

**MISSISSIPPI STATE DEPARTMENT OF HEALTH
DIVISION OF HEALTH PLANNING
AND RESOURCE DEVELOPMENT
AUGUST 2015**

**CON REVIEW HG-RC-0515-008
ST. DOMINIC-JACKSON MEMORIAL HOSPITAL
RENOVATION AND EXPANSION OF EMERGENCY DEPARTMENT
CAPITAL EXPENDITURE: \$40,071,029
LOCATION: JACKSON, HINDS COUNTY, MISSISSIPPI**

STAFF ANALYSIS

I. PROJECT SUMMARY

A. Applicant Information

St. Dominic-Jackson Memorial Hospital (St. Dominic) is a 535-bed short term, public, not-for-profit hospital. It is licensed to operate 417 medical/surgical beds, 35 adult chemical dependency beds, and 83 adult psychiatric beds. The hospital is governed by a 15-member Board of Directors. A Certificate from the Secretary of State's Office dated February 27, 2015, contained in the application, certifies that St. Dominic is a corporation and is in good standing with the State of Mississippi.

The occupancy rates, average lengths of stay (ALOS), and the Medicaid utilization rates for St. Dominic (medical/surgical beds only) are as follows for years 2011 through 2013:

**St. Dominic-Jackson Memorial Hospital
Utilization Data**

Fiscal Year	Occupancy Rate (%)	ALOS (Days)	Medicaid Utilization Rate (%)
2011	73.63	4.52	15.75
2012	75.18	4.44	16.56
2013	74.60	4.20	15.93

Source: Division of Health Facilities Licensure and Certification, MSDH

B. Project Description

St. Dominic requests Certificate of Need (CON) authority to renovate and expand its current Emergency Department located on the main campus. The project will be a phased construction project that will allow for the expansion and upgrading of the Emergency Department at St. Dominic while allowing the current Department to remain open and in operation without a reduction in service.

The project will begin with the demolition and removal of the original chapel and Rosary Hall, formerly used for student housing and classroom space for the School of Nursing. The first floor area will be built-out to house the ambulance entrance and related treatment pod, and the ambulatory (i.e., walk-in) entrance and related treatment pod. Once completed, a portion of the existing Emergency Department will be relocated to the new space and the existing space along with other hospital space will be renovated to create additional treatment space. Space vacated by the existing Emergency Department will be renovated to house support and staff areas (including the staff lounge, locker rooms and restrooms), and billing and office space.

The Emergency Department expansion and renovation project entails 20,968 square feet of new space on the Lower Level developed for future support services; 25,080 square feet of new space on the first floor; and approximately 21,420 square feet of renovated space on the first floor of the hospital. Although the applicant has not yet identified future support services, it states that the space would possibly be used for additional treatment areas for the Emergency Department or to support current services already being provided by the hospital.

The project also involves the purchase of new equipment that will be used in the newly expanded space and will replace the equipment in the renovated existing space.

In addition, the North and South sides of the Emergency Department will be redesigned in order to standardize the treatment rooms and treatment pods. Additional work of the Emergency Department project will include the relocation and replacement of the South Parking Deck elevators and stairs, creation of a new ambulance/Emergency Department access drive, additional Emergency Department parking for ambulances and private passenger vehicles, and associated site development.

St. Dominic's final objective for the project is to expand the number of treatment rooms in its Emergency Department in order to enhance the flow of patients into the Emergency Department. St. Dominic expects these improvements will result in a more positive patient experience for the residents of Hinds County and surrounding areas.

The project will require 18.4 Full-Time Equivalents (FTEs), additional personnel at an estimated annual cost of \$946,400.

St. Dominic proposes to secure a bank loan of \$38,271,029 at a 4% interest rate for a period of 12 years and provide \$1,800,000 cash reserves to fund the project. The application includes a financial feasibility statement from St. Dominic's chief vice president of operations attesting to the financial feasibility of the project, and a letter and amortization schedule from Trustmark National Bank regarding financing.

A schematic drawing of the construction/ renovation project along with a cost estimate from Barlow Eddy Jenkins, P.A. architects are contained in the application.

The application also contains a letter from the Mississippi State Department of Health, Division of Health Facilities Licensure and Certification, dated May 22, 2015, approving the site for renovation and expansion of the Emergency Department. St. Dominic proposes to obligate the capital expenditure for the proposed project by November 1, 2015 and expects that the project will be complete by April 1, 2018, or within 18 months after commencement of construction.

