall only be allowed through the conversion of existing beds at an Assisted Living Facility currently in possession of a regular, non-probationary license from the Alabama Department of Public Health. Once additional need has been shown under this policy, no new need shall be shown in that county based upon this rule for twenty-four (24) months following issuance of the initial CON, to allow for the impact of those beds in that county to be analyzed. Should the initial applicant for beds in a county not apply for the total number of beds allowed to be created under this rule, the remaining beds would then be available to be applied for by other providers in the county, so long as said providers meet the conditions listed in this rule.

(ii) If the occupancy rate for a single facility is greater than 92% utilizing the census data in the last two (2) most recent full year "Annual Report(s) for Specialty Care Assisted Living Facilities (Form DM-1)" published by or filed with SHPDA, irrespective of the total occupancy rate of the county over that time period, up to sixteen (16) additional beds may be approved for the expansion of that facility only. Once additional beds have been approved under this policy, no new beds shall be approved for that facility for twenty-four (24) months following issuance of the CON, to allow for the impact of those beds at that facility to be analyzed.

7. No application for the establishment of a new, freestanding SCALF shall be approved for fewer than sixteen (16) beds, to allow for the financial feasibility and viability of a project. Because of this, need may be adjusted by the Agency for any county currently showing a need of more than zero (0) but fewer than sixteen (16) total beds to a total need of sixteen (16) new beds, but only in the consideration of an application for the construction of a new facility in that county. Need shall not be adjusted in consideration of an application involving the expansion of a currently authorized and licensed SCALF or for the conversion of beds at an existing Assisted Living Facility.

8. Any CON Application filed by a licensed SCALF shall not be deemed complete until, and unless:

(i) The applicant has submitted all survey information requested by SHPDA prior to the application date; and

(ii) The SHPDA Executive Director determines that the survey information is complete.

9. No licensed SCALF filing an intervention notice or statement in opposition in any CON proceeding may cite or otherwise seek consideration by SHPDA of such facility's utilization data until, and unless:

(i) The intervenor or opponent has submitted all survey information requested by SHPDA prior to the application date; and

(ii) The SHPDA Executive Director determines that the survey information is complete.

(e) Adjustments. The bed need, as determined by the methodology, is subject to adjustments by the SHCC. The specialty care assisted living facility bed need may need to be adjusted by the SHCC if an applicant can prove that the identified needs of a targeted population are not being met by existing specialty care assisted living facilities in the county of the targeted population.

(f) Notwithstanding the foregoing, any application for certificate of need for specialty care assisted living facility beds for which a proper letter of intent was duly filed with SHPDA prior to the adoption of the bed need methodology shall not be bound by this bed need methodology.

(g) The determination of need for specialty care assisted living facility beds shall not be linked to the number of existing assisted living beds in the county.

Author: Statewide Health Coordinating Council

Statutory Authority: § 22-21-260(4), Code of Alabama, 1975.

History: Effective November 22, 2004; Amended: Filed August 14, 2012; Effective September 18, 2012.

* CON 2442-SCALF-E (24 Beds) and Project AL2011-002-E (12 Beds) are the subjects of litigation. Current status of CON 2442-SCALF-E and Projects AL2010-190, -192, -193, -195, and AL2011-002-E will not be known until the end of litigation. Need cannot be calculated for Shelby County at this time.

Closure dates listed are as reported to SHPDA by the ADPH Division of Provider Services.

106-A



STATE HEALTH PLANNING AND DEVELOPMENT AGENCY
100 NORTH UNION STREET, SUITE 870
MONTGOMERY, ALABAMA 36104

October 27, 2015

MEMORANDUM

TO: Recipients of the 2014-2017 *Alabama State Health Plan*

FROM: Alva M. Lambert *AML*
Executive Director

SUBJECT: Statistical Update to the 2014-2017 *Alabama State Health Plan*

Enclosed are statistical updates to the 2014-2017 *Alabama State Health Plan*. The following sections should be replaced:

410-2-4-.04, Limited Care Facilities (SCALF), pages 105-106.

AML/blw

Enclosure: As stated

MAILING ADDRESS: P.O. BOX 303025, MONTGOMERY, ALABAMA 36130-3025
PHONE: (334) 242-4103 FAX: (334) 242-4113

**Specialty Care Assisted Living Facilities
Bed Need
2015**

COUNTY	Pop 65 & Older 2018	Total Beds Needed	Total Licensed Beds	Beds		Notes
				Authorized But Not Licensed	Net Beds Needed	
Autauga	8,985	36	48	0	(12)	
Baldwin	43,779	175	168	0	7	
Barbour	4,793	19	0	0	19	
Bibb	3,709	15	0	0	15	
Blount	11,033	44	50	0	(6)	
Bullock	1,793	7	0	0	7	
Butler	4,122	16	16	0	0	
Calhoun	20,413	82	140	0	(58)	
Chambers	6,622	26	16	0	10	
Cherokee	6,005	24	36	0	(12)	
Chilton	7,332	29	0	0	29	
Choctaw	2,790	11	0	0	11	
Clarke	4,793	19	0	0	19	
Clay	2,773	11	0	0	11	
Cleburne	3,002	12	0	0	12	
Coffee	8,917	36	16	18	2	
Colbert	10,925	44	45	0	(1)	
Conecuh	2,891	12	0	0	12	
Coosa	2,529	10	0	0	10	
Covington	7,941	32	0	0	32	
Crenshaw	2,600	10	0	0	10	
Cullman	15,514	62	16	0	46	
Dale	8,309	33	0	0	33	
Dallas	7,257	29	16	0	13	
Dekalb	12,264	49	16	0	33	
Elmore	13,689	55	0	0	55	
Escambia	6,738	27	0	0	27	
Etowah	19,512	78	74	0	4	
Fayette	3,508	14	0	0	14	
Franklin	5,302	21	0	0	21	
Geneva	5,644	23	0	0	23	
Greene	1,826	7	0	0	7	
Hale	2,924	12	0	0	12	
Henry	4,114	16	0	0	16	
Houston	19,174	77	32	0	45	
Jackson	10,650	43	16	0	27	
Jefferson	101,406	406	570	86	(250)	(1),(2),(3),(4)
Lamar	3,150	13	0	0	13	
Lauderdale	19,158	77	32	0	45	
Lawrence	6,156	25	0	0	25	
Lee	18,783	75	136	0	(61)	

