



Health and Human Services

## 2025 Iowa Certificate of Need (CON) Application

Instructions: 1. Complete all the sections below. 2. Provide concise, evidence-based responses, with supporting documentation or data as needed. 3. Reference Iowa Code 10A.714, as needed, to complete the application. 4. Upload additional documentation, as needed.

**Primary Contact**

Mr. Casey Stephens

**Primary Contact Employer**

Presbyterian Homes and Services

**Primary Contact Email**

cstephens@preshomes.org

**Facility Name**

Mercy-PHS Senior Housing, Inc. d/b/a HallMar Village

**Facility Address**

8900 C Avenue NE, Cedar Rapids, Iowa 52402

**Project Title**

HallMar Village – Five-Bed Expansion

**Project Type**

Change in bed capacity

### 1. Applicant and Facility Overview

**a. Project Purpose and Objectives:**

The applicant is Mercy-PHS Senior Housing, Inc. d/b/a HallMar Village, located in Linn County at 8900 C Avenue NE, Cedar Rapids, IA 52402.

This project represents an expansion of the HallMar Village continuing care retirement community ("CCRC"), which currently offers independent living, assisted living, RCF-memory care, and nursing facility units. Specifically, HallMar Village is seeking a Certificate of Need for 5 nursing facility beds, increasing its current capacity of 55 licensed nursing facility beds to 60 nursing facility beds. The HallMar Village facility was constructed to accommodate up to 60 nursing facility beds, and this project will make use of 5 rooms that are currently vacant within the nursing facility. This project will further HallMar Village's mission as a CCRC to allow residents to age in place as their health care needs grow, thereby avoiding disruptive relocations and allowing them to remain part of the HallMar Village community.

The proposed project will provide nursing facility care to underserved populations, including persons who reside in the surrounding rural areas. The project expands HallMar Village's ability to provide a continuum of care so the elderly residing in the facility's independent living and assisted living communities can have the assurance that they will not have to move to a different facility or community if they have significant changes in their health status.

HallMar Village accepts Medicaid and Medicare and will assist residents in obtaining any additional funding that is available to them.

The community offers services to all persons, regardless of race, ethnicity, or disability. The facility is accessible to persons with disabilities.

**b. Relationship to Long-Range Development Plan:**

This project is consistent with HallMar Village's long-range development plan. The HallMar Village facility was constructed to accommodate up to 60 nursing facility beds and this project will make use of 5 rooms that are currently vacant within the nursing facility. This project will further HallMar Village's mission as a CCRC to allow residents to age in place as their health care needs grow, thereby avoiding disruptive relocations and allowing them to remain part of the HallMar Village community.

**c. Description of Proposed Service/Program:**

HallMar Village is seeking a Certificate of Need for 5 nursing facility beds, increasing its current capacity of 55 licensed nursing facility beds to 60 nursing facility beds. This project will further HallMar Village's mission as a CCRC to allow residents to age in place as their health care needs grow, thereby avoiding disruptive relocations and allowing them to remain part of the HallMar Village community.

Photos of a typical room within the HallMar Village nursing facility have been uploaded as "Photos – HallMar Village.pdf."

**d. Target Population: Specify geographic and demographic areas.**

The proposed project will largely serve HallMar Village's current residents, providing greater capacity to allow those residents to remain at HallMar Village as their health care needs increase. Like the current nursing facility beds at HallMar Village, the proposed additional 5 beds will be certified for both Medicare and Medicaid.

**e. Relation to Existing Provider Network: Summarize relationship with other health care providers/services in the region.**

HallMar Village is a joint ministry of Mercy Hospital, Cedar Rapids, Iowa d/b/a Mercy Medical Center, Cedar Rapids, Iowa ("Mercy") and Presbyterian Homes Housing and Assisted Living, Inc., which is a subsidiary of Presbyterian Homes and Services ("PHS"). HallMar Village is managed by PHS Management, LLC, which is also a subsidiary of PHS. Through this joint ministry, HallMar Village seeks to provide coordinated care in the Cedar Rapids community. Adding 5 additional beds to HallMar Village's nearly full nursing facility will improve HallMar Village's capacity to accept admissions from Mercy, thereby increasing hospital bed capacity and ensuring efficient use of health care resources in the community. Please find attached a letter of support from Timothy Quinn, MD, President and CEO of Mercy.

**f. Funding Sources and Financial Resources: Identify and document sources of funding and financial viability.**

The HallMar Village facility was constructed to accommodate up to 60 nursing facility beds, and this project will make use of 5 rooms that are currently vacant within the nursing facility. As a result, there will be no cost associated with the proposed project.

