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Via Email: lritter@meridiancity.org

Meridian City Council
c/o Linda Ritter, Associate Planner
City of Meridian Community Development Department
33 E. Broadway Avenue
Meridian, Idaho 83642

Re: Formal Comments Regarding Rackham Microhospital
Project No. H-2026-0011
Public Hearing: September 8, 2026, Before the Meridian City Council

Dear Mayor and Members of the City Council:

Thank you for your time and attention to this matter. We represent the Idaho Association of Health Plans (the "Association"), which respectfully submits the following comments regarding the proposed Rackham Microhospital. The Applicant seeks a modification to Development Agreement Instrument No. 109134179, a conditional use permit for a 24,000-square-foot hospital, and a preliminary plat consisting of two buildable lots and one common lot (collectively, the "Application"). The property is located at 3330 and 3376 E. Overland Road, near the northeast corner of Eagle and Overland Roads.

The Association does not generally oppose responsible development or expanded access to appropriate medical care. The present Application, however, raises substantial concerns because the published Application materials do not establish that a twenty-four-hour hospital providing emergency care may be lawfully or safely located on this site. The proposal includes a full emergency department, ten examination rooms, imaging services, eight overnight beds, ambulance transfers, and round-the-clock operations. Those features make compliance with the City's hospital-access standard and the conditional-use findings essential.

The Planning and Zoning Commission voted to recommend approval to the City Council. That vote was a recommendation only; the City Council is the deciding body for these Applications. Commission Minutes at 2; Meridian City Code § 11-5A-2, tbl. 11-5A-2 (assigning

a conditional use concurrent with a preliminary plat and development-agreement modification to the City Council after a Commission recommendation). The Council therefore must independently determine whether the evidence supports each required finding. Meridian City Code § 11-5A-2, tbl. 11-5A-2.

The issues with this Application are initially identified in the City's own report and code. Title 11 of the Meridian City Code ("MCC") is the City's Unified Development Code ("UDC"). MCC § 11-4-3-22(A) provides for specific use standards related to hospitals. It states that, if a hospital provides emergency care, its location *"shall have direct access on an arterial street."* The Staff Report then acknowledges that the proposed hospital has no access to any arterial, that its primary access is from local Rackham Way, and that *"[t]here is no direct access to the adjacent arterial streets."* Staff Report at 1, 8-9. The Applicant likewise admitted that it is not providing direct arterial access. Hearing Recording at 1:25:25-1:25:57.

That approach conflicts with the UDC's express interpretive rules. The word *"shall"* is mandatory; all UDC regulations are minimum requirements; proposed uses must comply with all applicable standards unless specifically exempt; and, when UDC provisions conflict, the more restrictive provision applies. MCC § 11-1-5(A)(1), (A)(3), (D)(2). MCC § 11-4-2 further makes it unlawful to fail to conform to a specific-use standard, and MCC § 11-4-3 makes Chapter 4 standards additional to the general standards in Chapter 3.

Related, the Application does not provide a traffic impact study to analyze the traffic impacts of this proposal. The published Application materials do not supply the missing site-specific analysis. Staff Report at 8-12, 19-24; Hearing Recording at 1:15:29-1:16:01, 1:28:25-1:30:50. Staff stated that no traffic study was prepared because the adjacent roads are already built out to capacity. Hearing Recording at 1:15:29-1:16:01. The Staff Report states that the use of the second buildable lot is unknown and that the existing Rackham Way right-of-way must be vacated before final-plat submittal. Staff Report at 10-12, 14. When asked whether the traffic engineer had generated emergency-response data for another access configuration, the Applicant stated that it had not examined many alternatives because it did not believe many existed. Hearing Recording at 1:28:25-1:29:20. Those facts heighten the need for an evidence-based traffic and emergency-access analysis before approval.

The following is a non-exhaustive list of issues the Council should consider in evaluating the Application.