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COUNTY	Pop 65 & Older 2018	Total Beds Needed	Total Licensed Beds	Beds		Notes
				Authorized But Not Licensed	Net Beds Needed	
Limestone	14,704	59	32	0	27	
Lowndes	1,930	8	0	0	8	
Macon	3,633	15	0	0	15	
Madison	54,797	219	192	64	(37)	(5),(6),(7)
Marengo	3,982	16	16	0	0	
Marion	6,546	26	0	26	0	(8)
Marshall	17,059	68	22	0	46	
Mobile	66,667	267	285	0	(18)	
Monroe	4,348	17	0	0	17	
Montgomery	33,625	135	178	0	(43)	
Morgan	21,332	85	78	0	7	
Perry	1,900	8	0	0	8	
Pickens	3,862	15	0	0	15	
Pike	5,215	21	16	0	5	
Randolph	4,809	19	16	0	3	
Russell	7,921	32	0	0	32	
St. Clair	15,724	63	60	0	3	
Shelby	33,968	136	128	36	(28)	(9),(10)
Sumter	2,503	10	0	0	10	
Talladega	14,359	57	16	0	41	
Tallapoosa	8,731	35	46	0	(11)	
Tuscaloosa	27,699	111	130	0	(19)	
Walker	12,512	50	14	0	36	
Washington	3,206	13	0	0	13	
Wilcox	2,107	8	0	0	8	
Winston	5,326	21	16	0	5	
TOTAL	831,288	3,325	2,688	230	408	

27-Oct-15

NOTES (Beds Authorized but not License d)

- * - AL2015-032 - Twenty/Twenty, LLC - 18 Beds (Approved 10/21/2015)
- (1) - AL2013-009, CON 2611-SCALF - St. Martin's in the Pines - 16 Beds
- (2) - AL2013-073, CON 2659-SCALF - Regency Birmingham - 38 Beds
- (3) - AL2014-004, CON 2663-SCALF - Chateau Vestavia - 16 Beds
- (4) - AL2015-021, CON 2716-SCALF - Oaks on Parkwood - 16 Beds
- (5) - AL2014-005, CON 2662-SCALF - Merrill Gardens at Madison - 32 Beds
- (6) - AL2014-024, CON 2682-SCALF - Regency Retirement Village of Huntsville - 16 Beds
- (7) - AL2014-030, CON 2685-SCALF - Redstone Military Retirement Residence Ass'n - 16 Beds
- (8) - AL2012-031, CON 2586-SCALF - St. Clair Services, Inc. - 26 Beds
- (9) - AL2010-192, CON 2691-SCALF - Noland Health Services, Inc. - 24 Beds
- (10) - AL2014-032, CON 2693-SCALF - LakeView Estates - 12 Beds

ATTACHMENT 5 - LETTERS OF SUPPORT



LEE COUNTY COMMISSION

Johnny Lawrence, *Commission District 2*
3327 Moores Mill Road
Auburn, AL 36830
(334) 750-5091
jmlawrence@mindspring.com



4 May 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

I serve our community as a County Commissioner and on the Board of Directors of the Lee Russell Council of Governments which provides many of our senior services in both Lee and Russell County. I understand the need for additional memory care beds in this community that will be incorporated in The Lodge at Mill Lakes in Opelika. "The Lodge" brings to Lee County assisted/independent living services for our seniors. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property, would be a principal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,

A handwritten signature in cursive script that reads "Johnny Lawrence".

Johnny Lawrence
Lee County Commissioner, District 2

DENNIS D. HAMLET

2034 SHADYWOOD CT
OPELIKA, AL 36801

(334) 524-2996
DENNIS.HAMLET@MYCOP.NET

April 30, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I am an Opelika Resident and I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,



Dennis D. Hamlet

James T. Gilbert

2724 Carrington Court, Auburn, AL 36830 | 334.750.0894 | ausmokeeater@yahoo.com

April 26, 2018

Allen C. Harris

Developer
Chapman H LLC
P.O. Box 2488
Auburn, AL 36831

Dear **Allen**:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

I am a member of the Auburn/Opelika community and a First Responder. I understand the need for additional memory care beds in this community that will be incorporated in The Lodge at Mill Lakes in Opelika. "The Lodge" brings to Lee County assisted/independent living services for our seniors. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property, would be a principal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,

James T. Gilbert

A handwritten signature in blue ink that reads "James T. Gilbert". The signature is written in a cursive style with a large initial "J" and "G".



April 26, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

My wife and I are residents of The Springs of Mill Lakes. I understand the need for additional memory care beds in this community that will be incorporated in The Lodge at Mill Lakes within my neighborhood. "The Lodge" brings to Lee County assisted/independent living services for our seniors. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property, would be a principal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,

A handwritten signature in black ink, appearing to read 'Richard Lovelace', is written over a light blue horizontal line.

Richard Lovelace
Project Executive

P. O. Box 490 1552 Bailey Harris Drive, Auburn, AL 36831-0490
Phone 334.821.0807 FAX 334.826.1152

Joanna Hornig
1048 Chinook St
Auburn, AL 36830
(334) 826-0067

May 7, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

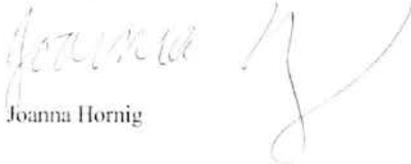
Dear Mr. Harris:

I am a member of the community. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,



Joanna Hornig

The Wisdom Firm LLC

Attorneys at Law

Litigation Real Estate Civil Rights Business Law

T-334-826 0722
F-334-823-0771

2353 Dent Creek Road, Suite 100
Auburn, Alabama 36830

Licensed in Alabama &
Texas

Travis@AuburnLegal.com

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

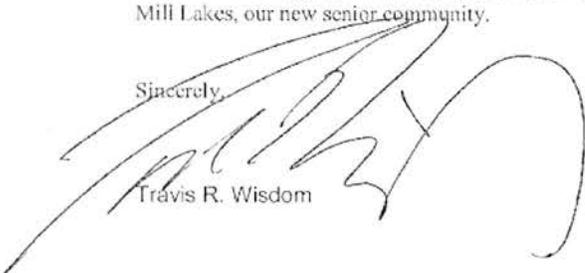
Dear Mr. Harris:

