



Joe Lombardo
Governor

NEVADA HEALTH AUTHORITY

DIRECTOR'S OFFICE

4070 Silver Sage Drive
Carson City, NV 89701
NVHA.NV.GOV



Stacie Weeks
Director

Nevada Certificate of Need Application

The Certificate of Need process is coordinated by the Nevada Health Authority under Nevada Revised Statutes (NRS) 439A.100. Please email questions to Info@NVHA.nv.gov.

Section I. APPLICANT IDENTIFICATION AND CERTIFICATION

1.1 *Identification of Legal Applicant:* Identify the applicant as defined in NAC 439A.240: *a natural person, trust, estate, partnership, corporation (including an association, joint stock company and insurance company), state, political subdivision or instrumentality or a legal entity recognized by the State.*

Applicant Name: South Lyon County Hospital District

Address: P O Box 940 Yerington, NV 89447

1.2 *Project Information*

Project Title: General Practice Clinic Facility Relocation

1.3 *Description of Legal Applicant*

a. Type of Organization

- | | |
|---|---|
| ☐ Private for Profit Corporation | ☐ Limited Partnership |
| ☐ Public for Profit Corporation | ☐ State Organization |
| ☐ Private Non-Profit Corporation | ☒ County Organization |
| ☐ General Partnership | ☐ Other (Specify): |

b. If a corporation, indicate where and when incorporated:

Where: Click or tap here to enter text.

When: Click or tap here to enter text.

c. Identify principals having 25% or more ownership:

Name of Individual	Percentage Owned
South Lyon Country Hospital District	100.00
Click or tap here to enter name.	Click or tap here to enter text.
Click or tap here to enter name.	Click or tap here to enter text.
Click or tap here to enter name.	Click or tap here to enter text.

d. If a corporation, attach an appendix labeled Appendix A with a list of the chairman, directors and officers. If a partnership, attach an appendix labeled Appendix B with a list of general and limited partners, if any.

1.4 *Contact Person*: Identify the individual designated as the contact person who will receive all notices and communications pertaining to this application.

Name: Toni Inserra

Title: Administrator

Organization: South Lyon Medical Center

Address: P O Box 940 Yerington, NV 89447

Office Phone: 775-463-6404

Cell Phone: 775-224-2374

Email Address: toni.inserra@slmcnv.org

Certification and Signature: This section should be completed and signed by the person who is authorized to commit the applicant to the project and to the expenditure of funds.

In accordance with NRS 439A.100 and the accompanying regulations, I hereby certify that this application is complete and correct to the best of my knowledge and belief. I understand that the applicant for a letter of approval has the burden of proof to satisfy all applicable criteria for review. I also understand that this application and all information submitted is public information and will be made available for public review and inspection.

Printed Name: Toni Inserra

Title: SLMC Administrator

Signature: _____ Date: 10/15/2025

Submit the original and four (4) copies along with a check for \$9,500 payable to the Nevada Health Authority for the application fee to:

**Nevada Health Authority
Attn: Certificate of Need Application
4070 Silver Sage Drive
Carson City, Nevada 89701**

Note: NAC 439A.595 states that the applicant for a letter of approval has the burden of proof to satisfy all applicable criteria for review contained in NAC 439A.637, inclusive.

Section II. PROJECT DESCRIPTION

2.1 *Project Summary*: Provide a one-page description of the proposed project.

The proposed project involves the construction of a new primary care clinic (RHC) to replace the existing modular facility, which has reached the end of its useful life and no longer meets current healthcare delivery standards. The new stick built clinic will be located within the same service area to ensure uninterrupted access to care for the community it serves.

The new facility will provide comprehensive primary and preventive healthcare services, including family medicine, chronic disease management, immunizations, laboratory testing, and minor procedures. The building design will feature modern exam rooms, ADA-compliant patient areas, enhanced infection control measures, and integrated telehealth capabilities. These improvements will allow the clinic to expand patient capacity, improve care coordination, and meet growing community healthcare needs.

Integration with the clinic's electronic health record (EHR) system will streamline documentation, reduce duplicative testing, and strengthen coordination with local hospitals, specialists, and behavioral health providers.

As a certified RHC, the clinic will continue to serve all individuals, regardless of insurance status or ability to pay, through participation in Medicare, Medicaid, and a sliding fee discount program based on household income. This ensures that low-income and underserved residents maintain full access to care.

The new clinic will enhance the quality, safety, and efficiency of healthcare delivery in the region while supporting the recruitment and retention of healthcare professionals. By increasing access to timely primary care and preventive services, the project will reduce avoidable emergency room visits, improve chronic disease outcomes, and strengthen the overall health of the community.

Ultimately, the proposed project represents a vital investment in the long-term health infrastructure of the area—modernizing rural healthcare delivery and improving the well-being of residents for years to come.

2.2 Project Capital Expenditure Estimates:

Total dollar amount	\$5,710,976
For new square footage only	\$5,710,976

2.3 Project Location:

Project Location	South Lyon County Hospital District
Address	213 S. Whitacre Street Yerington, NV 89447

- a. Attach an appendix labeled Appendix C with documentation of ownership, lease or option to purchase.
- b. Attach an appendix labeled Appendix D with a location map which includes street names and a facility plot plan and/or schematic.