II. TYPE OF REVIEW REQUIRED

The Mississippi State Department of Health reviews applications for construction, renovation, expansion, or capital expenditure in excess of \$5,000,000 (for non-clinical health services) in accordance with Section 41-7-191, subparagraph (1) (j) Mississippi Code 1972 Annotated, as amended, and duly adopted rules, procedures, plans, criteria, and standards of the Mississippi Department of Health.

In accordance with Section 41-7-197(2) of the Mississippi Code of 1972 Annotated, as amended, any affected person may request a public hearing on this project within 20 days of publication of the staff analysis. The opportunity to request a hearing expires September 8, 2015.

III. CONFORMANCE WITH THE STATE HEALTH PLAN AND OTHER ADOPTED CRITERIA AND STANDARDS

A. State Health Plan (SHP)

The *FY 2015 Mississippi State Health Plan (MSHP)* contains criteria and standards which the applicant is required to meet before receiving CON authority for construction, renovation, expansion, capital improvements, replacement of health care facilities and the addition of hospital beds. This application is in compliance with applicable criteria and standards.

SHP Criterion 3- Need

St. Dominic states that planning for the project began in 2007 and in March 2008 the Hammes Company presented St. Dominic's Board of Directors with a Master Facility Planning Update, which referenced the Emergency Department as both an Administration and Physician Priority. On March 26, 2015, the Board approved the filing of the CON application for the renovation and expansion of the current Emergency Department.

The applicant states that the project is needed in order to address growing volumes of patients in St. Dominic's Emergency Department. The applicant submits that since 2005, the annual volume has grown by 40%, though the Emergency Department was not built to accommodate its growth. St. Dominic projects the expected number of patients to be treated in the Emergency Department through 2026. See table below.

Expected Number of Patients to be Treated in Emergency Department						
2013	2014	2015	2016	2017	2018	2019
53,026	56,028	58,856	61,684	64,512	67,340	70,168
2020	2021	2022	2023	2024	2025	2026
72,996	75,824	78,652	81,480	84,308	87,136	89,964

St. Dominic further submits that it is experiencing a range of problems associated with the confines of its limited Emergency Department space; such as staff being forced to initiate treatment for patients outside treatment rooms and patients sometimes leaving without being seen due to the condition of the Emergency Department.

With the new renovation, patients will be able to move from the waiting room to the laboratory area to an internal waiting area and then to a treatment room, thereby freeing up Emergency Department waiting room space for incoming patients and their visitors.

Additionally, the applicant states that the renovated Emergency Department will have similar North and South wings and the treatment rooms will be able to accommodate multiple complex patient conditions. Currently, only certain rooms are large enough to handle ventilators and other large equipment.

St. Dominic further submits that by renovating and expanding the Emergency Department for improved flow, efficient staff work process and increased treatment room capacity, it will be able to improve its average length of stay as well as its patient satisfaction level. Additional treatment rooms will enable the Emergency Department operations to move on a timely basis and will also improve the intake of patients presenting to the Emergency Department by ambulance.

St. Dominic participates in the statewide trauma system as a Level IV trauma center.

Finally, the project will relocate and replace the South Parking Deck elevators and stairs. The applicant submits that the road used to access the Emergency Department is only two lanes wide for two way traffic. The road is used by ambulances and private vehicles to access the Emergency Department. The same road is also used for patients to access the Medical Office Building parking lot, and the Medical Office Building and Medical Mall entrances. As part of this project, the road will be widened to include an emergency vehicle lane that will be used by

ambulances and other emergency vehicles to directly access the Emergency Department. The applicant states that this will reduce the possibility that the road may be blocked by patients or visitors accessing the Medical Office Building or other services of the hospital. The applicant expects that the relocation and replacement of the elevators and fire stairs to the east side on the South Parking Deck will allow the required clearances necessary to construct the emergency vehicle lane.

SHP Criterion 4- Bed Service Transfer/Reallocation/Relocation

The applicant asserts that this project does not involve transfer/reallocation/relocation of beds to another facility within GSHA 5; thus, this criterion is not applicable to the proposed project.

SHP Criterion 5 - Charity/Indigent Care

St. Dominic affirms that it will continue to provide a “reasonable amount” of indigent/charity care as described in Chapter I of the *FY2015 MSHP*. The applicant submits that in 2013 and 2014, St. Dominic provided \$60,290,343 and \$44,452,580 in indigent/charity care, which was 5.1% and 3.6% of total gross patient revenue, respectively.