I am a member of the community. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,


Travis R. Wisdom



SURGICAL CLINIC PC

Medical Arts Center of East Alabama

121 North 20th Street
Building #3
Opelika, AL 36801
334.745.6271
Fax 334.742.9879
800.499.6769

May 9, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

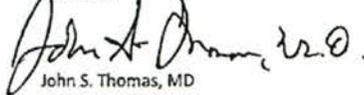
Dear Mr. Harris:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

I am a physician. I understand the need for additional memory care beds in this community that will be incorporated in The Lodge at Mill Lakes in Opelika. "The Lodge" brings to Lee County assisted/independent living services for our seniors. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property, would be a principal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,



John S. Thomas, MD

GENERAL, VASCULAR AND LAPAROSCOPIC SURGERY

J. Stephen Lock, M.D., FACS
John S. Thomas, M.D., FACS
Allen W. Lazenby, M.D., FACS
H. Clay Harper, M.D., FACS
H. Allen Foster, M.D., FACS

GASTROINTESTINAL ENDOSCOPY

H. Allen Foster, M.D., FACS

THE VEIN CENTER

H. Clay Harper, M.D., FACS
Allen W. Lazenby, M.D., FACS



HILYER & ASSOCIATES

Certified Public Accountants

Jeffery A. Hilyer, CPA
Jim Levins, EA
Jackie H. Moon, CPA
Erin K. Arrington, CPA
Rodney W. Hawkins, Jr., CPA
H. David Ennis, Sr., CPA

Members
American Institute of Certified Public Accountants
The Alabama Society of Certified Public Accountants

P. O. Box 30
Opelika, Alabama
36803-0030
(334) 745-2564
FAX (334) 745-5481

May 7, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I am a member of the community. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,

Jim Levins



HARMON ENGINEERING & CONTRACTING CO., INC.

ENGINEERING · CONTRACTING · ENVIRONMENTAL MANAGEMENT
PO Box 230 · 13376 C. L. TORBERT JR. PARKWAY · LAFAYETTE, ALABAMA 36862
PHONE: 334-864-9135 FAX: 334-864-8046
e-mail: harmonengineering@harmonengineering.net

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

I am a member of the community and have been a small business owner in this area for over 30 years. I understand the need for additional memory care beds in this community that will be incorporated in The Lodge at Mill Lakes in Opelika. "The Lodge" brings to Lee County assisted independent living services for our seniors. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property, would be a principal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,

Woodson T. Harmon
President
Harmon Engineering and Contracting Inc



Homeworks of Alabama, Inc.
2905 Frederick Road
Opelika, AL 36801

5-7-2018

Mr. Allen Harris
Chapman II LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I am a home-builder in Opelika, AL and I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,


Allan L. Campfield
President

The Backyard Experience, Inc.

1514 2nd Ave St 2
Opelika, AL 36801
334-741-0303

May 7, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I am a member of the community. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,



W. Eric Rud



Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

Please accept this letter as my support for an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF") that you are presenting to the State Health Coordinating Council ("SHCC").

I have been a citizen of Auburn for 31 years and have worked at AuburnBank since 1993. My mother and mother in law are both in their mid 80's and I understand the need for additional memory care beds in the community that will be incorporated in The Lodge at Mill Lakes in Opelika. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property is critical to meet the needs of our aging population.

Thank you for striving to help in this regard.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gene Dulaney", is written over a horizontal line.

Gene Dulaney
Senior Vice President

100 North Gay Street • P.O. Drawer 3110 • Auburn, AL 36831-3110 • 334-821-9200 • www.auburnbank.com



5/2/2018

Mr. Allen Harris

Chapman H LLC

PO Box 2488

Auburn, AL 36831

RE: Support Additional SCALF Beds

Dear Mr. Harris:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need Application.

I am a physician. I understand the need for additional memory care beds in this community that will be incorporated in The Lodge at Mill Lakes in Opelika. "The Lodge" brings to Lee County assisted/independent living services for our seniors. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property, would be a primal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,

Edith K. Graves, MD



LEE COUNTY REVENUE COMMISSIONER
Opelika, Alabama

OLINE W. PRICE, ACTA
Revenue Commissioner

215 South Ninth Street
Mailing Address: P.O. Box 2413
Opelika, Alabama 36803
855-212-8024
Fax 334-705-5081

May 1, 2018

Mr. Allen Harris
Chapman H LLC
PO BOX 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

I am the Lee County Revenue Commissioner. I understand the need for additional memory care beds in this community that will be incorporated in The Lodge at Mill Lakes in Opelika. "The Lodge" brings to Lee County assisted/independent living services for our seniors. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property would be a principal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,

A handwritten signature in cursive script, appearing to read "Oline W. Price".

Oline W. Price, ACTA

Lee County Revenue Commissioner

Collection Division 334-737-3631 • Manufactured Homes 334-737-3632 • Motor Vehicles 334-737-3655
Assessment Division 334-737-3655 • Smiths Station Satellite Office 334-291-1926 • Auburn Satellite Office 334-737-7298

Derek S. Lee
1109 Mockingbird Lane
Opelika, AL 36801

May 3, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I am a member of the community. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,



Derek S. Lee

Andrew R. Whittemore
1744 Piedmont Dr
Auburn AL. 36830
5/3/18

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

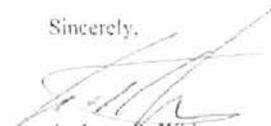
Dear Mr. Harris:

I am a member of the community. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,



Andrew R. Whittemore

Randy Price
P.O. Box 429
Opelika, AL 36803-0429

May 1, 2018

Mr. Allen Harris
Chapman H LLC
P.O. Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need Application.