2.4 Project Schedule: Complete the following schedule for the proposed project.

Step	Target Date
Use permit	n/a
Building permit	12/18/2025
Groundbreaking/construction begins	2/2/2026
Construction ends	9/28/2026
Entire project completed	10/12/2026
Licensing & certification	10/31/2026
Services begin	11/1/2026

2.5 Project Organization and Planning:

- a. Attach an appendix labeled Appendix E with an organization chart(s) showing lines of managerial and fiscal responsibility for all individuals and entities involved in this project. Show the proposed project's place in its parent organization, if appropriate.
- b. Describe the process by which this project was developed.

The proposed project was developed through a comprehensive, data-driven planning process designed to assess community healthcare needs, evaluate existing facility limitations, and identify the most effective way to sustain and improve access to primary care services in the service area. The process began with a needs assessment and facility evaluation, which identified significant structural and operational limitations in the existing clinic, including inadequate space, outdated infrastructure, and limited capacity to meet increasing patient demand. These findings were supported by patient volume trends, provider feedback, and community input. The applicant then convened key stakeholders, including clinic leadership, medical providers, staff, governing board members, and community representatives, to evaluate possible solutions. Several options were considered, including renovation of the existing structure, leasing additional space, or new construction. After review, new construction was determined to be the most cost-effective and sustainable option, providing long-term benefits in quality, safety, and service capacity. Throughout project development, the applicant engaged in consultation with architects, engineers, and healthcare planners to ensure the proposed facility design meets current Rural Health Clinic standards, building codes, infection control requirements, and accessibility guidelines. Coordination with local and regional healthcare partners, including hospitals, behavioral health providers, and public health agencies—ensured that the project complements, rather than duplicates, existing services. The project plan, design, and scope were then reviewed and approved by the organization’s governing board, with full consideration of financial feasibility, community benefit, and alignment with the clinic’s mission to provide equitable, high-quality care to all residents. This deliberate and inclusive planning process ensures that the proposed project is responsive to community needs, operationally sound, and positioned to enhance healthcare access and outcomes for the population served.

Section III. NEED FOR THE PROJECT TO BE UNDERTAKEN

3.0 Pursuant to NAC 439A.605, the applicant must demonstrate that the population to be served has a need for the project to be undertaken based upon:

3.1 Project Service Area and Population

a. Identify the proposed service area.

The existing clinic provides space for four primary care providers in a Rural Health Clinic. The clinic serves a population of approximately 7,891 individuals, with the majority of residents living in Yerington and Smith Valley. The median age of the population is approximately 60 years, indicating an older population compared to the national median age of 38.5 years. This suggests a higher demand for senior healthcare services. SLMC serves a diverse population, with a racial makeup that includes White, American Indian, Asian, Black or African American, Pacific Islander, and other races. It is predominantly White, with 74% of the population consisting of individuals who identify as White non-Hispanic, 27% Hispanic, 5% American

Indian or Alaskan Native, 1% two races, 0% Asian, and 1% Black. This contrasts with the racial and ethnic distribution in Nevada. Smith Valley and Yerington have a significant veteran population, with 11.0% and 14.9% of residents being veterans respectively. This is higher than the state average and indicates a potential need for services focused on veterans, particularly in healthcare and mental health support.

b. Identify the total population for the proposed service area and estimate the number of persons who will have a need for the proposed project. Use a population projection for the year which is five years from the year that the application is filed. Population projections are available from the State Demographer. If other estimates are used, cite the source of such information and show the method used to derive the estimates.

The clinic serves a population of approximately 7,891 individuals, with the majority of residents living in Yerington and Smith Valley. The median age of the population is approximately 60 years, indicating an older population compared to the national median age of 38.5 years. This suggests a higher demand for senior healthcare services. SLMC serves a diverse population, with a racial makeup that includes White, American Indian, Asian, Black or African American, Pacific Islander, and other races. It is predominantly White, with 74% of the population consisting of individuals who identify as White non-Hispanic, 27% Hispanic, 5% American Indian or Alaskan Native, 1% two races, 0% Asian, and 1% Black. This contrasts with the racial and ethnic distribution in Nevada. Smith Valley and Yerington have a significant veteran population, with 11.0% and 14.9% of residents being veterans respectively. This is higher than the state average and indicates a potential need for services focused on veterans, particularly in healthcare and mental health support. The starting population of the hospital district of 7,891 in the service area is estimated to increase by approximately 4.6% by the year 2028 adding approximately 316 residents. This information was derived from the State of Nevada's Published Population Projections 2023 to 2042 Released on October 1, 2023.