SHP Criterion 6- Cost of Proposed Project

Based on the formulas listed in the *FY 2015 MSHP*, staff calculated total cost for new construction to be \$589.14 per square foot and \$338.60 per square foot for renovation. The RS Means Construction Cost Data, 2014 edition lists cost of construction for hospitals to be between \$202 and \$350 per square foot.

The applicant asserts that the square footage cost used is based on projects similar in size and scope and the recommendations of a medical planner with the Hammes Company that has worked in various locations across the United States. The numbers listed in the square footage cost section of the 2014 edition of the RS Means Building Construction Cost Data for hospitals is an average of the entire facility, not specific departments or components. As this project involves the expansion and renovation of the Emergency Department, the applicant states that the cost would be higher than the average square footage cost. In addition, the applicant submits that the high cost is due to this project being a phased construction, which will add months to the construction schedule and thus, increases the cost of construction. The project also involves the demolition of buildings to create additional space for the expansion of the Emergency Department.

St. Dominic submits that the Emergency Department project will include 20,968 square feet of new space on the Lower Level for future support services at a cost of \$162.50 per square foot; 25,080 square feet of new construction on the 1st Floor at a cost of \$325.00 per square foot; and approximately 21,420 square feet of renovated space on the 1st Floor at a cost of \$211.30 per square foot. The applicant submits that the square footage construction cost for an addition and renovation of this type

is not listed as a specific building/construction type included in Means Building Construction Cost Data (2014 edition); however, the square footage construction cost for the new construction of \$325.00 per square foot is between the median and 75 percentile cost for hospitals - \$235.00/square foot to \$350.00/square foot, respectively.

St. Dominic estimates that the cost of fixed and non-fixed equipment for the proposed project will be approximately \$7,963,240.

SHP Criterion 7- Floor and Area Specifications

As stated earlier, the project will include 20,968 square feet of new space on the Lower Level for future support services at a cost of \$162.50 per square foot; 25,080 square feet of new construction on the 1st Floor at a cost of \$325.00 per square foot; and approximately 21,420 square feet of renovated space on the 1st Floor at a cost of \$211.30 per square foot. The applicant compared the project to the following:

- Natchez Regional Medical Center – Renovation and Improvement of the Fourth Floor, approved April 2015. This project proposed renovation of approximately 33,931 square feet of space at a cost of \$226.75 per square foot; and
- Baptist Memorial Hospital – Union County - Emergency Department Addition and Renovation, approved June 2014. Baptist proposed to renovate 1,290 square feet of space at an estimated cost of \$223.40 per square foot and construct 21,797 square feet of new space at a cost of \$439.68 per square foot.

SHP Criterion 8 – Renovation/Expansion vs Replacement

As stated previously in this staff analysis, St. Dominic is a 535-bed facility. According to the RS Means Construction Cost Data, 2014 edition, the median cost to replace a facility of this size is estimated to be \$172,270,000 (\$322,000/bed). This project does not exceed 85% of the cost of replacement.

B. General Review (GR) Criteria

Chapter 8 of the *Mississippi Certificate of Need Review Manual, 2011 revision*, addresses general criteria by which all CON applications are reviewed. This application is in substantial compliance with general review criteria.

GR Criterion 2 - Long Range Plan

St. Dominic submits that since 1946, it has provided emergency care to the residents of the State of Mississippi and continues to make major investments to improve its facilities in order to accommodate greater populations.

The applicant further submits that planning for this project began in 2007 with team meetings between key hospital leaders and physicians. The planning process involved the development of a Master Facility Plan, which included expansion of the Emergency Department.

GR Criterion 3- Availability of Alternatives

St. Dominic indicates that it considered and rejected three other alternatives to the proposed project. The alternatives considered and the applicant's reasons for rejection are discussed below.

1. Work within existing structure, without modernizing or renovation.

The Emergency Department at St. Dominic consists of: Main with twelve (12) treatment rooms, South with eleven (11) treatment rooms, Chest Pain Observation (CPO) with eight (8) treatment rooms, Psychiatric Holding with four (4) treatment rooms, and ED Express with seven (7) treatment rooms.

In 2005, St. Dominic renovated a procedural area next to the Emergency Department and expanded their area capacity to 23 treatment rooms; however, treatment room capacity has not incrementally increased with the volume. Additionally, the facility is designed in a way that impedes efficient flow, and patient satisfaction has fallen to 69% with many patients reporting dissatisfaction with the long waits. The applicant states that although some improvements and changes were made to facilitate patient throughput with the higher volumes in the Emergency Room, these changes did not eliminate the overcrowded conditions or patients' dissatisfaction with the turnaround time.