I am a member of the Lee County Industrial Development Board and the Lee County Public Building Authority, currently serving as Chairman of both. I understand the need for additional memory care beds in this community that will be incorporated in The Lodge at Mill Lakes in Opelika. "The Lodge" brings to Lee County assisted/independent living services for our seniors. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property, would be a principal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,



Randy Price



ALABAMA STATE SENATE
ALABAMA STATE HOUSE
11 SOUTH UNION STREET, 7TH FLOOR
MONTGOMERY, ALABAMA 36130-4600
334-242-7865

TOM WHATLEY
SENATE DISTRICT 27
LEE, RUSSELL, TALLAPOOSA
P.O. BOX 841
AUBURN, AL 36831-0841

CHAIRMAN
SENATE
AGRICULTURE, CONSERVATION
& FORESTRY COMMITTEE

May 1, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

I currently serve as the Alabama State Senator serving District 27 which includes Russell, Tallapoosa and Lee County. I understand the need for additional memory care beds in this community that will be incorporated in The Lodge at Mill Lakes in Opelika. "The Lodge" brings to Lee County assisted/independent living services for our seniors. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property, would be a principal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,


Tom Whatley



ALABAMA
HOUSE OF REPRESENTATIVES

11 S. UNION STREET, MONTGOMERY ALABAMA 36130

REP. JOE LOVVORN
DISTRICT 79
515 OGLETREE ROAD
AUBURN, ALABAMA 36830

DISTRICT: 334-501-7133
OFFICE: 334-242-7540
EMAIL: joe.lovvorn@alhouse.gov

5/2/2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

I serve as the State House Representative for Alabama District 79. I understand the need for additional memory care beds in this community that will be incorporated in The Lodge at Mill Lakes in Opelika. "The Lodge" brings to Lee County assisted/independent living services for our seniors. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property, would be a principal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,

Joe Lovvorn

Barbara H. Patton
3001 Rocky Brook Road
Opelika, Alabama 36801

April 30, 2018

Mr. Allen Harris
Chapman II LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

I am a member of the Community and Executive Director of Envision Opelika. As of late, I have seen several of my friends in need of this service and I understand the need for additional memory care beds in this community that will be incorporated in The Lodge at Mill Lakes in Opelika.

"The Lodge" brings to Lee County assisted/independent living services for our seniors. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property, would be a principal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,



Barbara Patton



JLD ENTERPRISES, LLC
PO Box 2280
Auburn, AL 36831

5/1/2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I am a member of the community. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,

A handwritten signature in dark ink, appearing to read "J. Davis", written over a light blue horizontal line.

Jeffery L. Davis
Owner, JLD Enterprises, LLC



April 26, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

1000 W. 10th St.
Tomball, TX 77375
Tel: 281-291-1100
Fax: 281-291-1101
www.imalia.com

RE: Support for Additional SCALF Beds

1000 W. 10th St.
Tomball, TX 77375
Tel: 281-291-1100

Dear Mr. Harris:

1000 W. 10th St.
Tomball, TX 77375
Tel: 281-291-1100

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

1000 W. 10th St.
Tomball, TX 77375
Tel: 281-291-1100

I am a physician. I understand the need for additional memory care beds in this community that will be incorporated in The Lodge at Mill Lakes in Opelika. "The Lodge" brings to Lee County assisted/independent living services for our seniors. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property, would be a principal means to meet the needs of our aging population.

1000 W. 10th St.
Tomball, TX 77375
Tel: 281-291-1100

1000 W. 10th St.
Tomball, TX 77375
Tel: 281-291-1100

1000 W. 10th St.
Tomball, TX 77375
Tel: 281-291-1100

1000 W. 10th St.
Tomball, TX 77375

With the increase in the 65+ population, more memory care beds are needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

1000 W. 10th St.
Tomball, TX 77375
Tel: 281-291-1100
Fax: 281-291-1101

Sincerely,

Michael T. Gunter, MD

**Davis Machine Works
of Opelika, Inc.**

**Machining – Welding
Design – Fabrication**

**1318 Lee Road 42
Opelika, AL 36804**

**(334) 745-3548
Fax (334) 705-0960**

April 27, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I am and have been a resident of Lee County for over 50 years. I am familiar with The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ (of which I am one) will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,



Wood Thomas Rickles, Jr.
President

4/30/2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I am the President of Harris Doyle Homes and have a vested interest in the community of and surrounding The Springs of Mills Lakes. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,



Russ Doyle
President
Harris Doyle Homes



HARRIS DOYLE
H O M E S

3112 Blue Lake Drive
Suite 100
Birmingham, AL 35243

(P) 205.962.2896
(F) 205.962.2729



April 27, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I'm a private citizen, living in Auburn, Alabama. I've recently moved back into the community where I was once publisher of the Opelika-Auburn News. I've heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am also aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,

A handwritten signature in black ink, appearing to read "F. Steve McPhaul".

F. Steve McPhaul
Executive Vice President
Newspaper Operations

445 Dexter Avenue • Suite 7000 • Montgomery, AL 36104 • T: 334.293.5800 • F: 334.293.5910



Joe Stokes, Agent

818 E Glenn Avenue
Auburn, AL 36830-5708
Bus: 334-821-3791
Fax: 334-460-3862
joe@joe.stokesinsurance.com

4/26/2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

I am a member of the Auburn Community and have family who have had Memory Issues and needed this specific care. I understand the need for additional memory care beds in this community that will be incorporated in The Lodge at Mill Lakes in Opelika. "The Lodge" brings to Lee County assisted/independent living services for our seniors. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property, would be a principal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are needed especially in the Auburn/Opelika area. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,

Joe Stokes
1382 Lakeshore Lane
Auburn, AL 36830
205-616-5082

Providing Insurance and Financial Services



www.byourloveauburn.org
ourhouseauburn@gmail.com
P.O. Box 3040, Auburn, AL 36831

Board Members:

James F. Clemens

Elynn Hix

Linda Lee

Calvin Patrick

René Waldrop, Director

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

I am the Director of Our House, a local ministry that serves the needs of children and their families in Auburn. I understand the need for additional memory care beds in this community and support your efforts to incorporate these in The Lodge at Mill Lakes in Opelika, which will bring much needed assisted/independent living services for our seniors in Lee County. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property, would be a principal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,

René E. Waldrop
René E. Waldrop

And, they will know us BY OUR LOVE. John 13:35

KELLEY PENNINGTON
ATTORNEY AT LAW

Opelika • Auburn • Montgomery

334-782-7047 Direct
334-129-1503 Fax
kelley@penconsulting.com

April 27th, 2018

Mr. Allen Harris
Chapman II LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALE Beds

Dear Mr. Harris:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALE"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

I have been a resident of Lee County and a member of the community for 25 years. I also have been in personal contact over the past few years with several seniors in our community in need of memory care. While I am not an expert on the issue, I do support the augmentation of our local resources for the care of what appears to me to be a growing segment of our population, including many of our most revered residents. I recently had a family close to me burdened with the task of finding care for their mother, a lifelong resident of Opelika, afflicted with Alzheimer's disease. After researching the facilities in the area they ultimately decided on a facility in South Alabama. I believe that the intent for The Lodge at Mill Lakes in Opelika is to be a first class resource for residents of Lee County, such as my friend, and others like her, and I support the endeavor.