20-Year Population Projections Summary

	2022+	2023	2024	2025	2026	2027	2028
Carson City	58,314	59,039	59,704	60,250	60,751	61,168	61,548
Churchill	26,564	26,634	26,662	26,704	26,772	26,833	26,891
Clark	2,338,127	2,392,158	2,440,597	2,482,619	2,522,302	2,559,475	2,594,308
Douglas	52,674	53,510	54,286	54,958	55,591	56,159	56,673
Elko	56,396	56,426	56,407	56,498	56,618	56,760	56,898
Esmeralda	1,068	1,093	1,112	1,128	1,141	1,154	1,168
Eureka	1,847	1,888	1,934	1,992	2,058	2,126	2,196
Humboldt	17,921	17,862	17,809	17,793	17,794	17,803	17,815
Lander	6,158	6,225	6,278	6,345	6,412	6,470	6,528
Lincoln	4,971	4,984	4,992	4,991	4,995	4,995	5,000
Lyon	60,454	61,521	62,516	63,408	64,218	64,860	65,438
Mineral	4,870	4,847	4,834	4,834	4,845	4,859	4,879
Nye	51,334	52,075	52,804	53,542	54,302	55,054	55,794
Pershing	7,344	7,333	7,328	7,341	7,368	7,388	7,413
Storey	4,427	4,592	4,765	4,947	5,131	5,322	5,517
Washoe	501,635	511,575	520,758	528,375	535,248	540,706	545,457
White Pine	10,001	10,136	10,238	10,355	10,465	10,575	10,678
State Total*	3,204,105	3,271,899	3,333,023	3,386,079	3,436,013	3,481,708	3,524,199

20-Year Population Projections: Lyon County

Year	Population	Change Amt	Change %
2022†	60,454		
2023	61,521	1,067	1.8%
2024	62,516	995	1.6%
2025	63,408	892	1.4%
2026	64,218	810	1.3%
2027	64,860	642	1.0%
2028	65,438	578	0.9%
2029	65,951	513	0.8%
2030	66,397	446	0.7%
2031	66,803	406	0.6%
2032	67,165	362	0.5%
2033	67,483	318	0.5%
2034	67,756	273	0.4%
2035	68,010	254	0.4%
2036	68,242	232	0.3%
2037	68,459	217	0.3%
2038	68,662	203	0.3%
2039	68,852	190	0.3%
2040	69,031	179	0.3%
2041	69,200	169	0.2%
2042	69,372	172	0.2%

†2022 Governor's Certified Series Population Estimates

3.2 Existing Providers of Similar Services:

Provide information regarding existing providers of services similar to those proposed in this application. Explain the assumption that existing providers will not be able to meet the projected needs of the target population.

The only comparable service is the Yerington Paiute Tribal Clinic, located at 30 West Loop Road on the Campbell Lane Reservation. The clinic is tribally owned and operated, providing care primarily to tribal members.

Section IV. FINANCIAL FEASIBILITY

4.1 Capital Expenditures:

Cost	Total Project	Portion @ New Square Footage
Land acquisition	\$15,100	\$15,1000
Architectural & engineering cost	\$490,766	\$490,766
Site development	\$625,000	\$625,000
Construction expenditure	\$3,899,544	\$3,899,544
Fixed equipment (not construction expense)	\$0	\$0
Major medical equipment	\$0	\$0
Other equipment and furnishings	\$45000	\$45000
Other (specify) Relocation and Legal	\$19,000	\$19,000
10% Contingency	\$591,746	\$591,746
TOTAL PROJECT COST	\$5,710,976	\$5,710,976

4.2 Proposed Funding of Project:

Funds available as of application filing date: \$1,140,040.03

Attach in an appendix labeled Appendix F with evidence that funds are available

4.3 Long-Term Financing:

Loan principal	\$2,710,976
Interest rate	4.5%
Term (years)	10

- a. Identify the anticipated source(s) of long-term financing.
USDA Loan will refinance the principle of the construction loan and the Hospital District will absorb the interest charges.
- b. Check anticipated debt instrument.
☐Mortgage ☒Bonds ☐Other (Specify): [Click here to enter text.](#)
- c. Will the proposed long-term loan refinance the construction loan?
☒Yes ☐No

4.4 Project Financing

- a. Provide information regarding the construction financing. Note that “financing” includes all project capital expenditures regardless of funding source.

Construction Financing:

Funding	Amount	Percent of Total
From applicant's funds	\$500,000	8.76
Amount to be financed	\$2,710,976	47.47
Pennington Grant	\$2,500,000	43.77
Total capital expenditures	\$5,710,976	100

b. Construction loan information

Source of construction loan: *Pennington Foundation has invited the district to apply for a \$2,500,000 grant towards the construction of the project. These funds will be used first during construction. Additional funds, if needed, will be an interim construction loan obtained from the Zions Bank. Eligibility and loan approval have already been completed and approved.*

Loan principal	Interest rate	Total dollars	Term(years)
Zion Construction Draw Loan	7%	\$2,820,976.00	1
Click or tap here to enter text.	Enter rate here.	\$Enter Dollar Amount.	Enter Years here.

- c. Provide information about existing short and long-term loans not related to the proposed project that are held by the applicant.

Lender	Interest Rate	Term	Annual Payment	Remaining Principal
NONE	Interest Rate.	Term.	Annual Payment.	Remaining Principal
Enter text here.	Interest Rate.	Term.	Annual Payment.	Remaining Principal
Enter text here.	Interest Rate.	Term.	Annual Payment.	Remaining Principal
Enter text here.	Interest Rate.	Term.	Annual Payment.	Remaining Principal

4.5 *Financial Sustainability*: NAC 439A.625 requires the applicant demonstrate that it will be able to operate in a manner which is financially feasible as a result of the proposed project without unnecessarily increasing the cost to the user or payer for health service provided by the applicant.

Explain how the proposed facility is expected to become financially self-supporting within 3 years after completion or, if the new construction is an addition to an existing facility, that the financial viability of the existing facility will not be adversely affected by the proposed project.