I. The Application Does Not Satisfy the Mandatory Direct-Arterial-Access Standard

MCC § 11-4-3-22(A) provides use-specific standards and is mandatory. MCC § 11-1-5(A)(1). A hospital that provides emergency care *"shall"* have *"direct access"* on an arterial street. MCC § 11-4-3-22(A). The proposed hospital provides emergency care, but its location has access only from Rackham Way, which the Staff Report identifies as a local street. Staff Report at 8-9.

The Applicant explained that the existing Development Agreement and ACHD

requirements prohibit a direct driveway on Overland Road. Hearing Recording at 1:25:36-1:25:57. On the present plan, therefore, the site cannot accommodate the access MCC § 11-4-3-22(A) requires. Staff Report at 8-9; Hearing Recording at 1:25:36-1:25:57. In addition, the requested Development Agreement modification changes the prior retail-and-restaurant concept and increases the maximum single-building footprint from 20,000 to 25,000 square feet. Staff Report at 7-8, 14. That modification cannot amend the UDC or create a hospital-specific exception.

The UDC's identified relief procedures do not authorize a waiver of this use-specific access rule. MCC §§ 11-5B-4, 11-5B-5. A variance is limited to bulk and placement requirements, such as lot dimensions, setbacks, parking, building height, and the size, shape, or placement of structures. MCC § 11-5B-4(A)-(B). Alternative compliance is available only for the standards listed in table 11-5B-5, which does not include the hospital-access requirement. MCC § 11-5B-5(B)(1), tbl. 11-5B-5. A conditional use permit is not itself a waiver: the use remains subject to the specific-use standards and CUP findings. MCC §§ 11-4-2, 11-4-3-22(A), 11-5B-6(D)-(E). The Staff Report's proposed Condition 14 confirms the point by requiring the project to comply with MCC § 11-4-3-22. Staff Report at 15.

This defect prevents at least the second required CUP finding. MCC § 11-5B-6(E)(2) requires the Council to find that the use will be harmonious with the Comprehensive Plan *and in accord with the requirements of the UDC*. MCC § 11-5B-6(E)(2). The same defect also bears on the findings concerning compatibility, effects on nearby property, adequate highways and streets, public cost, and traffic. MCC § 11-5B-6(E)(3)-(7).

The hearing did not develop a compliant alternative. Hearing Recording at 1:28:25-1:29:20. When asked whether the traffic engineer had generated emergency-response data for another direct-access configuration, the Applicant responded that the proposed layout was *"pretty much"* the only option and that it had not examined many alternatives because it did not believe many existed. Hearing Recording at 1:28:25-1:29:20. The Council should not infer code compliance from the absence of alternatives. If no lawful access configuration exists, the appropriate result is denial or redesign, not an interpretation that eliminates the controlling standard.

II. The Traffic and Emergency-Access Record Is Incomplete

The hospital will operate twenty-four hours per day and includes a full emergency department, imaging department, overnight beds, and ambulance transfer area. The Applicant estimated eight to ten employees per shift, an average of twenty to thirty patrons per day, four to five ambulance arrivals per month, and approximately twelve ambulance departures per month. Hearing Recording at 1:23:41-1:24:13. The September 8 Department Report separately states that the Applicant anticipates eight employees, a daily high of thirty to fifty patrons, and an average of twenty to thirty patrons per day. Staff Report at 8. The Applicant presented those figures as anticipated operations at the hearing, while staff separately confirmed that no traffic study had been prepared. Hearing Recording at 1:15:29-1:16:01, 1:23:41-1:24:13. Neither the Staff Report nor the cited testimony identifies those estimates as binding capacity limits or supplies a conservative peak-demand analysis. Staff Report at 8-12; Hearing Recording at 1:15:29-1:16:01,

1:23:41-1:24:13.