Sincerely,



Kelley Pennington

910 Alabama Highway 71, Opelika, Alabama 36801

April 27, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I am a member of the community. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,



Todd Richardson



4/26/2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I am a resident of Auburn with parents nearing the age where they might need additional medical care on a perpetual basis. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the U.S.A., more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,

A handwritten signature in cursive script that reads "D H Wood".

Daniel H. Wood

(334) 559-2727

Chapel Hill • Privacy • West • Spital
Residential • Commercial

P.O. Box 872
Auburn, AL 36830



2124 Moore's Mill Road, Suite 210
Auburn, Alabama 36830
(334) 821-5707

April 26, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I am a member of the community. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

This disease affects my family. My mother currently lives in an assisted living facility in Georgia. We expect to require memory care for her in the future. I would welcome additional options to have her here in Lee County.

Sincerely,

Doug Dallas
Certified Wildlife Biologist
President



auburn electrical construction co. inc.

April 26, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I am the President of Auburn Electrical Construction Co., Inc. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Brent Arnold', is written in black ink.

Brent Arnold

p.o. box 2310, auburn, al 36831-2310 * 440 summerhill rd, auburn, al 36830
(334) 821-7360 * fax (334) 826-6366 * www.aecci.com



April 26, 2018

Mr. Allen Harris
Chapman H LLC
P O Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I am a lifetime member of the community; City President of AuburnBank and President of The Opelika City Council. I have heard many details about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,

Eddie Smith
City President



BBVA Compass

Attn: James H. Griffin
City President
Phone: 334-867-0445
andjames@bbva.com
P.O. Box 3449
Auburn, AL 36831-2449

April 25, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

I am a [*member of the community; resident of The Springs of Mill Lakes; member of the healthcare community; physician; pastor; etc.*]. I understand the need for additional memory care beds in this community that will be incorporated in The Lodge at Mill Lakes in Opelika. "The Lodge" brings to Lee County assisted/independent living services for our seniors. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property, would be a principal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,

Andrew Hardin

BBVA Compass is a trade name of Compass Bank, Member FDIC.



April 26, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I am a resident of Lee County. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,

Mark Chambers
Senior Executive Vice President
President Southeast Region

3601 Frederick Road • Opelika, AL 36801 • Office - 334-737-1092 • www.southernstatesbank.net



4/30/2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris,

I am a resident of Opelika, AL. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,

A handwritten signature in blue ink that reads "Kevin Tudhope". The signature is fluid and cursive, with a long horizontal stroke at the end.

Kevin Tudhope
Sr. Vice President
River Bank & Trust

1804 Thomason Drive • Opelika, Alabama 36801
Office 334-364-5100 Fax 334-364-5118
www.riverbankandtrust.com



A+ Landscape & Irrigation, Inc.

170 Lee Road 27, Auburn, Alabama 36830

April 26, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I am a [*member of the community; resident of The Springs of Mill Lakes; member of the healthcare community; physician; pastor; etc.*]. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,

Robert T. Hassett

Landscaping • Irrigation • Grounds Maintenance

334-741-PLUS (7587)



BARRETT-SIMPSON, INC.

Engineers & Land Surveyors

PHENIX CITY • EUFAULA • OPELIKA

Timothy W. Simpson, P.E., P.L.S.
President
George W. Barrett, P.L.S.
Vice President

Edgar A. Eubanks, P.L.S.
Survey Manager
M. Blake Rice, P.E.
Opelika Manager
Christopher M. Rogers, P.E.
Engineering Manager

April 26, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

Re: Support for Additional SCALF Beds

Dear Mr. Harris:

I am a member of the community. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,
Barrett-Simpson, Inc.

M. Blake Rice, P.E.
Area Manager

223 SOUTH 9TH STREET • OPELIKA, AL 36801 • 334-745-7026 • 334-745-4357 FAX
www.barrett-simpson.com



April 26, 2018

Mr. Allen Harris
Chapman II LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I am a member of the community. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,

A handwritten signature in blue ink, appearing to read "James B. Hurst".

James B. Hurst
President Lee and Elmore County

WINSTON SMITH T CO, INC.
812 NORTH RAILROAD AVENUE
OPELIKA, ALABAMA 36801

26 April 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I am a life-long resident of Opelika and currently serve on the Opelika City Council-Ward 3. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,



Dozier H. Smith T

April 26, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

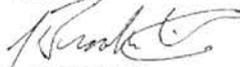
Dear Mr. Harris:

I am a home builder in The Springs of Mill Lakes. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,



J. Brooks Harris
Chief Business Development Officer



HARRIS DOYLE
HOMES

3108 Blue Lake Drive
Suite 200
Birmingham, AL 35245

(P) 205.982.2896
(F) 205.982.2720



TRINITY
PRESBYTERIAN
CHURCH

April 26, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I am a pastor in Opelika. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Duncan".

Chris Duncan

1011 Johns Road, Opelika, Alabama 36801 334.745.4800 (toll free) 334.745.4876 (local) www.opelika.org



JOHNSTON & MALONE BOOKSTORE, INC.
SERVING AUBURN UNIVERSITY

J&M (Old) Bookstore
115 S. College St.
Auburn, AL 36830

J&M Bookstore, Inc.
P.O. Box 3190
Auburn, AL 36831-3190



April 26, 2018

Mr. Allen Harris
Chapman H LLC
P.O. Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

It has come to my attention that an adjustment to the State Health Plan is needed in Lee County for The Specialty Care Assisted Living, known as "SCALF". They are needing twenty-four additional memory care beds. SCALF is presenting to the State Health Coordinating Council, therefore, I am writing to show my support for the Plan Adjustment and the Certificate of Need application.