The South Lyon County Hospital District leases the building and grounds to a not for profit corporation. The stick-built construction will replace the temporary modular building that currently houses the clinic. The funds to build the new clinic will be in part by a U.S.D.A. loan, part by District funds directly and part by a Pennington Foundation grant. The U.S.D.A. loan will be paid by ad valorem property tax revenue. The proposed loan from the USDA will be paid in a ten year term. The funds set aside for the loan payment are approximately equal to the funds budgeted annually for the upper payment limit payments. This state program ended in 2024 but the budgeted funds were set aside for the clinic construction and will not negatively impact the budget.

4.6 *Financial Feasibility*: Provide a response to each of the following criteria related to financial feasibility.

a. The ability of the applicant to obtain any required financing for the proposed project;

The South Lyon County Hospital District successfully applied for funding through USDA and received the notice of obligation of funds on September 29, 2025.

b. The extent to which the proposed financing may adversely affect the financial viability of the applicant's facility because of its effect on the long-term and short-term debt of the applicant;

The financing will have no adverse effect on the financial viability of existing practice.

c. The availability and degree of commitment to the applicant of the financial resources required to operate the proposed project until the project or the applicant's facility becomes financially self-supporting;

The proposed loan from the USDA will be paid in a ten year term. The funds set aside for the loan payment are approximately equal to the funds budgeted annually for the upper payment limit payments. This state program was ended in 2024 but the budgeted funds were set aside for the clinic construction.

d. The relationship between the applicant's estimated costs of operation, proposed charges and estimated revenues;

The South Lyon County Hospital District does not operate the clinic, but leases the building and grounds to a not-for-profit corporation. The project does not add any new service lines or uses but moves existing use from a temporary modular building to a permanent stick-built structure.

e. The level at which the affected health services of the applicant must be used for the applicant to break even financially and the likelihood that those levels will be achieved;

The South Lyon County Hospital District does not operate the clinic but leases the building and grounds to a not-for-profit corporation. The project does not add any new service lines or uses but moves existing use from a temporary modular building to a permanent stick-built structure.

f. Whether the applicant's projected costs of operation and charges are reasonable in relationship to each other and to the health services provided by the applicant.

The South Lyon County Hospital District does not operate the clinic but leases the building and grounds to a not-for-profit corporation. The project does not add any new service lines or uses but moves existing use from a temporary modular building to a permanent stick-built structure.

g. Whether the projected revenues to be received by the applicant are likely to be from governmental programs if the applicant will be eligible for reimbursement from those programs.

Source	Percentage
South Lyon County Hospital District	8.76
U.S.D.A. Financing	47.47
Pennington Foundation	43.77
Click or tap here to enter text.	Enter percentage here.
Click or tap here to enter text.	Enter percentage here.

4.7 Ability to Support Operations:

a. Identify the source and amount of funds committed to the applicant which may be required to operate the proposed project or the applicant's facility until such time as the project becomes financially self-supporting.

Source	Amount
County Ad Valorem Funds	100%
Click or tap here to enter text.	Enter percentage here.
Click or tap here to enter text.	Enter percentage here.
Click or tap here to enter text.	Enter percentage here.
Click or tap here to enter text.	Enter percentage here.
Click or tap here to enter text.	Enter percentage here.
Click or tap here to enter text.	Enter percentage here.

b. If an existing facility, attach an appendix labeled Appendix G with copies of financial statements for the three preceding fiscal years including statements of revenues/expenses and balance sheets.

c. For a new facility, attach an appendix labeled Appendix H with a pro-forma revenue/expense statement for each of the first three full years of operation of the proposed project.

4.8 Bed Information:

Existing number of licensed beds	0
Number added by new construction	0

Conversion from other use	0
Number to be removed	0
Projected number of licensed beds	0

4.9 *Line Drawings*: Attach an appendix labeled Appendix I with scale drawings of all new construction and/or remodeling.

Section V. EFFECT ON COSTS TO CONSUMER OR PAYOR

5.1 *Effect on Cost of Healthcare*: NAC 439A.635 requires the applicant demonstrate that the proposed project will not have an unnecessarily adverse effect on the cost of health services to users or payers.

Explain how the proposed project will result in a significant savings in costs to users or payers without an adverse effect on the quality of care or, if the proposed project will not result in a significant savings in costs to the user or payer for health services, the extent to which costs of the service are justified by:

- a. A clinical or operational need.

The operational need of the proposed facility is clearly evidenced by the patronage of the existing clinic that the proposed facility is intended to replace.

- b. A corresponding increase in the quality of care.

The newly constructed clinic will enhance the quality of care by providing improved facilities, modern equipment, and a more efficient environment for patients and staff.

- c. A significant reduction in risks to the health of the patients to be served by the applicant.

The construction of a new clinic will reduce health risks for patients by improving access to timely and comprehensive medical care in a safe, modern environment. The upgraded facility will eliminate barriers associated with outdated or overcrowded spaces, enhance infection control through improved ventilation and sanitation systems, and support better clinical workflows that reduce delays in diagnosis and treatment. In addition, the new clinic will allow for expanded preventive services, chronic disease management, and health education, helping to address conditions before they become critical.

5.2 *Effect on cost*: Provide a response to the following criteria related to the effect on costs.

- a. The added costs to the applicant resulting from any proposed financing for the project.