2. Modernize and renovate existing structure.

The applicant states that this strategy has been tried in several ways such as adding the South side to the Emergency Department to increase capacity to 23 treatment rooms. The applicant further states that this option is not possible as renovating the Emergency Department in the existing space would necessitate shutting down existing space, which cannot be done with the present volume.

3. Relocate Emergency Department to another site on St. Dominic 's Campus

St. Dominic submits that it is not possible to relocate the Emergency Department in another space within the hospital or on campus other than the area outlined for the new Emergency Department nor would it be efficient to move the Emergency Department off the main campus.

St. Dominic believes that there is no more effective or less costly alternative to the proposed project as the proposed project will allow St. Dominic to expand the current Emergency Department for additional treatment rooms and use existing treatment rooms while the Emergency Department is being expanded. The additional treatment rooms and areas and proposed renovation will create new, smart space that is more efficient in order to improve turnaround times. The expansion and renovation of the existing Emergency Department will accommodate more patients and improve the patient experience in terms of length of stay and appearance of the facility for patients.

GR Criterion 4 - Economic Viability

Based on the three-year projected operating statement contained in the application, this project will be economically viable by the third year of operation. The applicant projects (project only) net losses of (\$707,323) and (\$410,380) the first and second year, respectively and net profit of \$22,045 the third year of operation after completion of the project.

The applicant submits that projected charges are based on current charges with escalation factors incorporated into the financial model. Profitability estimates are also based on historical expenses with allowances for additional depreciation expenses and some growth in volumes. The applicant believes both charges and profitability compare reasonably to other health facilities.

Audited financial statements contained in the application demonstrate that St. Dominic has the financial strength to cover the cost incurred by the proposed project. In addition, the application contains a letter signed by St. Dominic's Executive Vice President of Operations, attesting to the financial feasibility of the project.

GR Criterion 5 - Need for the Project

The applicant affirms that St. Dominic serves all patients regardless of circumstances or ability to pay. The determination of whether a patient is treated in the Emergency Department is based upon the patient's condition. St. Dominic submits that currently the Emergency Department experiences periods of long wait times and overcrowded facilities. The proposed project will enhance access to emergency medical care for the local community and improve the efficiency of the hospital by allowing more patients to be screened and/or treated on a timely basis.

The application includes four letters of support for the proposed project. The Department received one letter of opposition concerning the proposed project.

GR Criterion 6 –Accessibility

St. Dominic affirms that its services are available to all patients regardless of ability to pay. This includes Medicaid recipients, charity/medically indigent patients, racial

and ethnic minorities, women, handicapped persons and the elderly. St. Dominic notes, however, that it does not distinguish between medically indigent care and charity care. Utilization of the facility by medically underserved populations is demonstrated in the following chart:

Gross Patient Revenue				
	Medically Indigent (%)	Charity Care (%)	Medically Indigent (\$)	Charity Care (\$)
Historical Year 2013	NA	5.1%	NA	\$60,290,343
Historical Year 2014	NA	3.6%	NA	\$44,452,680
Projected Year 1	NA	3.6%	NA	\$49,551,388
Projected Year 2	NA	3.6%	NA	\$51,049,335

GR Criterion 7- Information Requirement

The applicant affirms that St. Dominic will record and maintain the information required by this criterion and shall make the data available to the Mississippi Department of Health within fifteen (15) business days of request.

GR Criterion 8 - Relationship to Existing Health Care System

St. Dominic submits that each of the local hospitals in the area offer emergency services similar to those offered at St. Dominic.

Because no new services will be offered as a result of this proposed project, this project will have no adverse affect on other providers in General Hospital Service Area 5.

GR Criterion 9 - Availability of Resources

St. Dominic anticipates hiring additional RN Team Leaders and new RNs in addition to using its existing personnel to staff the expanded Emergency Department. The applicant states that it will recruit new personnel through the community and experienced and new graduates.

GR Criterion 10 - Relationship to Ancillary or Support Services

The applicant asserts that St. Dominic has necessary support and ancillary services. No changes in costs or charges for ancillary or support services are expected as a result of this project.

GR Criterion 11- Health Professional Training Programs

The applicant asserts that St. Dominic has school and training programs with multiple organizations and states that this proposed project will have no effect on these agreements.