As a lifelong resident of the Auburn-Opelika area and an active business owner of J&M Bookstore, I feel there is a need to increase the number of memory beds in Opelika's Lodge at Mill Lakes. This will bring needed assisted and independent living services for our seniors. The "Lodge" would provide seniors with a multilevel facility, allowing them to have memory care on one property.

Our community is growing every year, especially in our 65 and over age demographic. I believe more "care beds" are needed. It is my understanding that our group of people in the 65+ age range will increase by more than ten thousand individuals by the year 2025. I hope you will seriously consider the increase of these SCALF beds in this new community for our senior citizens.

Sincerely,

William P. "Skip" Johnston

FAX 334-826-8415 • E-MAIL J.MBOOKS@MINDSPRING.COM • DUNS 03-148-9271
J&M (New) Bookstore • 334-826-8844
1100 S. College St., Suite 106 • Auburn, AL 36832

eamc FOUNDATION

east alabama medical center

2000 Pepperell Parkway
Opelika, AL 36801

Phone: 334.528.5873
www.eamcfoundation.org

April 25, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

I am the foundation director of East Alabama Medical Center. I understand the need for additional memory care beds in this community that will be incorporated in The Lodge at Mill Lakes in Opelika. "The Lodge" brings to Lee County assisted independent living services for our seniors. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property, would be a principal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,



Mandy Finklea
Director of EAMC Foundation and Physician Recruitment



OFFICE OF THE MAYOR
204 South 7th Street • P.O. Box 390
Opelika, AL 36801-0390
(p) 334-705-5150
(f) 334-705-5153
www.opelika-al.gov

April 25, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

As a member of the community and Mayor of Opelika, I understand the need for additional memory care beds in this community that will be incorporated in The Lodge at Mill Lakes in Opelika. "The Lodge" brings to Lee County assisted/independent living services for our seniors. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property, would be a principal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Fuller".

Gary Fuller
Mayor





Ready Mix USA/ a Division of Cemex

2101 Poplar Street Opelika, Alabama 36804
Phone: (334) 737-1818 Fax: (334) 737-1393

April 25, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

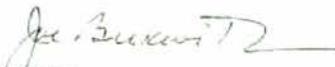
Dear Mr. Harris,

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

I am a resident of the Auburn/Opelika community and am employed by Ready Mix USA operating in Opelika, AL. I understand the need for additional memory care beds in the community that will be incorporated in The Lodge at Mill Lakes in Opelika. "The Lodge" brings to Lee County assisted/independent living services for our seniors. This effort to provide the seniors of the community a multilevel senior care facility with memory care on one property, would be a principal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,


Joe Beckwith



Legal & Forensic Videography Services
Industrial & Commercial Drone Services

1135 Fieldcrest Lane
Auburn, Alabama 36830
334-399-2199

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

April 25, 2018

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

I am a resident of community and businessman. I understand the need for additional memory care beds in this community that will be incorporated in The Lodge at Mill Lakes in Opelika. "The Lodge" brings to Lee County assisted/independent living services for our seniors. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property, would be a strong principal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are very much needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. This area is host to a strong population growth. Therefore, I emphatically support the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,

A handwritten signature in black ink that reads "John M. Harris".

John M. Harris
President

E mail: evp1harris@gmail.com



April 25, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I am a member of the dental healthcare community. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,

A handwritten signature in black ink, appearing to read "Dr. Mark S. Summerford".

Dr. Mark S. Summerford



ENGINEERING
700 Fox Trail • P.O. Box 390
Opelika, AL 36803-0390
(p) 334-705-5450
www.opelika-al.gov

April 25, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

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I am the City Engineer for Opelika and am involved with the implementation and development of many facilities in the City. I understand the need for additional memory care beds in this community that will be incorporated in The Lodge at Mill Lakes in Opelika. "The Lodge" brings to Lee County assisted/independent living services for our seniors. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property, would be a principal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Parker".

Scott Parker, P.E.
City of Opelika Engineer



May 10, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

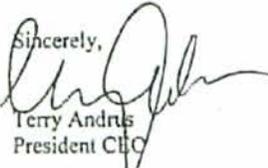
RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

I am the CEO of East Alabama Medical Center. I understand the need for additional memory care beds in this community that will be incorporated in The Lodge at Mill Lakes in Opelika. "The Lodge" brings to Lee County assisted/independent living services for our seniors. This effort to provide the seniors of this community a multilevel senior care facility with memory care on one property, would be a principal means to meet the needs of our aging population.

With the increase in the 65+ population, more memory care beds are needed. Perhaps this demand can best be expressed by an expected 10,000 new seniors 65+ residing in Lee County by 2025. Therefore, in my opinion, the need for SCALF beds is in demand and will continue to be, especially in a new community planned for seniors.

Sincerely,

Terry Andrus
President CEO

J. Alex Muncie III
1493 Cambridge Cir.
Auburn, AL 36832

May 10, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

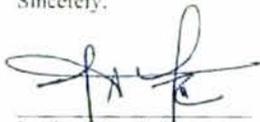
Dear Mr. Harris:

I have lived in Auburn since I was in elementary school, and am now raising my family here. My wife is from Auburn, and we are fortunate to have her mother and grandparents living in the area. About a month ago, after years of her mental decline, my wife's grandmother had to move to a local assisted living facility. I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility. After the long search for proper accommodations for my grandmother-in-law, this is a welcomed and needed addition to this area.

I am aware that an adjustment to the State Health Plan for 24 additional memory care (SCALF) beds is being presented to the State Health Coordinating Council. The purpose of this letter is to express my support for this Plan Adjustment and the subsequent Certificate of Need application.

Alzheimer's disease is increasing at a rapid pace. With the increase in the 65+ population and Lee County shown to be one of the 20 top population growth areas in the USA, more memory care beds are needed. According to census information, by 2025 an expected 10,000 new seniors 65+ will be residing in Lee County. Therefore, the need for SCALF beds in Lee County is in continual demand and will continue to be, such as The Lodge at Mill Lakes, our new senior community.

