

DELIVERED ELECTRONICALLY

May 10, 2022

Donna Jerry
Senior Health Policy Analyst
Green Mountain Care Board
144 State Street
Montpelier, VT 05602
donna.jerry@vermont.gov

RE: Northeastern Vermont Regional Hospital Emergency Room Extension

Dear Donna:

Thank you for your prompt response to Northeastern Vermont Regional Hospital's (NVRH) March 28, 2022 letter concerning the above referenced project. In your response, dated April 12, 2022, you asked NVRH to clarify whether we are conceding Phase 1 is subject to CON review or requesting a determination that Phase 1 is not subject to CON review. We will clarify our request below. In your April 12th response you also asked NVRH to address specific considerations listed in GMCB Rule 4.000 § 4.207(2). We will also address those specific considerations below.

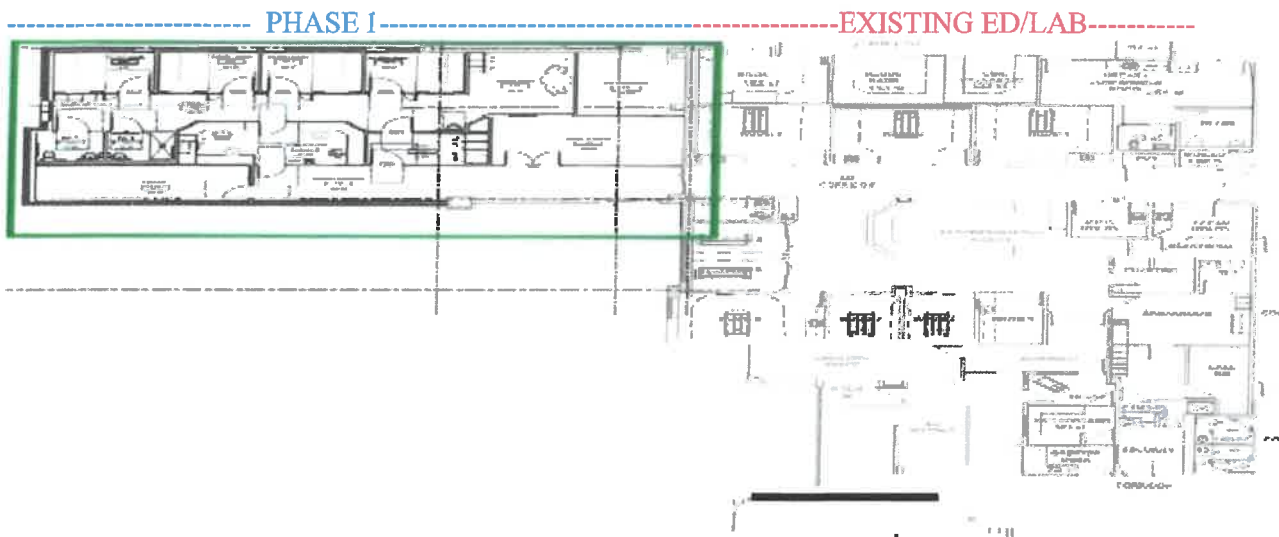
Is NVRH conceding Phase 1 is subject to CON review or requesting a determination Phase 1 is not subject to CON review?

To add further clarity for the remainder of this response to your April 12th letter we will separate the Mental Health Support Area and Emergency Room/West Wing into two separate projects and refer to them as the MHSA and ED/WW projects, respectively.

NVRH is requesting a determination from the Green Mountain Care Board (GMCB) that the MHSA project is not subject to CON review. There are two factors that support our request for non-jurisdiction. First, the MHSA is a newly constructed structure, totaling 2,996 square feet, which has been designed to stand alone. A new corridor will connect the MHSA addition to the existing Emergency Department. However, if the ED/WW project is never completed, the MHSA will stand alone as an addition to the main hospital connected to the existing Emergency Department and abutting the existing laboratory. See **Figure 1** below.

The second reason NVRH is requesting a determination of non-jurisdiction is the cost to complete the MHSA. At \$2,856,287 the project cost is under the \$3 million jurisdictional threshold. A detailed budget is presented in **Attachment 1**. Please note the significant contingency budget included in the project cost. The \$427,285 contingency budget equals 15% of the total project cost. In our opinion this is a significant contingency allowance and will provide a buffer against the actual project cost exceeding \$3 million.

FIGURE 1



NVRH was also asked to address specific considerations listed in GMCB Rule 4.000 § 4.207(2). Following is our response to that request.

1. **Describe the structural interrelationship of Phase 1 with the remainder of the larger Project.**

As described above, the MHSA project is structurally independent from the ED/WW project. The MHSA will stand alone as a new structure if the ED/WW project is never completed. **Figure 1** shows the MHSA without the ED/WW project ever being completed. **Figure 2**, below, is a schematic plan that shows the relationship between the MHSA and ED/WW projects when both are completed. MHSA is the upper left rectangle shaded in very light red.