GR Criterion 14 - Construction Projects

St. Dominic submits that the Emergency Department project will include 20,968 square feet of new space on the lower level for future support services at a cost of \$162.50 per square foot; 25,080 square feet of new construction on the 1st Floor at a cost of \$325.00 per square foot; and approximately 21,420 square feet of renovated space on the 1st Floor at a cost of \$211.30 per square foot. The applicant submits that the square footage construction cost for an addition and renovation of this type is not listed as a specific building/construction type included in Means Building Construction Cost Data (2014 edition); however, the square footage construction cost for the new construction of \$325.00 per square foot is between the median and 75 percentile cost for hospitals - \$235.00/square foot to \$350.00/square foot, respectively.

Based on the formulas listed in the *FY2015 MSHP*, staff calculated the total cost for new construction to be \$589.14 per square foot and \$338.60 per square foot for renovation. The RS Means Construction Cost Data, 2014 edition lists cost of construction for hospitals to be between \$202 and \$350 per square foot. The RS Means Construction Cost Data does not compare costs for renovation projects (See Attachment 2).

GR Criterion 16 - Quality of Care

The applicant submits that St. Dominic's Emergency Department has well demonstrated their ability to provide high quality, safe care to the community of Jackson and the surrounding areas. St. Dominic submits that it has continued to grow in volume by 40% since 2005 with an annual volume in 2014 of 56,000 patients; it has seen over 1,900 trauma patients as a Level IV trauma center, transferring less than 10 patients to a higher level of care; It is a Primary Stroke Center, with a 14% treatment rate for ischemic stroke compared to a national average of 6%; it is a Cycle IV Chest Pain Center with PCI accreditation and in 2014, 97% of the time it met the door to balloon time of a 90 minute goal, which it states is well above the national average. Finally, St. Dominic states that inappropriate STEMI activation by the Emergency Department is below the national average.

St. Dominic is certified to participate in the Medicare and Medicaid programs, and is accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO). Also, the facility is licensed by the Mississippi State Department of Health, Division of Licensure and Certification. In addition, St. Dominic submits that it received advanced certification as a Primary Stroke Center by The Joint

Commission, Cycle IV Chest Pain Center Accreditation from the Society of Chest Pain Centers, and has been named a Diabetes Center of excellence by the Joint Commission.

IV. FINANCIAL FEASIBILITY

A. Capital Expenditure Summary

Item	Estimated Cost	% of Total
Construction Cost - New	\$17,959,725.00	44.82%
Construction - Renovation	\$4,650,566.00	11.61%
Capital Improvements	\$0.00	
Total Fixed Equipment	\$2,845,000.00	7.10%
Total Non-Fixed Equipment	\$5,118,240.00	12.77%
Land	\$0.00	
Site Preparation	\$3,575,000.00	8.92%
Fees (Architectural/Consultant)	\$2,675,649.00	6.68%
Fees (Legal & Accounting)	\$0.00	
Contingency Reserve	\$2,675,649.00	6.68%
Capitalized Interest	\$0.00	
Other (Site Demolition)	\$571,200.00	1.43%
Total Proposed Capital Expenditure	\$40,071,029.00	100.00%

The above capital expenditure is proposed for 46,048 sq. ft. of new construction and 31,420 sq. ft. of renovated spaced. Based on the formulas listed in the *FY 2015 MSHP*, staff calculated total cost for new construction to be \$589.14 per square foot and \$338.60 per square foot for renovation. The RS Means Construction Cost Data, 2014 edition lists cost of construction for hospitals to be between \$202 and \$350 per square foot. The RS Means Construction Cost Data does not compare costs for renovation projects (See Attachment 2).

B. Method of Financing

St. Dominic proposes to secure a bank loan of \$38,271,029 at a 4% interest rate for a period of 12 years and provide \$1,800,000 cash reserves to fund the project. The application includes a financial feasibility statement from St. Dominic's chief vice president of operations attesting to the financial feasibility of the project, and a letter and amortization schedule from Trustmark National Bank regarding financing.

C. Effects on Operating Costs

The applicant's Three-Year Projected Operating Statement, including projections of gross revenues and expenses, is included as Attachment 1 to this Staff Analysis.

D. Cost to Medicaid/Medicare

St. Dominic provides the following revenue source projections for each payor category listed below:

Payor Mix	Utilization Percentage (%)	First Year Revenue (\$)
Medicare	44%	\$45,900,783
Medicaid	10%	10,186,701
Commercial	34%	35,497,176
Self Pay	8%	7,996,361
Charity Care	5%	5,287,351
Other		
Total	100%	\$104,868,371

Note: Totals may be slightly off due to rounding.