**Current # of Beds (if changing)**  
55

**Current bed type (if changing)**

**Requested # of Beds (if changing)**  
5

**Requested bed type (if changing)**

**Document Upload**

CON Bed Utilization Statistics - Hallmar Village.pdf

## 2. Community Need and Service Gaps

### a. Description of Need:

According to the Iowa Department of Health and Human Services, Linn County has 18 certified nursing facilities with 1,300 total beds. Although the average bed occupancy for Linn County was only 78.8% as of May 2025, HallMar's own average bed occupancy has steadily increased since it opened on September 26, 2023, from 80.2% in 2023 (post-Sept), to 87.5% in 2024, to 90.1% in 2025 (Jan-Jun). HallMar Village's nursing facility, in particular, is quickly nearing capacity at 95.9% average bed occupancy as of June 2025. This demonstrates a particular demand for HallMar Village. Without implementation of the proposed expansion, HallMar Village may be forced to require its current independent living and assisted living residents to relocate in the event their health needs increase, which is contrary to the mission of HallMar Village's CCRC model. It would also mean that HallMar Village would be unable to accept admissions from Mercy Medical Center, thereby decreasing the hospital's bed capacity.

### b. Assessment of Existing Services and Gaps:

HallMar Village does not expect this project to have a significant impact on existing nursing facilities in the area. As discussed throughout this application, the primary mission of HallMar Village as a CCRC is to allow its own residents to age in place as their health care needs increase. Therefore, the proposed nursing facility bed increase would largely serve current residents of HallMar Village, who are more likely to remain at HallMar Village than to relocate to an outside facility, assuming HallMar Village has capacity.

Further, there are currently 1,300 licensed nursing facility beds in Linn County. The proposed project involves a 5-bed increase, representing an increase of only about 0.3% in nursing facility beds in Linn County.

### c. Alternatives Analysis:

Because the proposed nursing facility bed expansion would occur with no additional construction costs, it is the least costly option available. It is also the most effective option available. As noted above, the CCRC model is intended to improve continuity of care and allow CCRC facility residents to age in place. By adding 5 additional beds to HallMar Village's nearly full nursing facility, it will have a greater ability to meet the continuing care needs of its current residents, if and when they should require a higher level of care. This not only facilitates the smoothest transition for those residents, but it also fulfills the specific purpose of the CCRC model. Additionally, the proposed expansion would improve HallMar Village's capacity to accept admissions from Mercy Medical Center, thereby increasing hospital bed capacity.

### d. Accessibility Considerations:

HallMar Village is a CCRC, meaning it offers multiple levels of care on a single campus to allow residents to age in place as their health care needs change over time, rather than needing to relocate to a different facility. Such relocation would be very disruptive to the continuity of care. The CCRC model minimizes such disruptions, improving resident wellbeing and health outcomes.

When a resident moves into one of HallMar Village's independent living units, the resident is required to pay an entrance fee of \$5,100. Pursuant to an Entrance Fee Agreement with each resident, the resident is entitled to a refund of the entrance fee within 120 days following the termination of the resident's occupancy of the unit. Except for the entrance fee requirement, HallMar Village is a rental-model CCRC, meaning it is more accessible for residents who are unable to afford a significant buy-in payment. Once a resident moves into the community, however, HallMar Village considers it part of its ministry to ensure the resident can remain on the campus for the remainder of his or her life.

### e. Community Input/Support:

Letters of support from the following have been uploaded with this application:

- Timothy Quinn, MD, President and CEO of Mercy

- Kathy Good, Senior Director of The Chris & Suzy DeWolf Family Innovation Center for Aging & Dementia

**Document Upload (if needed)**

Letter of Support - Kathy Good (09-10-25).pdf

Letter of Support - Timothy Quinn (09-09-25).pdf

**f. Non-discriminatory Access:**

The community offers services to all persons, regardless of race, ethnicity, or disability. The facility is accessible to persons with disabilities.

### **3. Impact on Existing Providers**

**a. Impact Assessment:**

HallMar Village does not expect this project to have a significant impact on other facilities providing nursing facility services in the area. As discussed throughout this application, the primary mission of HallMar Village as a CCRC is to allow its own residents to age in place as their health care needs increase. Therefore, the proposed nursing facility bed increase would largely serve current residents of HallMar Village who are more likely to remain at HallMar Village than relocate to an outside facility, assuming HallMar Village has capacity.

Further, there are currently 1,300 licensed nursing facility beds in Linn County. The proposed project involves a 5-bed increase, representing an increase of only about 0.3% in nursing facility beds in Linn County.

**b. Community and Economic Impact: Broader system effect and value-added to the community.**

Given the limited nature of this project, the economic impact on the Cedar Rapids community will be limited, but the project will allow more individuals to remain on the HallMar Village campus as their needs change. The addition of 5 nursing facility beds at HallMar Village will also improve HallMar Village's capacity to accept admissions from Mercy Medical Center, thereby increasing hospital bed capacity and ensuring more efficient use of health care resources in the community.

**c. Efficiency in Use of Resources: Shared/cooperative arrangements to maximize efficiency.**

The purpose of the CCRC model is to allow residents of a facility to remain at that particular facility throughout the continuum of care, preventing disruptive relocations if and when their health needs change. With regard to current residents of HallMar Village, this purpose, by definition, cannot be fulfilled by another facility.

### **4. Financial and Operational Feasibility**

**a. Financial Projections and Feasibility:**

A summary budget, including 3-year budget projections, has been uploaded as "Summary Budget – HallMar Village (07-25-25).pdf."

