

THE
University of Vermont
HEALTH NETWORK

To: The Honorable Kevin Mullin, Chair, Green Mountain Care Board

From: John Brumsted, CEO University of Vermont Medical Center/President and Chief Executive Officer, University of Vermont Health Network

Date: May 15, 2019

Subject: UVM Health Network quarterly report on inpatient mental health capacity

Please accept this memorandum as the UVM Health Network's fourth quarterly status report on the planning of new inpatient psychiatric capacity on its Central Vermont Medical Center (CVMC) campus. We look forward to discussing this report at your public hearing on June 12, 2019.

The discussion below describes the methodology and results of the facility program to include the facility, space, and staffing requirements to safely care for people requiring inpatient psychiatric services at Central Vermont Medical Center, along with the final bed determination and project timeline. In doing so, this memo addresses the following GMCB milestones:

- Describe any activities related to determining the appropriate number and type of additional inpatient beds needed statewide
- Identify stakeholders from whom UVMHN will seek input, and how those stakeholders will be engaged
- Describe how UVMHN will assess and address workforce needs for the additional beds
- Provide timeline/work plan and progress report for the following:
 - obtaining public/stakeholder input
 - hiring architect and developing schematic-level architectural drawings that are compliant with Facility Guideline Institute guidelines
 - describing how this project will interface with future facility needs at CVMC
- Describe the funds flow from the \$21 million FY 2017 net patient revenue overage
- Describe how UVMHN will ensure that proposals avoid IMD issues
- Provide analysis that supports the choice of CVMC as the location for additional inpatient psychiatric capacity
- Summarize results of needs assessment

Final Bed Determination

Our January 15, 2019 report to the Board described in detail the multiple analyses we performed in order to determine the statewide need for between 29 and 35 additional adult inpatient psychiatric beds. We then described the complex federal regulatory and reimbursement frameworks that may limit the number of additional beds that can be built on the CVMC campus while still ensuring that the federal government will reimburse CVMC for the care it provides to Medicaid eligible payments. That analysis focused on the reimbursement rules governing the care provided to adult inpatients at “Institutions for Mental Disease,” commonly referred to as “IMDs.”

Since our last written report, we have completed both our legal analysis of the IMD limitations and our modeling of the many factors that determine the number additional inpatient psychiatric beds CVMC can build on its campus without appreciable risk of being designated an IMD. That analysis and modeling was described to the Board in detail in our February 20, 2019 presentation to the Board, a copy of which is attached. It included a close examination of CVMC’s historical medical/surgical and psychiatric censuses, projections of future patient censuses and occupancy rates, the UVM Health Network’s Care Delivery Optimization process, and CVMC’s ability to flexibly bring psychiatric beds online and offline based on census-related factors. Based on this work, we have concluded that CVMC can build up to 25 additional adult inpatient psychiatric beds on its campus, in addition to the existing 15 beds, without risking its ability to secure federal funding for the care it provides its Medicaid-eligible patients. The planning team is now turning its focus to the facilities planning and programming for a proposed, new 40 bed inpatient, adult psychiatric unit at CVMC.

Facilities Planning and Programming

Over the last twelve weeks, concluding on May 10, a series of User Group meetings were facilitated by the planning firm, Halsa Advisors to complete the facility planning, operational and space programming effort for the new inpatient psychiatric capacity on the Central Vermont Medical Center campus. This multi-disciplinary effort gathered input from leaders and front-line caregivers from the University of Vermont Health Network, the University of Vermont Medical Center, Central Vermont Medical Center, and the Vermont Psychiatric Care Hospital in addition to peer advocates. Planning consultants from Halsa Advisors guided the process, with transition participation by the firm, e4h Architects, in the final round of meetings. Peer advocates and representatives of designated agencies, NAMI, Vermont Psychiatric Survivors, and Patient and Family Advisors (PFA) from Central Vermont Medical Center participated actively in all meetings. User Group participants from a range of backgrounds and perspectives also toured three new psychiatric inpatient facilities and gathered input and perspectives from their leaders and teams. The sites included: The Vermont Psychiatric Care Hospital; Lancaster General Hospital in Lancaster, Pennsylvania; and Regions Hospital in Saint Paul, Minnesota.