V. RECOMMENDATION OF OTHER AFFECTED AGENCIES

The Division of Medicaid was provided an opportunity to review and comment on this project. Effective September 1, 2012, the Division changed the methodology by which it reimburse outpatient services so that the cost incurred, subsequent to that date will no longer affect outpatients payments. The Department had not received comments from the Division of Medicaid as of this staff analysis.

VI. CONCLUSION AND RECOMMENDATION

This project is in substantial compliance with the criteria and standards for construction, renovation and expansion projects contained in the *FY 2015 Mississippi State Health Plan*; Chapter 8 of the *Mississippi Certificate of Need Review Manual, Revised 2011*; and all adopted rules, procedures, and plans of the Mississippi State Department of Health.

The Division of Health Planning and Resource Development recommends approval of the application submitted by St. Dominic-Jackson Memorial Hospital for the renovation and expansion of the Emergency Department.

ATTACHMENT 1

**St. Dominic-Jackson Memorial Hospital
 Renovation and Expansion of Emergency Department**

Three-Year Operating Statement (Project Only)			
	Year 1	Year 2	Year 3
Revenue			
Patient Revenue:			
Inpatient	\$ 22,791,903	\$ 23,791,027	\$ 24,790,152
Outpatient	82,076,468	85,674,439	89,272,409
Gross Patient Revenue	\$104,868,371	\$ 109,465,466	\$ 114,062,561
Charity Care	5,287,351	5,519,131	5,750,912
Deductions from Revenue	78,328,970	81,762,662	85,196,354
Net Patient Revenue	\$ 21,252,050	\$ 22,183,673	\$ 23,115,295
Other Operating Revenue			
Total Operating Revenue	\$ 21,252,050	\$ 22,183,673	\$ 23,115,295
Expenses			
Operating Expenses:			
Salaries	\$ 5,922,172	\$ 6,188,207	\$ 6,349,065
Benefits	1,179,104	1,232,072	1,264,099
Supplies	1,101,616	1,145,681	1,185,780
Services	9,148,405	9,549,442	9,950,479
Lease	33,848	34,187	34,528
Depreciation	2,760,261	2,760,261	2,760,261
Interest	1,539,569	1,404,299	1,263,517
Other	274,298	279,904	285,521
Total Expenses	\$ 21,959,373	\$ 22,594,053	\$ 23,093,250
Net Income (Loss)	\$ (707,323)	\$ (410,380)	\$ 22,045
Assumptions			
Inpatient days*	0	0	0
Outpatient days*	0	0	0
Procedures	11,584	12,092	12,600
Charge/outpatient day	0	0	0
Charge per inpatient day	0	0	0
Charge per procedure	\$ 9,053	9,053	9,053
Cost per inpatient day	0	0	0
Cost per outpatient day	0	0	0
Cost per procedure	\$ 1,896	\$ 1,869	\$ 1,833

ATTACHMENT 2

**St. Dominic-Jackson Memorial Hospital
 Renovation and Expansion of Emergency Department**

Computation of Construction and Renovation Cost

Cost Component	Total	New Construction	Renovation
New Construction Cost	\$17,959,725	\$17,959,725	
Renovation Cost	\$4,650,566		\$4,650,566
Total Fixed Equipment Cost	\$2,845,000	\$1,941,758	\$903,242
Total Non-Fixed Equipment Cost	\$5,118,240		
Land Cost	\$0	\$0	
Site Preparation Cost	\$3,575,000	\$3,575,000	
Fees (Architectural, Consultant, etc.)	\$2,675,649	\$1,826,174	\$849,475
Contingency Reserve	\$2,675,649	\$1,826,174	\$849,475
Capitalized Interest	\$0	\$0	\$0
Other (Site Demolition)	\$571,200	\$0	
Total Proposed Capital Expenditure	\$40,071,029	\$27,128,831	\$7,252,758
Square Footage	67,468	46,048	21,420
Allocation Percent		68.25%	31.75%
Costs Less Land, Non-Fixed Eqt., Other	\$34,952,789	\$27,128,831	\$7,252,758
Cost Per Square Foot	\$518.06	\$589.14	\$338.60

Source: Mississippi Certificate of Need Review Manual, Revised 2011 and FY 2015 MSHP.