The proposed financing for the project will result in additional costs to the applicant primarily related to interest expenses and long-term debt service. These costs include interest payments on the financed amount, potential loan origination or administrative fees, and any associated legal or compliance expenses. While these added costs will increase the overall financial obligation of the project, they are necessary to enable timely construction and ensure that the clinic meets current healthcare standards and regulatory requirements. The applicant has accounted for these expenses within the project's financial plan and anticipates that the improved operational efficiency and increased patient volume resulting from the new clinic will offset the added financing costs over time.

b. The relationship between project costs of construction, remodeling or renovation and the prevailing cost for similar activity in the area.

Because the project is receiving construction funding from a federal agency, the District was required to open the work of construction to all interested parties by advertising and scoring applicants in a published manner. Because the contractor was hired in this manner and made responsible to keep the project under budget, the subcontractors will also be selected through a competitive process. By many checks of the federal agency, the project is expected to be completed under budget – a budget which was estimated based on construction costs in the local geographic area.

c. The health or other benefits to be received by users compared to the cost to users or payers resulting from the proposed project.

The proposed project will provide substantial health and community benefits that far outweigh the costs to users or payers. By expanding access to primary and preventive care in a modern, efficient facility, patients will experience improved health outcomes, reduced travel time, and earlier intervention for acute and chronic conditions. The new clinic's design will enhance patient flow, increase privacy, and support the use of advanced diagnostic and electronic health record systems, all contributing to higher quality and safer care. While users and payers may incur standard costs associated with healthcare services, these expenses will be offset by reduced emergency room visits, fewer hospitalizations, and lower long-term treatment costs due to better disease management and preventive care. Overall, the project promotes better health at a lower overall cost to the healthcare system and the community.

d. Whether alternative methods of providing the proposed service are available

which provide a greater benefit for the cost without adversely affecting quality of care.

Alternative methods of providing the proposed services were evaluated; however, none were found to offer a greater benefit for the cost without adversely affecting the quality of care. Options such as renovating the existing facility, leasing additional space, or expanding telehealth services were considered. Renovation would provide only temporary relief and would not correct structural and compliance deficiencies or allow for future growth. Leasing space would result in ongoing operational expenses without building long-term value or the ability to customize clinical areas to meet current healthcare standards. While telehealth remains an important supplement to care, it cannot fully replace the need for in-person evaluation, diagnostics, and treatment. Construction of a new clinic therefore represents the most cost-effective, sustainable, and quality-driven solution to meet current and future healthcare needs while maintaining high standards of patient safety and service delivery.

5.3 Demonstrate that the proposed project will not have an unnecessary adverse effect on the costs of health services to the user or payer.

The proposed project will not have an unnecessary adverse effect on the costs of health services to users or payers. The construction of the new clinic is designed to improve efficiency, patient flow, and access to care, which will help control overall healthcare costs. The project emphasizes operational sustainability by incorporating energy-efficient systems, modern technology, and flexible space design that reduces long-term maintenance and operating expenses. The clinic will continue to provide services under existing reimbursement structures, including Medicare, Medicaid, and private insurance, at rates consistent with established Rural Health Clinic (RHC) guidelines. No significant increases in patient charges are anticipated as a result of the project. In fact, by improving preventive and primary care access, the project is expected to reduce unnecessary hospitalizations and emergency department use—ultimately lowering the overall cost of care to both users and payers.

Section VI. APPROPRIATENESS

6.1 Location:

a. Describe the location of the proposed project including the time for travel and distance to other facilities for required transfers of patients or transfers in the event of an emergency.

The proposed clinic will be located on the Hospital District's campus in Yerington, NV, a rural area of Lyon County, strategically positioned to serve residents who currently face significant travel times to access primary and specialty care. The facility will be situated on Bridge Street, providing convenient access for local residents. Patients requiring a higher level of care or specialized services will be transferred to the main hospital emergency room located northwest of the clinic, approximately 100 yards away, with an estimated travel time of 2 minutes by ground under normal conditions.

b. Describe the distance and the time for travel required for the population to be served to reach the applicant's facility and other facilities providing similar services.

The proposed clinic will serve residents of South Lyon County and the surrounding area, many of whom currently face long travel distances to obtain primary and preventive healthcare. For a significant portion of the population, travel to the nearest comparable healthcare facility requires approximately 60 miles or 70 minutes each way. No public transportation and geographic barriers, such as rural road networks and weather conditions, further restrict access to timely medical care. The applicant's facility will be centrally located within the service area. This improved accessibility will make it possible for patients to receive regular primary care, chronic disease management, and preventive services closer to home. Other facilities providing similar services are located in Minden, Carson City or Fallon, Nevada, at distances ranging from 60 to 70 miles. The establishment

of the proposed clinic will significantly reduce travel time and cost for rural residents, decrease missed appointments, and support better continuity of care for patients who otherwise might delay or forgo treatment due to travel barriers.

c. Describe the nature of and requirements for zoning for the area surrounding the proposed location of the project.

The campus is 100% located in the city limits of Yerington and is zoned Hospital Zone, which allows a medical clinic building as well.

6.2 Effect on existing costs and quality of care: Explain the extent to which:

a. The proposed project is likely to stimulate competition which will result in a reduction in costs for the user or payer.