The estimates also rely on experience at the operator's Post Falls facility. Staff Report at 8; Hearing Recording at 1:32:31-1:35:09, 1:45:21-1:45:58. Staff stated that less than one percent of patients at existing Nutex facilities arrive or leave by ambulance, and the operator testified that the Post Falls facility had grown from approximately eight to ten patients per day at opening to approximately twenty-five patients per day after two years. Staff Report at 8; Hearing Recording at 1:32:31-1:35:09. When asked whether the traffic conditions surrounding the comparison facility had been taken into account, the Applicant answered that they had not been considered specifically and that the estimates were based more on bed count. Hearing Recording at 1:45:21-1:45:58. At the hearing, Staff described the adjacent Meridian roads as already built out to capacity. The Department Report separately notes that Overland Road has five travel lanes expanding to seven at the Eagle Road intersection. Staff Report at 11-12; Hearing Recording at 1:15:29-1:16:01.

The access route itself requires analysis. The realigned Rackham Way connection at Overland Road is proposed as right-in/right-out. Hearing Recording at 1:22:31-1:22:57. Eastbound users may need to make a U-turn at Silverstone Way or travel north on Silverstone and loop back to Rackham Way. Hearing Recording at 1:22:31-1:22:57. The Applicant identified the same Silverstone route as the most likely route for ambulances approaching from that direction. Hearing Recording at 1:29:58-1:30:50. The Staff Report further states that eastbound traffic exiting the development will be directed to Silverstone Way and that the Eagle-and-Overland intersection cannot be reconfigured to accommodate U-turn movements. Staff Report at 11-12. Neither the Staff Report's transportation analysis nor the cited hearing testimony supplies turning-movement, queue, travel-time, or emergency-response analysis for those routes. Staff Report at 11-12; Hearing Recording at 1:28:25-1:30:50.

Staff explained at the hearing that a traffic study was not required because Eagle and Overland are already built out to capacity and ACHD instead required right-of-way dedication and a turn lane. Hearing Recording at 1:15:29-1:16:01. The Department Report separately lists Overland Road's level of service as better than "B" and Eagle Road's as better than "E." Staff Report at 2. Neither statement supplies the site-specific analysis needed to determine whether the proposed use will be adequately served or produce excessive traffic. The built-out roadway configuration limits available mitigation and makes accurate evaluation more important. ACHD's roadway review does not substitute for the City's independent findings concerning adequate highways and streets and excessive traffic. Staff Report at 11-12; MCC § 11-5B-6(E)(5), (7).

The April 15, 2026 ACHD review underscores rather than resolves the access problem. As summarized in the Staff Report, ACHD requires additional right-of-way along the frontage for a total of seventy-four feet from the roadway centerline, restricts the realigned Rackham Way access to ambulances and patrons traveling to the site, directs eastbound exiting traffic to Silverstone Way, and confirms that the Eagle-and-Overland intersection cannot be reconfigured for U-turns. Staff Report at 11-12; ACHD Staff Report for Rackham Microhospital (Apr. 15, 2026). The City's proposed conditions also require closure of the two existing Overland Road access points approximately 330 and 518 feet east of Rackham Way and compliance with all ACHD conditions. Staff Report at 14-15. Those restrictions make a site-specific traffic-impact study and emergency-

vehicle turning analysis more—not less—important.

The second buildable lot compounds the problem. The Staff Report states that its use is unknown and may be retail or restaurant. Staff Report at 10-12. A geotechnical report referred to *"retail with drive-through,"* while the Applicant characterized that reference as an early sample use and described any current discussions as preliminary. Hearing Recording at 1:35:41-1:37:07. The City is nevertheless considering the preliminary plat, shared access system, and Development Agreement before a Lot 2 user has been identified. Staff Report at 1, 10-12. The road analysis should address full buildout under a reasonably conservative use for Lot 2, not the hospital in isolation.

The Staff Report's service assessment assigns the site a general fire-response score of less than five minutes. Staff Report at 24. The Application itself does not provide a site-specific written route or response-time analysis evaluating the proposed right-in/right-out configuration, Silverstone routing, peak-hour queues, patient transfers, or simultaneous emergency ingress and public egress. Staff Report at 15-18, 24. The Applicant likewise stated that its traffic engineer had not generated response-time data for another access configuration. Hearing Recording at 1:28:25-1:29:20. Those questions should be resolved by the responsible agencies before the Council makes the essential-services finding. MCC § 11-5B-6(E)(5).