Three separate User Groups met for three session, for a total of over six hours each. One group focused on the Tier 1 unit, one on the Tier 2 and 3 units, and one group planned the ED based receiving, assessment, and transition process and spaces. In addition to these three groups, meetings were also held with key support departments, including pharmacy, food and nutrition, and environmental services.

Participants began with a planning framework provided by Halsa Advisors. At each meeting, participants reviewed the evolving draft documents, editing and augmenting them through guided discussions. The discussions covered these topics: The scope of services of the unit(s) under discussion, the clinical

capacity, staffing requirement, the planning principles that the operations and spaces strive to support, a high level operational plan for the department, a written description of the spaces necessary to support the planning principles, and finally a space table that delineated each of the spaces and the size required to successfully support the patients, staff, peers, and visitors to the units. Throughout the working sessions, considerations regarding the patient experience influenced the discussions and were included in the final program documents. We are especially grateful to our patient advisors and representatives noted above.

The programming effort will conclude with each of the three programming groups making a formal recommendation to the Psychiatric Inpatient Capacity Planning Committee (PIC) to proceed into design based upon their group’s work. The programming recommendations will go before PIC on June 4, 2019 and we will share the results in our next written report.

Project Timeline

The University of Vermont Health Network committed to a 3-4 year timeframe to “significantly improve access to inpatient psychiatric care.” Over the past year, the team has identified the size and scope for the new capacity, the patient populations that will be cared for in this new capacity, defined as Tier 1, Tier 2 and Tier 3 level of patients, and has identified and implemented a stakeholder engagement plan.

In the next nine months, the team will complete key milestones to include: approval of the facility programming described above, determination of the facility location on the CVMC campus, and submission of the CON; which is anticipated for December, 2019.

Timeframe	Milestone
May, 2019	Facility Programming Complete
June, 2019	PIC Facility Location Identified
August, 2019	Schematic Design Package Complete
September, 2019	Business Plan Complete and Approved
December, 2019	CON Submitted

Stakeholder Engagement to Date

The University of Vermont Health Network remains committed to obtaining input from key constituents from across the State of Vermont, throughout the duration of this project. The following table reflects key constituents/forums that have been engaged in the PIC planning process, and are planned through July 2019. We will continue to engage in each of these forums as we move through the planning process.

Date	Tactic	Audiences
9/6/2018	Presentation: PIC Modeling Analysis	Internal Sub-group preliminary
9/6/2018	Presentation: PIC Overview	Community Collaborative
9/7/2018	Presentation: PIC Modeling Analysis	Full internal group review

9/17/2018	Presentation: PIC Modeling Analysis	PIC Steering Committee
9/18/2018	Presentation: PIC Overview	BOT Planning
9/19/2018	Presentation: PIC Modeling Analysis	THRIVE: Barre
9/24/2018	Presentation: PIC Modeling Analysis	DMH
9/26/2018	Presentation: PIC Modeling Analysis	Network Board Planning
9/27/2019	PIPS Meeting	Community Stakeholders Group
10/4/2018	Presentation: PIC Modeling Analysis	Community Collaborative
10/5/2018	GMCB Meeting	Green Mountain Care Board and Staff
10/12/2018	Presentation: PIC Modeling Analysis	VAHHS Board meeting
10/12/2018	Presentation: PIC Modeling Analysis	VAHHS CMO Meeting
10/15/2018	Presentation: PIC Modeling Analysis	Howard Center (Catherine Simonson and Charlotte McCorkel)
10/15/2018	GMCB Report Distribution	Green Mountain Care Board
10/16/2018	PIC overview	Program Quality Meeting
10/16/2018	CVMC Community Town Hall	CVMC key influencers and public
10/23/2018	Presentation: PIPs Follow-up Deep Dive	Rep. Anne Donahue, Ward Nial and Daniel Towle
10/25/2018	GMCB Report Distribution	PIPs Committee; UVMC Program Quality Committee
10/26/2018	Meeting with Legislators	Rep. Lori Houghton and Rep. Ben Jickling
11/6/2018	AHS Meeting	AHS Secretary
11/27/2018	Legislative Update	Rep. Mary Hooper
11/28/2018	GMCB Hearing	Green Mountain Care Board