The proposed project is not expected to stimulate additional competition resulting in a reduction in costs, as it represents the replacement of an existing clinic rather than the introduction of a new provider or service in the area. The project's purpose is to modernize and replace aging infrastructure, ensuring continuity of care for the current patient population while improving safety, accessibility, and quality. Although the project will not alter the existing competitive landscape, it will enhance the efficiency and effectiveness of current operations, reduce long-term maintenance expenses, and support sustainable service delivery. As such, the project focuses on preserving essential healthcare access for the community rather than creating competitive market changes.

b. The proposed project is likely to increase costs to the user or payer through reductions in market shares for services if those reductions would increase costs per unit of service.

The proposed project is not likely to increase costs to users or payers through reductions in market share for services, as the facility will continue to operate under its existing Rural Health Clinic (RHC) designation. The project does not introduce new competitive dynamics or service duplications that would shift patient volume in a way that increases per-unit costs. The replacement facility will maintain its current scope of services, reimbursement structure, and patient base while improving the quality, safety, and efficiency of care. As a certified RHC, reimbursement will continue to follow the established all-inclusive rate methodology, ensuring cost stability for both patients and payers. Therefore, the project will sustain existing market balance and cost efficiency without creating financial burdens for the healthcare system or the community it serves.

c. The proposed project contains innovations or improvements in the delivery or financing of health services which will significantly reduce the cost of health care to the user or payer or enhance the quality of care.

The proposed project incorporates several innovations and improvements in the delivery of health services that will enhance the quality of care and contribute to long-term cost reduction for users and payers. The new facility design will promote efficient patient flow, reduce wait times, and improve infection control through modern HVAC systems, upgraded exam room layouts, and integrated technology. The project also includes implementation of advanced electronic health record (EHR) systems and telehealth capabilities, enabling better care coordination, more accurate documentation, and improved access for patients in remote areas. These innovations will reduce unnecessary referrals, duplicate testing, and hospital admissions, leading to lower overall healthcare costs. By improving operational efficiency and preventive care access within a modernized Rural Health Clinic setting, the project will strengthen the quality, safety, and continuity of care while maintaining affordability for patients and payers alike.

6.3 Reduction, Elimination or Relocation of Health Services or Facility:

If the proposed project involves the reduction, elimination or relocation of an existing health facility or service, how will the needs of the population currently being served continue to be met?

The proposed project involves the replacement and relocation of an existing facility; however, the healthcare needs of the current patient population will continue to be fully met throughout the transition. The new clinic will assume the full range of services currently provided, with no reduction or interruption in access to care. The relocation site has been selected within close proximity to the existing facility to ensure minimal disruption for patients and staff. Continuity of care will be maintained through coordinated scheduling, clear patient communication, and transitional operational planning to avoid any service gaps. All current clinical staff, medical providers, and support personnel will transfer to the new facility, ensuring consistency in care delivery and preserving established provider-patient relationships. The new clinic's enhanced space and modern infrastructure will not only sustain current services but will allow for expanded capacity, improved efficiency, and a safer environment for both patients and staff. In summary, the project will maintain uninterrupted access to essential healthcare services for the existing population while improving the quality, efficiency, and sustainability of care delivery.

6.4 Consistency with Existing System: Explain whether the proposed project is consistent with the existing system of health care, based upon:

- a. The effect of the proposed project on the availability and the cost of existing health services in the area of required personnel.

The proposed project is not expected to have an adverse effect on the availability or cost of existing health services in the area. The facility will continue to operate with the same core

medical staff and clinical service mix currently in place, ensuring stability in the local healthcare workforce. Because the project primarily involves replacement and modernization rather than expansion of specialized or high-cost services, it will not draw personnel away from other area providers or create competition for limited clinical staff. In fact, the upgraded facility is expected to enhance staff recruitment and retention by providing a modern, efficient, and safe work environment, an important factor in rural healthcare sustainability. This will support the long-term availability of essential primary care services without increasing labor costs or diminishing service capacity at neighboring facilities. Overall, the project will help stabilize healthcare access in the region by improving working conditions and preserving the existing healthcare workforce, all while maintaining reasonable costs for personnel, users, and payers.

b. The extent to which the applicant will have adequate arrangements for referrals to and from other health facilities in the area which provide for avoidance of unnecessary duplication of effort, comprehensive and continuous care of patients, and communication and cooperation between related facilities or services.

The applicant has established and will maintain strong referral relationships with other health facilities and providers in the area to ensure comprehensive, coordinated, and continuous care for patients. Formal arrangements are in place for referrals to regional hospitals, specialty clinics, and diagnostic centers, providing a seamless system of care that prevents unnecessary duplication of services. The clinic will continue to collaborate closely with South Lyon Medical Center for emergency transfers, specialty consultations, and inpatient care. Established referral protocols and shared communication systems—including secure electronic health records and care coordination tools—facilitate the timely exchange of information and ensure continuity across care settings. The facility also receives referrals from area hospitals, public health programs, and community organizations for follow-up and primary care services. Through these cooperative relationships, the applicant promotes efficient use of healthcare resources while maintaining high-quality, patient-centered care. The proposed project will strengthen these existing partnerships by improving clinical capacity, enhancing care coordination, and expanding access to services within the community.

6.5 Applicant History: Describe the quality of care provided by the applicant for any existing health facility or service owned or operated by the applicant based upon:

a. Whether the applicant has had any adverse action taken against it with regard to a license or certificate held by the applicant and the results of that action.