The proposed operating model also creates a distinct interfacility-transfer issue. Staff told the Commission that the majority of ambulance trips would occur when patients leave for transfer to a larger emergency-care facility, and the operator testified that its Post Falls facility averaged approximately eleven ambulance transfers per month. Staff Report at 8; Hearing Recording at 1:09:16-1:09:29, 1:33:24-1:33:38. The Staff Report and cited testimony contain no independent analysis of transfer frequency, public-unit availability, unit-hour utilization, transfer turnaround times, simultaneous calls, or the effect of secondary transfers on emergency-service capacity. Staff Report at 8-12, 19, 24; Hearing Recording at 1:09:16-1:09:29, 1:33:24-1:33:38. Those are material to the required findings concerning essential public services, public cost, and economic welfare. MCC § 11-5B-6(E)(5)-(6). Furthermore, this proposed facility is roughly a half-mile from the existing St. Luke's Meridian Medical Center which includes an emergency department, critical care facility, and more. Locating the proposed project approximately a half-mile from an existing full-service emergency department does not serve the interests of the community and those needing emergency treatment.

III. The Proposed CUP and Preliminary-Plat Findings Are Not Supported by the Staff Analysis

MCC § 11-5B-6(E) requires compliance with nine (9) specific findings before a conditional use may be approved. The nine (9) requirements are:

1. That the site is large enough to accommodate the proposed use and meet all the dimensional and development regulations in the district in which the use is located.

2. That the proposed use will be harmonious with the Meridian Comprehensive Plan and in accord with the requirements of this title.

3. That the design, construction, operation and maintenance will be compatible with other uses in the general neighborhood and with the existing or intended character of the general vicinity and that such use will not adversely change the essential character of the same area.

4. That the proposed use, if it complies with all conditions of the approval imposed, will not adversely affect other property in the vicinity.

5. That the proposed use will be served adequately by essential public facilities and services such as highways, streets, schools, parks, police and fire protection, drainage structures, refuse disposal, water, and sewer.

6. That the proposed use will not create excessive additional costs for public facilities and services and will not be detrimental to the economic welfare of the community.

7. That the proposed use will not involve activities or processes, materials, equipment and conditions of operation that will be detrimental to any persons, property or the general welfare by reason of excessive production of traffic, noise, smoke, fumes, glare or odors.

8. That the proposed use will not result in the destruction, loss or damage of a natural, scenic or historic feature considered to be of major importance.

9. Additional findings for the alteration or extension of a nonconforming use:

a. That the proposed nonconforming use does not encourage or set a precedent for additional nonconforming uses within the area; and
b. That the proposed nonconforming use is developed to a similar or greater level of conformity with the development standards as set forth in this title as compared to the level of development of the surrounding properties.

If any one of the nine criteria is not met the Application cannot be approved. Related to Finding 5, the Application provides no evidence or support that evaluates the right-in/right-out access, indirect ambulance route, built-out arterials, full-buildout traffic, emergency-service demands, or unresolved right-of-way process. Staff Report at 19.

The proposed response to the traffic finding is facially nonresponsive. MCC § 11-5B-6(E)(7) asks whether the use will be detrimental by reason of excessive traffic, noise, smoke, fumes, glare, or odors. MCC § 11-5B-6(E)(7). The Staff Report answers that the use *"will not result in the destruction, loss or damage of any such features."* Staff Report at 19. That sentence addresses the next criterion concerning natural, scenic, and historic features; it does not analyze traffic or the other operational effects in subsection (7). Staff Report at 19. The Application therefore supplies no responsive analysis for the required traffic finding. Staff Report at 19.

MCC § 11-6B-6 requires the decision-making body to make six findings for a preliminary plat, including UDC consistency, adequate public services, public financial capability, and no detriment to public health, safety, or general welfare. MCC § 11-6B-6(A)-(F). Based on the information in the Application, the proposed use cannot show there are adequate public services, and that there will not be a detriment to public health, safety, or general welfare.