**Document Upload (3-year budget projections)**

Summary Budget - Hallmar Village (07-25-25).pdf

**b. Staffing and Operations:**

Because this project is an expansion of HallMar Village's existing nursing facility, HallMar Village already has staff, quality assurance measures, and compliance measures in place to accommodate the 5 additional beds. In fact, HallMar Village staffing is currently budgeted at a staffing level of 4.14 hours per

patient day, which excludes clinical managers. This staffing level exceeds the CMS reported statewide average in Iowa of 3.8 hours per patient day.

**c. Short and Long-term Viability:**

Since it opened in September 2023, HallMar Village has demonstrated that it is viable. In fact, HallMar Village's nursing facility is quickly nearing capacity at 95.9% average bed occupancy as of June 2025. Without implementation of the proposed expansion, HallMar Village may be forced to require its current independent living and assisted living residents to relocate in the event their health needs increase, which is contrary to the mission of HallMar Village. The addition of the limited number of nursing facility beds proposed will help to support the long-term viability of HallMar Village as a high-quality option for individuals in the Cedar Rapids community who require nursing facility care.

## **5. Community and Economic Impact**

**a. Community Engagement:**

Expansion of the nursing facility will allow current residents to remain at HallMar Village, limiting the possibility of their leaving the region to obtain care elsewhere in the event they require a higher level of care. This retention of residents will increase tax revenue for Cedar Rapids, Linn County, and the state while also improving community wellbeing by avoiding unnecessary and undesirable relocations of its current residents.

**b. Resource Availability:**

The HallMar Village facility was constructed to accommodate up to 60 beds because a building with a multiple of 20 beds maximizes the efficient use of staffing and other resources. The 5 rooms that are not currently licensed to provide nursing facility services are currently vacant. Therefore, by utilizing existing infrastructure at no additional construction cost and effectively leveraging staffing capabilities, the proposed 5-bed expansion would be an efficient use of resources.

**c. Organizational Relationships:**

As discussed throughout this application, HallMar Village is a joint ministry with Mercy. As a result, HallMar Village works very closely with Mercy to ensure access to high-quality health care services in the Cedar Rapids area. In addition, HallMar Village has established a relationship with the certified nursing assistant (CNA) and nursing programs at Kirkwood Community College. Under this relationship, Kirkwood CNA and nursing students gain hands-on clinical experience at HallMar Village.

## **6. Project Planning**

**a. Project Timeline:**

HallMar Village will be able to place the additional beds into service immediately following approval of the Certificate of Need.

**b. Innovative Components:**

As noted throughout this application, HallMar Village is a CCRC, meaning it allows residents to age in place as their health needs increase. This provides the facility with the unique capability to allow residents to remain connected to their current community without having to undergo disruptive relocations. The proposed increase in nursing facility beds will improve HallMar Village's capacity under this model, allowing more residents to avoid relocation and improving continuity of care for those residents.

Hallmar Village also collaborates with The Chris & Suzy DeWolf Family Innovation Center for Aging & Dementia, which is part of Mercy and is located adjacent to the HallMar Village campus. The Innovation Center works to develop best practices related to how care is provided to adults with cognitive decline. Kathy Good, Senior Director of the Innovation Center, has provided a letter of support for the proposed project. That letter of support has been uploaded with this application.

**c. Regulatory Compliance:**

HallMar Village operates its current 55-bed nursing facility in compliance with the requirements applicable to nursing facilities imposed by the Iowa Department of Inspections, Appeals, and Licensing ("DIAL") and the Centers for Medicare and Medicaid Services ("CMS").

## **7. Special Criteria for Specific Services:**

**a. Alternative Consideration (10A.714(2)(a)):**

Because the proposed nursing facility bed expansion would occur with no additional construction costs, it is the least costly option available. It is also the most effective option available. As noted above, the CCRC model is intended to improve continuity of care and allow CCRC facility residents to age in place. By adding 5 additional beds to HallMar Village's nearly full nursing facility, it will have a greater ability to meet the continuing care needs of its current residents, if and when they should require a higher level of care. This not only facilitates the smoothest transition for those residents, but it also fulfills the specific purpose of the CCRC model. Additionally, the proposed expansion would improve HallMar Village's capacity to accept admissions from Mercy Medical Center, thereby increasing hospital bed capacity.

**b. Utilization of Similar Facilities (10A.714(2)(b)):**

As a rental-model CCRC, HallMar Village is a unique facility in the area and there are no similar facilities. In addition, given the limited scope of the proposed project, HallMar Village does not anticipate this project would have a significant impact on other nursing facilities in the area.

**c. Construction/Modernization (10A.714(2)(c)):**

This project does not involve any construction. The project will utilize rooms that are already constructed to accommodate the additional 5 beds.

**d. Access Concerns (10A.714(2)(d)):**

As noted throughout this application, the utilization of HallMar Village's nursing facility has increased steadily since it opened on September 26, 2023, and is quickly nearing capacity, with an average daily census of 95.9% as of June 2025, up from 88.5% in April 2025.

**e. UIHC Special Role (10A.714(3)):**

Not applicable.

**Signature**

A handwritten signature in black ink that reads "Casey Stephens". The signature is written in a cursive, flowing style.

**Additional Supporting Documents Upload**