The applicant has not had any adverse actions taken against it. The not for profit that operates the clinic has not had any adverse action with regard to any license, certification, or accreditation held. All licenses and certifications are current and in good standing with state and federal regulatory agencies. The applicant maintains compliance with all applicable healthcare regulations, inspection requirements, and reporting standards. Regular internal audits and quality assurance reviews are conducted to ensure ongoing adherence to Rural Health Clinic (RHC) and other healthcare regulatory requirements.

b. The extent to which the applicant has previously provided similar health services.

The South Lyon County Hospital District has provided clinic buildings for lease since 1998. It currently has a two provider clinic located in Smith Valley and the four provider clinic in Yerington that is being replaced with a permanent stick-built structure.

c. Any additional evidence in the record regarding the applicant's quality of care.

The applicant does not provide health care. The not-for-profit that leases the clinic building has a well-documented record of providing high-quality, patient-centered care to the community it serves. Quality assurance and performance improvement programs are in place and actively monitored to ensure compliance with Rural Health Clinic (RHC) regulations, state licensing requirements, and national standards of care.

6.6 Accessibility: Explain the extent to which equal access by all persons in the area to the applicant's facility or service will be provided, based upon:

a. Whether any segment of the population in the area will be denied access to health services similar to those proposed by the applicant as a result of the proposed project.

No segment of the population in the service area will be denied access to healthcare services as a result of the proposed project. The project involves the replacement and modernization of an existing facility and will continue to provide the same scope of primary and preventive care services currently available. The applicant remains committed to serving all individuals in need of care, regardless of age, gender, race, ethnicity, income, insurance status, or ability to pay. As a certified Rural Health Clinic (RHC), the facility will continue to participate in Medicare and Medicaid programs and maintain a sliding fee discount program for uninsured or underinsured patients, ensuring equitable access for all community members. The new facility is designed to enhance accessibility by improving ADA compliance, increasing exam room capacity, and expanding appointment availability.

Rather than restricting access, the project will strengthen the delivery of healthcare services and improve convenience and continuity of care for all residents within the service area.

b. The extent to which the applicant will provide uncompensated care, exclusive to bad debt, and the effect of the proposed project on the cost to local and state governments and other facilities for providing care to indigents.

The not-for-profit that operates the clinic is committed to continuing its longstanding role in providing uncompensated care to individuals unable to pay for medical services. As a certified Rural Health Clinic (RHC), the applicant maintains a sliding fee discount program in accordance with federal guidelines, ensuring that medically necessary services are available to all patients regardless of their financial circumstances. Uncompensated care provided under this program is exclusive of bad debt and reflects the applicant's dedication to community service and health equity. The proposed project will not increase costs to local or state governments. By improving access to timely primary and preventive care, the clinic will help reduce the burden on publicly funded hospitals and emergency departments that often provide uncompensated care to indigent patients. Early intervention and chronic disease management at the clinic level will lower the incidence of avoidable hospitalizations, thereby reducing public healthcare expenditures. Overall, the project will sustain and likely enhance the capacity to provide uncompensated care while simultaneously decreasing the cost of indigent care borne by other healthcare facilities and government entities.

c. The extent to which financial barriers to access by persons of low income, including any financial preconditions to providing service, will prevent those persons from obtaining needed health services.

The proposed project will not create financial barriers to access for persons of low income. The applicant will continue its established policy of providing services to all individuals, regardless of their ability to pay. As a certified Rural Health Clinic (RHC), the facility participates in both Medicare and Medicaid programs and maintains a sliding fee discount program that bases charges on the patient's household income and family size, consistent with federal poverty guidelines. No financial preconditions—such as deposits, upfront payments, or proof of insurance—are required prior to the provision of medically necessary services. Patients are informed of the sliding fee policy and payment options in clear and culturally appropriate language to encourage utilization of services by underserved populations. By replacing the existing facility and expanding capacity, the proposed project will further reduce access barriers by offering more appointment availability, improved

ADA compliance, and enhanced service coordination. These measures ensure that persons of low income and vulnerable populations will continue to receive needed healthcare services without financial or physical obstacles.

6.7 *Referrals*: Provide the following information for each health facility/program with which the applicant will have an arrangement for referrals.

Facility: Mountain Medical Pulmonary

Agreement for: Pulmonary

Facility: Carson Valley Cardiology

Agreement for: Cardiology

Facility: Carson Tahoe Cardiology

Agreement for: Cardiology

Facility: Carson Valley Health Urology

Agreement for: Urology

Facility: Carson Tahoe Imaging Center

Agreement for: Imaging

Facility: Spine Care and Rehabilitation

Agreement for: Pain Management

Facility: Carson Tahoe ENT

Agreement for: Ear, Nose and Throat

Facility: Carson Tahoe Medical Group Endocrinology

Agreement for: Endocrinology

Facility: Carson Tahoe Medical Group

Agreement for: Obstetrics and Gynecology

Facility: Carson Dermatology

Agreement for: Dermatology

Facility: Sierra Specialty Care

Agreement for: Nephrology

Facility: Swift Institute

Agreement for: Orthopedics

Section VII. HEALTH CARE ACCESS

7.0 Healthcare Distribution, Access and Outcomes:

Describe the extent to which the project is consistent with the purposes set forth in NRS 439A.020 and the priorities set forth in NRS 439A.081. Including without limitation:

- a. The impact of the project on other health care facilities;

The proposed project is not expected to have a negative impact on other healthcare facilities in the region. The project involves the replacement and modernization of an existing Rural Health Clinic rather than the addition of a new provider or expansion into a new market. Therefore, the project will maintain the current level of service capacity within the community rather than create competition or duplication of services. The new facility will enhance the overall healthcare delivery system by improving care coordination and increasing access to primary and preventive services. This improvement is expected to reduce avoidable emergency room visits and hospital admissions, thereby complementing them rather than competing with nearby hospitals and specialty providers. By continuing to collaborate with area hospitals, specialists, and public health agencies, the applicant will strengthen referral relationships and ensure continuity of care for patients requiring higher levels of service. The overall impact of the project will be positive, supporting the healthcare infrastructure and improving health outcomes without adversely affecting the financial or operational stability of other local facilities.

- b. The need for any equipment that the project proposes to add, the manner in which such equipment will improve the quality of health care and any protocols provided in the project for avoiding repetitive testing;

All existing clinic equipment will be moved from the modular unit to the stick built unit.

- c. The impact of the project on disparate health outcomes for different populations in the area that will be served by the project;

The proposed project is expected to have a positive impact on disparate health outcomes among the populations served by the clinic. The project will replace an aging facility with a modern, fully accessible Rural Health Clinic designed to improve access to primary and preventive care for all residents, particularly those in medically underserved and low-income populations. The service area currently experiences disparities in health outcomes related to chronic disease management, maternal health, behavioral health, and preventive care utilization. Barriers such as transportation distance, limited provider availability, and socioeconomic challenges have contributed to gaps in timely access to care. By expanding exam capacity, improving ADA accessibility, and incorporating updated diagnostic and

telehealth capabilities, the new clinic will reduce these disparities by enabling earlier intervention, improved continuity of care, and greater access to routine preventive services. The applicant remains committed to providing equitable care regardless of income, insurance status, or demographic background through its sliding fee discount program, Medicare and Medicaid participation, and community outreach initiatives. Collectively, these efforts will help close gaps in health outcomes and ensure that all populations within the service area benefit from improved access and quality of care.

d. The manner in which the project will expand, promote or enhance the capacity to provide primary health care in the area that will be served by the project;

The proposed project will significantly expand and enhance the capacity to provide primary healthcare services within the area served by the clinic. The construction of a new, modern facility will replace the existing clinic, which has reached its functional capacity and no longer adequately supports the growing demand for services. The new clinic design includes additional exam rooms, improved patient flow, expanded space for care coordination, and upgraded diagnostic equipment, all of which will increase the number of patients that can be seen each day and improve the efficiency of care delivery. Enhanced infrastructure will also support the recruitment and retention of healthcare providers, including nurse practitioners, physicians, and support staff, by offering a more functional and comfortable work environment. In addition, the facility will integrate telehealth capabilities, enabling patients to access specialty consultations and follow-up care without the burden of long-distance travel. This expansion of service modalities will broaden access to care, improve continuity, and reduce delays in treatment for rural residents. Collectively, these improvements will expand primary care capacity, strengthen the local healthcare system, and ensure that residents receive comprehensive, high-quality, and timely healthcare close to home.

e. Any plan by the applicant to collect and analyze data concerning the effect of the project on health care quality and patient outcomes in the area served by the project;

The not-for-profit that leases the clinic will continue to collect and analyze data on the clinic's impact on healthcare quality and patient outcomes in the service area. The clinic will utilize its electronic health record (EHR) system to systematically track and evaluate key performance indicators, including preventive screening rates, chronic disease management metrics, patient satisfaction, and access to care measures. Baseline data from the existing clinic will be compared to post-implementation data to assess improvements in quality and outcomes following the transition to the new facility.

f. Any plan by the applicant for controlling the spread of infectious diseases;

The not-for-profit that operates the clinic has a comprehensive Infection Prevention and Control Plan in place to minimize the risk of infectious disease transmission within the facility and the community. The plan is consistent with Centers for Disease Control and

Prevention (CDC) and Occupational Safety and Health Administration (OSHA) guidelines, as well as Nevada Department of Health and Human Services requirements for healthcare settings. The new facility's design incorporates features that promote infection control, including: Dedicated hand hygiene stations in all patient care areas. Isolation capability for patients presenting with communicable illnesses. HVAC systems designed to ensure appropriate air filtration and ventilation. Surfaces and materials that are easily cleanable and antimicrobial where appropriate. Staff will receive regular training on infection prevention protocols, including standard precautions, proper use of personal protective equipment (PPE), cleaning and disinfection procedures, and exposure control measures. The clinic will also maintain written protocols for screening and managing patients with contagious diseases, vaccination of healthcare personnel, and participation in community-based public health initiatives such as influenza and COVID-19 vaccination campaigns. These combined structural, procedural, and educational measures will ensure effective infection control and the protection of patients, staff, and the broader community.

g. The manner in which the applicant will coordinate with and support existing health facilities and practitioners, including, without limitation, mental health facilities, programs for the treatment and prevention of substance abuse and providers of nursing services.

The applicant will coordinate with local hospitals, mental health and substance abuse programs, and nursing providers through established referral systems and partnerships. These collaborations promote continuity of care, reduce duplication, and strengthen the community's overall healthcare delivery system.