IV. The Preliminary Plat and Development Agreement Modification Do Not Cure the CUP Defects

The requested Development Agreement modification changes the earlier retail-and-restaurant concept and increases the maximum footprint for a single building from 20,000 to 25,000 square feet, allowing the proposed 24,000-square-foot hospital. Staff Report at 7-8, 14. The City is considering that modification concurrently with the conditional use permit and preliminary plat. Staff Report at 1; MCC § 11-5A-2, tbl. 11-5A-2. The modification should not be approved merely because the building fits the amended footprint; the new land use must independently satisfy the hospital standard and every CUP finding. MCC §§ 11-4-2, 11-4-3-22(A), 11-5B-6(E).

The preliminary plat is equally dependent on an unresolved roadway issue. The realigned Rackham Way requires vacation and exchange of the existing right-of-way. Staff Report at 10-12, 14. The condition sheet transmitted to the Council appears to strike former Condition 2, which would have required completion of that transaction before submittal of the first final plat. Staff Report at 14. The transportation analysis, however, continues to state that the existing right-of-way "will need to be vacated prior to the submittal of the final plat." Staff Report at 11-12. If the vacation is not approved, proposed Condition 4 requires the Applicant to redesign the site and resubmit a revised preliminary plat. Staff Report at 14. The access on which the hospital depends therefore is not yet final, and the Staff Report itself anticipates a materially different plan if the transaction fails. Staff Report at 14.

Staff's original Condition 3 prohibited building permits until the final plat was recorded and the existing Rackham Way right-of-way was vacated. Staff Report at 14. The Commission recommended revising that condition to allow building permits after the vacation but before recordation of the final plat, while requiring the plat to be recorded before the first certificate of occupancy. Staff Report at 14; Hearing Recording at 1:55:41-1:56:16. Public Works General Condition 9, however, separately requires the final plat to be recorded before the Applicant applies for building permits. Staff Report at 16. Those provisions are internally inconsistent and should be reconciled before any approval. The Applicant's stated reason was to bring the project online faster. Hearing Recording at 1:27:32-1:28:03. Speed is not a substitute for completion of the plat, road, easement, floodplain, utility, and access requirements that protect the public. The original sequencing should be retained, and no building permit should issue until the final plat is recorded and the right-of-way and roadway approvals are complete.

V. The Economic-Welfare Finding Requires Consideration of the Operator's Public Record

The Council must find that the proposed use will not be detrimental to the economic welfare of the community. MCC § 11-5B-6(E)(6).

The Applicant of this Application should be clarified. "Rackham Microhospital" is the name of the proposed Meridian project; Nutex Health is the intended hospital operator. The Staff Report describes the proposal as *"the Nutex hospital"* and bases the Applicant's operational assumptions on *"Nutex's existing facilities."* Staff Report at 8. Reporting based on the Application materials likewise states that the Rackham facility would be operated by Nutex Health. Rose Evans, *After Pushback from Idaho Insurer, Plans for Boise-Area 'Micro-Hospital' Advance*, Idaho Statesman (July 24, 2026).

Post Falls ER & Hospital is therefore a comparison facility. Nutex Health Inc. publicly announced Post Falls as its first Idaho hospital. The Applicant reinforced that link by using Post Falls patient volumes and ambulance-transfer experience to support Rackham's operational estimates. Staff Report at 8; Hearing Recording at 1:32:31-1:35:09, 1:45:21-1:45:58.

Blue Cross of Idaho ("Blue Cross") asked the Idaho Department of Insurance to investigate Post Falls ER and Hospital, which Blue Cross identifies as owned and operated by Nutex. Letter from Drew Hobby, Chief Strategy Officer, Blue Cross of Idaho, to Dean Cameron, Director, Idaho Department of Insurance, at 1 (Nov. 17, 2025). Blue Cross reported that, between April 17 and October 28, 2025, it received 2,798 open-negotiation requests associated with the facility—approximately seventy-five per week—and asked regulators to examine potentially ineligible claims, repeated submissions, and charges for low-complexity care. *Id.* at 2-3. As one example, Blue Cross reported a $2,872 claim for nasal congestion, compared with a $376 median commercial rate. *Id.* at 2.