12/5/2018	AHS Meeting	AHS Secretary and key staff (Al Gobeille, Michael Costa, Ena Backus, Cory Gustafson, Mourning Fox)
12/20/2018	Inpatient Psych Presentation	Vermont Medical Society
12/20/2018	PIPS Meeting	Community Stakeholders Group
1/4/2019	VAHHS ED Medical Directors	ED Medical Directors
1/8/2019	Meeting with Peer Advocates	Elaine Toohey , Vicki Warfield and Ward Nial
1/15/2019	GMCB Report Distribution	Green Mountain Care Board, PIPS
1/17/2019	UVMHC Community Leaders Breakfast	AHS, GMCB, PIPS, Community members
1/24/2019	PIC Update Presentation	VAHHS Designated Hospitals
2/6/2019	PIC Update Presentation	House Corrections and Institutions Committee
2/12/2019	PIC Overview Presentation	CVMC Clinical and Administrative Leadership Meeting (CALM)
2/20/2018	GMCB Hearing	Green Mountain Care Board
3/20/2019	PIC Presentation - Overview, IMD, Bed Planning	Psychiatric Inpatient Planning Stakeholders Group (PIPS)
3/27/2019	PIC Update Presentation	CVMC Community Town Hall
4/2/2019	PIC Overview Presentation	Senate Institutes Committee
4/9/2019	Follow-up meeting	Ken Liberto
4/16/2019	Follow-up meeting	Anne Donahue and Ward Nial
5/15/2019	GMCB Report Distribution	Green Mountain Care Board, PIPS
5/17/2019	PIC Presentation - Overview, IMD, Bed Planning	Commissioner of the Department of Mental Health - Sarah Squirrell
6/12/2019	PIC Facilities Presentation	Green Mountain Care Board and attending public

7/9/2019	PIC Presentation - Facilities Planning	Psychiatric Inpatient Planning Stakeholders Group (PIPS)
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Funds to Date:

To date, UVM Health Network has expended \$94,755.99 of the \$21 million FY2017 net patient revenue overage, without taking account of the significant internal resources already devoted to the planning process. The below table reflects the breakdown of funds allocated to date.

Time Period	Description of Transaction	Amount of Expenditure	Amount of Revenue	Balance
7/3/18	Halsa Consulting	\$19,588.72	\$21M	\$20,980,411.28
9/13/18	Halsa Consulting	\$25,170.92	\$20,980,411.28	\$20,955,240.36
12/5/18	Manatt Group	\$33,381.00	\$20,955,240.36	\$20,921,859.36
1/11/2019	Manatt Group	\$217.50	\$20,921,859.36	\$20,921,641.86
1/16/2019	Halsa Consulting	\$1,397.85	\$20,921,641.86	\$20,920,244.01
3/8/2019	Halsa Consulting	\$15,000.00	\$20,920,244.01	\$20,905,244.01

Next Steps

With the facility programming recommendation received from each of the workgroups described above, we will work to seek input, validate and approve the recommendations with both our internal and external stakeholder groups. In parallel to this, we will continue our work to identify the location on the CVMC campus for the forty bed inpatient psychiatric facility.

Once the facility program is approved and location identified at CVMC, we will begin the Schematic Design process, utilizing the expertise of e4h Architects, in preparation for the CON submission in December, 2019.

Additionally, we will work to further refine our staffing models and FTE projections and develop pro forma operating financials over the next month.

Conclusion

We remain committed to this exciting and important project and look forward to the progress that we will make this coming quarter.