Sincerely,



J. Alex Muncie III



Caraway Steel

P.O. Box 429
Auburn, Alabama 36831-0429
P.334 750 2785
F. 334 826 5055

May 8, 2018

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

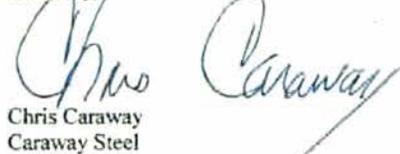
Dear Mr. Harris:

I am a resident of the local Auburn/Opelika area and I have heard about The Lodge at Mill Lakes, a facility planned for seniors in Lee County, an independent living, assisted living and memory care facility.

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Sincerely,



Chris Caraway
Caraway Steel

May 7, 2018

Robert Smith
311 Graystone Lane
Auburn, AL 36830

Mr. Allen Harris
Chapman H LLC
PO Box 2488
Auburn, AL 36831

RE: Support for Additional SCALF Beds

Dear Mr. Harris:

I understand an adjustment to the State Health Plan for 24 additional memory care beds for Lee County (Specialty Care Assisted Living or "SCALF"), is being presented to the State Health Coordinating Council ("SHCC"). I am writing this letter to offer my support for this Plan Adjustment and the subsequent Certificate of Need application.

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Sincerely,



Robert Smith

ATTACHMENT 6 - MEMORY CARE DEMAND ANALYSIS

Prepared By Windermere Strategic Partners LLC

The Lodge at Mill Lakes Senior Housing Project
Memory Care Demand Analysis
[Market Area Defined as the 12 Zip Codes Surrounding Opelika]
May 14, 2018
Prepared By
Windermere Strategic Partners LLC

The Lodge Project Description

The Lodge at Mill Lakes (“The Lodge” or “Development”) is being developed as a multi-level rental senior living facility. Set on a 13-acre parcel within the newly developed 55+ single family residential community of The Springs of Mill Lakes (“Springs”) in Opelika, Lee County, Alabama. The Lodge will be the only fully integrated, modern full-service retirement community of its kind in the Opelika-Auburn service area. The community will offer 112 Independent Living Apartments and 30 Assisted Living accommodations with all necessary and desired commons, amenity and back of house support spaces areas for the operation of a first-class community of this type. Important to this Application, a distinct 24 bed unit in a specialized Memory Care component is also included as part of the continuum of care in the Development. Square footage of the entire community is planned to be approximately 179,400 square feet.

The purpose of the demand analysis is to demonstrate that Lee County through The Lodge can support the desired addition of 24 memory care units.

Memory Care Demand

To estimate the potential need for memory care in a market area defined for the Lodge, we will use the following assumptions.

- The Auburn/Opelika area will serve an area beyond the city limits of these two cities. The market area was defined based on conversations with local city/county officials, existing memory care providers, and a drive time estimate of 20-25 minutes. As a result, we determined the market area for The Lodge project to be a 12-zip code area surrounding Auburn/Opelika (See Exhibit I Map). The calculation of the market area did not include any Georgia zip codes. However, it is probable that some SCALF residents from Georgia will be served by The Lodge.
- We have assumed that 75% of the prospects for memory care services will come from the defined market area described above. The remainder of the prospects will come from outside of this defined area and will primarily be made up of elderly parents who do not currently live near their adult children and need this elevated level of care.
- The Lodge is anticipated to be completed in mid to late 2019 and our calculation of the age and income qualified prospects will be determined based on that project opening assumption.

- The assumed memory care will be \$5,300 per month at the opening of The Lodge. The assumption is that a prospect will need to have an annual household income of \$70,000 or more.

Age Group	Household Projections			
	2019		2022	
	Total	Income Qualified	Total	Income Qualified
55-64	10,089	63.8%	10,205	67.2%
65-74	8,365	51.6%	9,117	54.1%
75-84	4,139	37.0%	4,629	40.2%
85+	1,416	24.3%	1,513	26.1%

Source: Envirionics Analytics

- We also anticipate that some prospects who do not meet the \$70,000 household income requirement will receive support from family or friends or be able to provide funds from their asset base. Maxfield Research, a Minnesota-based market research firm, has concluded that about 15% of the indigent dementia victims will obtain residential care through the benevolence of family or friends. We will use these calculations as the basis for or estimate of the non-income qualified component of the prospect count.
- To estimate the incidence of dementia occurrence in The Lodge’s defined market area, we used the 2018 Disease Education and Referral Center (“ADEAR”) Report:
 - Age 55-64 1.8%
 - Age 65-74 5.0%
 - Age 75- 84 17.0%
 - Age 85+ 32.0%
- The “Saturation Rate” or “Capture Rate” represents the estimated maximum number of units likely to be filled from the qualified prospect pool. A 25% capture rate of the dementia assisted living prospect pool is considered an average estimate according to the National Investment Center for the senior housing and care industry (“NIC”). Line 10 of the table below presents the expected capture rate for the defined market area for The Lodge project.

Dementia Demand Analysis

The table below is based on all the assumptions presented above in order to estimate the probable need for memory care beds in The Lodge’s defined primary market area for 2019 (year The Lodge opens) and 2022 (the assumed year that The Lodge will reach stabilized occupancy-93%).

Income-Qualified Households Requiring Memory Care								
<u>2019</u>								
Age Group	MC Incidence %	Inc. Qualified Hholds	Draw from Age Group	Non Inc. Qualified Hholds	Draw from Non Inc Qualified	Non-Qualified Draw	Assumed Draw % from Non Inc Qual	Total MC Draw
55-64	1.8%	6,438	116	3,652	66	15%	10	126
65-74	5.0%	4,318	216	4,047	202	15%	30	246
75-84	17.0%	1,531	260	2,607	443	15%	66	327
85+	32.0%	345	110	1,072	343	15%	51	162
		12,631	702	11,378	1,054		158	860
<u>2022</u>								
55-64	1.8%	6,862	124	3,342	60	15%	9	133
65-74	5.0%	4,935	247	4,182	209	15%	31	278
75-84	17.0%	1,862	317	2,768	470	15%	71	387
85+	32.0%	394	126	1,118	358	15%	54	180
		14,054	813	11,410	1,098		165	978