The same letter states that Nutex's general payor strategy is to remain out of network and that Nutex had reached its goal of submitting 60 to 70 percent of billable visits to arbitration each month. *Id.* at 1-3. Blue Cross further reported that Post Falls' Nutex facility rejected at least three contract offers, including offers at the qualifying payment amount plus ten percent. *Id.* at 2.

In July 2026, Blue Cross stated that the Post Falls facility remained outside its network and that it continued to receive approximately 300 to 400 claims per month. Blue Cross of Idaho, *Post Falls ER and Hospital Remains Out of Network* (July 21, 2026). It cited, among other examples, approximately $8,588 for a knee sprain and $5,449 for dizziness—amounts Blue Cross characterized as multiples of applicable Medicare rates. *Id.*

Blue Cross separately told federal regulators that approximately 60 percent of Post Falls dispute requests submitted between April and August 2025 were ineligible because they were late. Rose Evans, *'Egregious': Idaho Insurer Says Planned Hospital's Practices Could Drive Up Costs*, Idaho Statesman (Jan. 4, 2026). Blue Cross also stated that sustained payment of the disputed amounts could increase costs for self-funded employers and, depending on overall claims expense,

insurance premiums. *Id.*

A federal securities complaint filed in 2025 separately alleges that Nutex's publicly reported federal independent-dispute-resolution revenue was affected by ineligible or fraudulently submitted claims, including false eligibility attestations made through HaloMD. Complaint ¶¶ 9-15, *Bhagavan v. Nutex Health Inc.*, No. 4:25-cv-03999 (S.D. Tex. Aug. 22, 2025). The Idaho Department of Insurance separately confirmed in August 2026 that it was reviewing concerns related to the Post Falls facility and Nutex. Kyle Pfannenstiel, *In Idaho, an Insurer Says Health Care Costs May Rise After Hospital Taps Congress's Billing Tool* (Aug. 17, 2026).

A June 2026 STAT investigation reported a separate patient-access concern: because Nutex has elected not to participate in Medicare at most of its hospitals, most are not legally subject to EMTALA's emergency-screening and stabilization requirements. Tara Bannow, *The ERs That Can Turn Patients Away—and Are Reaping Millions*, STAT (June 29, 2026). Nutex told STAT that it voluntarily complies with EMTALA and screens patients before requesting payment, but the investigation reported accounts from patients who said evaluation or treatment was denied or delayed because they could not pay. *Id*. For example, an uninsured patient at Albuquerque ER & Hospital reported that he was turned away without screening and was later diagnosed with heart failure and a prior minor heart attack. Id. Nutex stated that its review of medical and billing records did not substantiate the patients' allegations. *Id*. The present Application does not disclose whether Rackham will participate in Medicare or be legally bound by EMTALA. Staff Report at 8-9. That issue bears directly on the City's public-health, safety, and general-welfare findings for a facility represented as providing twenty-four-hour emergency care. MCC § 11-6B-6(F).

The Association does not ask the Council to adjudicate private reimbursement disputes, determine liability in pending litigation, or regulate insurance contracting through a land-use decision. The documented facts instead speak to the economic-welfare finding that must be made for a conditional use permit. The Applicant and Staff relied on experiences at existing Nutex facilities to support the Meridian proposal's anticipated patient and ambulance volumes. Staff Report at 8; Hearing Recording at 1:32:31-1:35:09, 1:45:21-1:45:58. The Council should also consider current public information bearing on the same corporate system and its potential economic effects.

