

Nursing Center @ Mercy

Mercy Hospital Identifies Need for Nursing Home with Subacute Services

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Situation

NHA was retained by Mercy Hospital to conduct an elder care strategic plan and identify the need for a nursing home with a sub-acute service.

Solutions

After conducting the associated market study and financial feasibility study, we received certificate of need approval to locate beds in a freestanding facility on the Mercy Hospital campus. Subsequently, NHA solicited via a request for proposal a qualified developer, owner and operator and negotiated the transaction on behalf the Hospital. This negotiation included a ground lease, architectural and operational controls, ground lease payments, reimbursement for prior expenditures and an equity interest in the business. NHA then served as the Hospital's representative throughout the design, financing and construction process to assure the objectives were maintained. Subsequent to licensure, NHA initially provided operational support. NHA then served as the asset manager responsible for overseeing the operations and hands on manager responsible to the ownership group, which includes Mercy Hospital. In 2002, NHA developed collateral material to initiate interest by qualified buyers in the nursing home. NHA identified a buyer, successfully negotiated a transaction and served as the authorized representative in effecting a sale. Post sale, NHA continued in its role as asset manager, collecting pending receivables and responsible for wind down of the business entity. NHA also represented the partnership in settlement of all pending business matters and the ultimate liquidation of the partnership entity in 2007.



For More Information

For more information about NHA services, call our offices at (305) 444-5007. To access information using the World Wide Web, go to: <http://www.nhaconsulting.com/>

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Solution Overview

Customer Profile

Mercy Hospital is a full service institution in Miami, Florida, sponsored by Catholic Health East.

Business Situation

Determine need for elder care services in the area and develop plan to best meet future challenges. Divest the Partnership of the nursing home, after 7 to 8 years ownership.

Solution

NHA conducted Strategic Planning, Market Study, Feasibility Study, and CON Consulting. Project Managed Design, Financing, and Construction by third party developer. NHA served as Transaction Consultant.

Benefits

- Filled need in community for quality nursing home.
- New profitable business.
- Provided owners with return on investment via transaction.

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