Source: EnviroNics Analytics

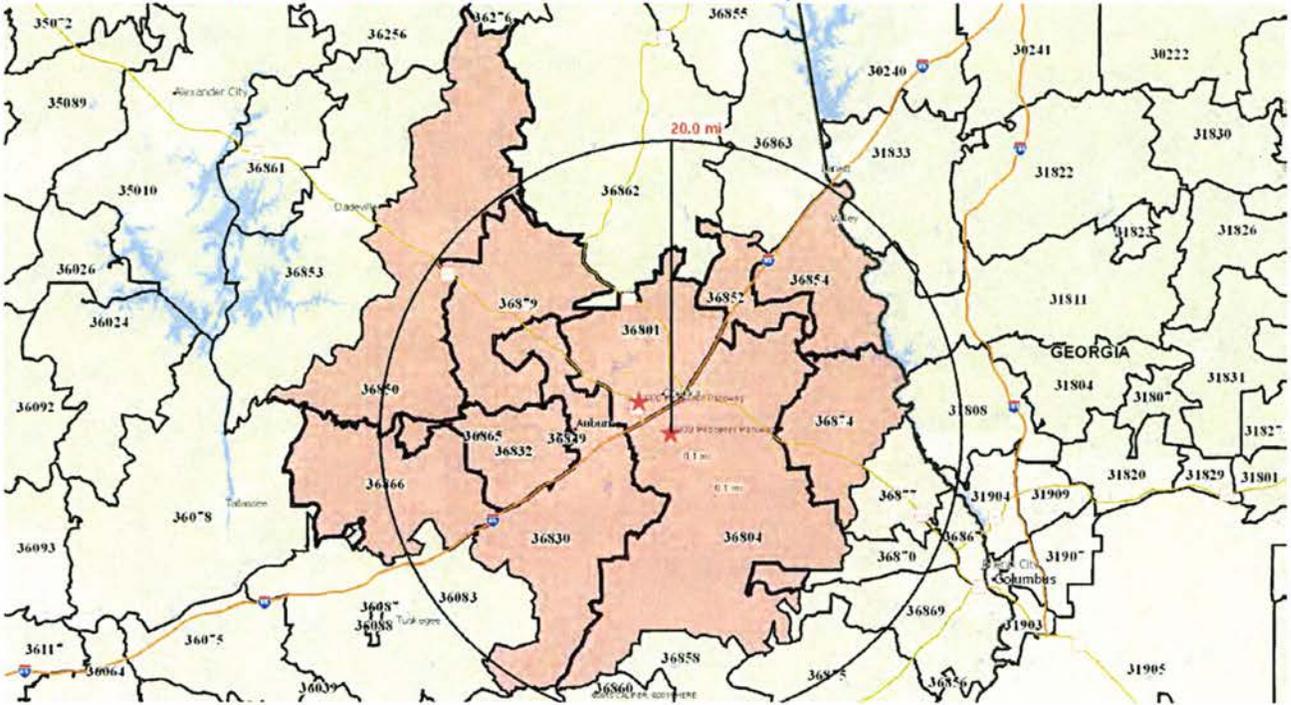
<u>Memory Care Demand Calculation</u>		
	2019	2022
1 Calculated Mark Potential	860	978
2 Identified Competitive Units in Market Area (licensed beds)	168	168
3 Maximum Occupancy in Competitive Units Percentage	92%	92%
4 Adjusted Available Units	155	155
5 Available Prospects in Market Area	706	823
6 Percent of Added Prospects from Outside of Market	25%	25%
7 Prospects from Outside the Market Area (Line 5/74%-Line 5)	235	274
8 Total Potential Market Area Prospects	941	1,097
<u>Market Demand Computation</u>		
9 Total Adjusted Market Potential (Line 4+Line8)	1,096	1,252
10 Estimated Percent of Need by Memory Care Units	25%	25%
11 Calculated Number of Units to Fill Total Demand	274	313
12 Less Competitive Units in Market (Line 2)	168	168
Memory Care Net Demand	106	145

Summary and Conclusion

Based on the bed need assumptions as described above and used by senior housing and care professionals to estimate the demand for additional memory care beds, the market area defined for The Lodge project (See Appendix I- Map) appears to be under-bedded. The unmet demand in the 2019 to 2022 time period is estimated to be a range of 106-145 beds. The fact that all but one of the competitors (See Appendix II) is at or near full occupancy (several of the competitors that were interviewed indicated that they have a waiting list) support the conclusion that the defined market area is under-bedded. In addition, the number of units (24) planned for The Lodge project is only a small percentage (11-15%) of the estimated bed need.

APPENDIX I

MAP 4 MAP OF MARKET AREA - 12 Zip Code Zones



Zip Codes Included in Market Area					
Zip Code	City	County	Zip Code	City	County
36801	Opelika	Lee	36852	Cusseta	Lee
36804	Opelika	Lee	36853	Dadeville	Tallapoosa
36830	Auburn	Lee	36854	Valley	Chambers
36832	Auburn	Lee	36866	Notasulga	Macon
36849	Auburn	Lee	36874	Salem	Lee
36850	Camp Hill	Tallapoosa	36879	Waverly	Lee

APPENDIX II
IDENTIFIED COMPETITORS

Name	Address	City	State	Zip	County	Memory Care(1)		Occupancy
						Offered	Licensed	%-age
Summer House at Camellia Place	1171 Gatewood Road	Auburn	AL	36830	Lee	38	42	95%
Summer House at Magnolia Village	1553 Professional Parkway	Auburn	AL	36830	Lee	42	42	95%
Lakewood	7200 Fairfax Bypass	Valley	AL	36854	Chambers	16	16	95%
Northridge Specialty Care	801 Morris Avenue	Opelika	AL	36803	Lee	16	16	95%
The Harbor at Opelika	1001 Fox RunParkway	Opelika	AL	36801	Lee	32	36	65%
Valley Park	10 Medical Park Drive North	Valley	AL	36854	Chambers	16	16	95%
Total						160	168	

(1) In our interviews, we identified several providers who were offering a lower number of beds than they were licensed . In our calculation on page 3, we used the number of licensed beds.

NOTE: The Harbor at Opelika recently had a change in management resulting from legal and financial problems, including fraud, of the ownership group. The provider has opened under new management and is waiting for final approval of a change in ownership. Management expressed that the news of the prior owner's legal problems is the cause of the current low occupancy. Management is confident that as the change in ownership and management is communicated to the general public, the occupancy level will return to a 90%+ level.