VI. Other Concerns and Considerations

- **Right-of-Way and ACHD Documentation:** The April 15 ACHD Staff Report and the City's proposed conditions require a seventy-four-foot right-of-way measured from roadway centerline, restricted access on realigned Rackham Way, Silverstone routing for eastbound exiting traffic, closure of the two Overland Road access points approximately 330 and 518 feet east of Rackham Way, and compliance with all ACHD conditions. Staff Report at 11-15; ACHD Staff Report for Rackham Microhospital (Apr. 15, 2026). The hearing nevertheless revealed conflicting descriptions of the sequence for the right-of-way vacation and final plat. Hearing Recording at 1:26:33-1:27:46, 1:37:20-1:39:16, 1:47:35-1:49:25. Staff maintained that ACHD and the City require the vacation before final-plat submittal; the Applicant described a process in which approved roadway documents are needed before the vacation

application. *Id.* At the hearing, the Applicant would not agree to that sequencing. The condition sheet transmitted to the Council appears to strike former Condition 2, even though the transportation analysis continues to state that vacation must occur before final-plat submittal and Public Works General Condition 9 requires final-plat recordation before a building-permit application. Staff Report at 11-16.

- **Floodplain and Site Readiness:** The site is within the Meridian Floodplain Overlay District. Staff Report at 14, 24. Meridian City Code requires a floodplain-development permit before construction or development begins in that district. MCC §§ 10-6-3(A), 10-6-4(A)(1). Staff's condition likewise requires the permit before earth disturbance and requires the hospital to be elevated to the flood-protection elevation. Staff Report at 14. For new nonresidential construction, the Code generally requires the lowest floor to be at least two feet above base-flood elevation, subject to the specified LOMR-F provision. MCC § 10-6-5(A)(2)(a)(1), (4). Any continued review should identify whether a LOMR-F is assumed, pending, or unnecessary for the controlling design.

- **Deferred Review:** The Staff Report contemplates later Certificate of Zoning Compliance, design-review, final-plat, and building-permit proceedings. Staff Report at 14-15. Those later proceedings may refine details, but they do not replace the evidence required for the present CUP and preliminary-plat findings. MCC §§ 11-5B-6(E), 11-6B-6. The Council should distinguish between ordinary construction details that may be conditioned and threshold questions of legal access, traffic, emergency response, and site configuration that must be answered now.

VII. Requested Action

The Association respectfully requests that the City Council deny the conditional use permit, preliminary plat, and Development Agreement modification. The proposed hospital provides emergency care but takes access only from local Rackham Way rather than directly from an arterial street as required by Meridian City Code. Staff Report at 8-9; Hearing Recording at 1:25:25-1:25:57. That plan does not satisfy MCC § 11-4-3-22(A), and the cited Staff analysis does not support the findings required by MCC § 11-5B-6(E)(1)-(9) or the preliminary-plat findings in MCC § 11-6B-6(A)-(F). Staff Report at 19-20.

Staff also confirmed that no traffic study was prepared because the adjacent roads are already built out to capacity. Hearing Recording at 1:15:29-1:16:01. The Department Report separately lists Overland Road's current level of service as better than "B" and Eagle Road's as better than "E." Staff Report at 2. The Association does not dispute those reported existing level-of-service descriptions; it contends that they do not provide site-specific analysis of the hospital, full buildout of Lot 2, and the proposed emergency-access routes.

If the Council does not deny the Application, the matter should be remanded to the Planning and Zoning Commission and continued. Any later approval should require, at minimum, the following:

1. A revised site and access plan that complies with MCC § 11-4-3-22(A) by providing direct arterial access. If the Applicant contends that an exception is legally available, it should identify the precise UDC authority, submit the required application, and provide evidence supporting every finding for that relief. MCC §§ 11-5B-4, 11-5B-5.

2. An independent, site-specific traffic-impact study evaluating the hospital and full buildout of Lot 2 under a reasonably conservative use, including background growth, turning movements, queue lengths, peak-hour conditions, the Silverstone route, the two Overland access closures, patient transfers, ambulance travel, employee shifts, and the operational growth experienced at the Post Falls facility. Staff Report at 8, 10-15; Hearing Recording at 1:22:31-1:24:13, 1:29:58-1:35:09.

3. A site-specific emergency-access, turning-movement, and response-time analysis using recognized emergency-vehicle design standards, with written confirmation from Meridian Fire, Ada County Paramedics, ACHD, and other responsible agencies that the complete route will provide reliable ingress and egress under peak conditions. Staff Report at 11-12, 24; Hearing Recording at 1:28:25-1:30:50.

4. An independent third-party EMS and interfacility-transport impact study, prepared in coordination with Meridian Fire and Ada County Paramedics, addressing expected transfer frequency, unit-hour utilization, transfer turnaround times, simultaneous calls, public-service cost, and effects on emergency-service capacity and response times. Hearing Recording at 1:09:16-1:09:29, 1:33:24-1:33:38; MCC § 11-5B-6(E)(5)-(6).

5. A defined use and controlling concept for Lot 2, or traffic and infrastructure analysis based on the highest-intensity reasonably permitted use. Staff identifies the use as unknown, and the Applicant characterized any discussions as preliminary. Staff Report at 10-12; Hearing Recording at 1:35:41-1:37:07.

6. An updated ACHD Staff Report and written resolution of the Rackham Way alignment, seventy-four-foot right-of-way requirement, access restrictions, Overland access closures, sight-distance requirements, right-of-way vacation and exchange, final-plat sequence, turn-lane improvements, and all other ACHD conditions. Staff Report at 10-15; Hearing Recording at 1:26:33-1:27:46, 1:37:20-1:39:16, 1:47:35-1:49:25.

7. Reconciliation of the conflicting building-permit and final-plat sequencing provisions in Planning Condition 3 and Public Works General Condition 9, together with an express condition prohibiting building permits until the final plat is recorded and the existing Rackham Way right-of-way is vacated, with roadway, utility, easement, floodplain, and access requirements completed before occupancy. Staff Report at 14-16; Hearing Recording at 1:55:41-1:56:16.

8. Substantiated Meridian-specific operational evidence identifying the source, date, and method for the Applicant's patient, employee, ambulance, transfer, parking, and traffic estimates and addressing reasonable growth rather than only initial averages. Staff Report at 8-9; Hearing Recording at 1:23:41-1:24:13, 1:32:31-1:35:09.

9. Identification of the licensed operating entity and complete disclosure of its direct or indirect ownership and management relationship with Nutex, together with an evidence-

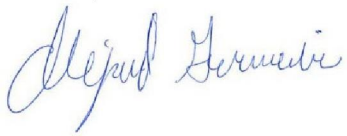
based analysis supporting the economic-welfare finding. That analysis should address whether Rackham will use the same operating, billing, and reimbursement model as Post Falls and fairly respond to the publicly documented billing concerns, reported claim examples, Department of Insurance review, and allegations of ineligible or fraudulently submitted claims. See Blue Cross of Idaho, *Blue Cross of Idaho Asks DOI for Investigation of Post Falls ER and Hospital* (Nov. 17, 2025); Complaint ¶¶ 9-15, *Bhagavan v. Nutex Health Inc.*, No. 4:25-cv-03999 (S.D. Tex. Aug. 22, 2025); Nutex Health Inc., Current Report (Form 8-K) (Aug. 21, 2025).

10. Disclosure whether Rackham will participate in Medicare, Medicaid, or TRICARE and whether it will be legally subject to EMTALA, together with its written policies for emergency screening, stabilization, transfer, treatment regardless of ability to pay, advance payment requests, and accurate disclosure of network and government-program participation. See Tara Bannow, *The ERs That Can Turn Patients Away—and Are Reaping Millions*, STAT (June 29, 2026); Angela Palermo, *What Idaho Senate Just Did About Mini-Hospital Firm Accused of 'Excessive' Rates*, Idaho Statesman (Mar. 5, 2026).

11. Specific written findings that cite the record evidence supporting each criterion in MCC § 11-5B-6(E) and MCC § 11-6B-6, including responsive findings concerning UDC compliance, traffic, emergency access, public cost, and economic welfare.

Sincerely,

ELAM & BURKE
Attorneys at Law



Abigail R. Germaine

ARG/VB