FIGURE 2



2. Describe the financial interrelationship of Phase 1 with the remainder of the larger Project.

There is no financial interrelationship between the MHSA and the ED/WW projects. The NVRH's MHSA project has been selected to receive Congressional Directed Spending (CDS) funding of up to \$3 million to cover the project cost. On May 10, 2022 we submitted the application required to receive these funds. We expect to receive the CDS funds before construction on the MHSA structure begins.

Funding for the ED/WW project will come from the following sources:

- Cash reserves
- Philanthropic donations
- Issuance of long term debt

3. Address whether Phase 1 and the remainder of the larger Project are directed at a single overall objective; and

The MHSA and ED/WW projects are intended to address two distinct objectives that do overlap.

The primary objective of the MHSA is to provide a better environment for patients in mental crisis, especially those staying in the ED for extended period of time awaiting placement in a more appropriate facility. From October 2021 through March 2022 NVRH cared for 205 people in need of emergency mental health care at presented in our ED. A total of 444 people were cared for during 2021. As the number of patients with mental health symptoms continues to increase, so too does the time they spend in our ED. The average number of "mental health boarding" hours in the NVRH ED has increased, from 23.8 hours in 2021 to 27.7 hours year-to-date in 2022. A minor waited just a few short hours less than 14 days at NVRH. The patients wait in 1 of the 9 ED clinical treatment rooms, an 85 square foot room with little privacy for meeting with family, counselors or advocates. If more than one patient is waiting, the second uses a 2nd of the 9 available ED clinical treatment rooms. And, so on. On several occasions, 4 patients in mental health crisis are waiting at the same time for a room in another facility. None of the ED treatment rooms provide an appropriate environment for patients experiencing a mental health crisis.

The primary objective of the ED/WW project is bring the ED and laboratory space into compliance with current guidelines. The ED footprint has not changed since the hospital was built in 1972. If built today our current ED space with 9 treatment rooms would need to be 2,200 square feet larger to comply with current guidelines. Another objective for expanding the ED is to improve confidentiality and reduce wait times. Patients often complain that they overhear what should be private communications between providers and patients because the current layout is not conducive to maintaining confidentiality. To reduce wait times ED patients are brought immediately into an exam room whenever possible. However, with only 9 available rooms and often 10 or more concurrent ED patients, frequently patients must remain in the waiting area, which is not large enough to allow social distancing. The new ED will have 13 clinic treatment rooms, 4 more than the current ED. The additional clinic 4 rooms plus the 4 new mental health support rooms means 80% of the time patients will go directly from ED entrance to a treatment room.

The laboratory footprint has also not changed since the hospital was constructed. During that period new laboratory equipment, and staff, have been added. As a result, the laboratory footprint is not large enough and therefore, a threat to staff safety. In fact, during each of the last

CAP surveys, NVRH was cited for being out of compliance because of the space deficiencies.

4. Describe the time frame in which Phase I and the components of the larger Project are to be accomplished.

We anticipate construction on the MHSA space will begin in September or October, 2022 and be completed by January 2024. This plan assumes a determination of non-jurisdiction for the MHSA project is received.

NVRH plans to submit a CON application for the ED/WW project by July 1, 2022. We anticipate construction will begin in September or October 2023 and be completed by May 2026.

NVRH was also asked to provide the following additional information regarding the MHSA

5. Regarding the 2,996 square foot addition for a mental health support area:

- a. **Describe NVRH's efforts to reach out to members of the mental health advocacy community, including a list of the groups and individuals NVRH has consulted, the period and extent of engagement with each, and their input into the design of the rooms and other spaces within the mental health support area.**

NVRH has included several stakeholders in discussions and design input opportunities. Meetings held were open for feedback regarding our design to ensure there were no missed opportunities. Designs current to the time of the meeting were shown and open for comment from the attending members. The intent behind these meetings was to prompt feedback without the expressed intent for a statement of support. The feedback and perspective provided have helped us to work with the design team to ensure we are creating a space where recovery can begin. We have received specific feedback about implementing patterned/designed wall coverings. Different types of tiles and patterning for implementation on the floors. Access to various entertainment options. Ways to ensure privacy and safety. Additional perspective provided regarding ensuring staff is not perceived to be inaccessible. We have also been provided some operational and workflow opportunities for consideration.

Within these various meetings, there was positive dialog regarding design and the inclusion of a multi-purpose space other than the bedroom, we have optimized our design within our constraints to have the least restrictive environment possible. We are providing natural light in each patient space and access to the new Phase 1 space directly from the ambulance arrival area

- b. **Specify which individuals or groups have expressed support for Phase 1 and the current layout and design of the individual rooms and other related spaces within the mental health unit.**

We have engaged specifically with members of; Vermont Department of Mental Health, Vermont Legal Aide, Disability Rights Vermont, Northeast Kingdom Human Services, Northern Counties Healthcare, Pediatricians, and people within the peer support and lived experience communities. Some of the aforementioned were single one-hour meetings looking for feedback, others had additional time and direct input to our design team.

Individuals included;

Jack McCullough – Vermont Legal Aid

Kaily Kuiper – Vermont Legal Aid

Zachary Hozid – Disability Rights Vermont

Eric Schultheis – Vermont Legal Aid

Ward Nial – Peer Advocate

Josh Burke – Northeast Kingdom Human Services

Mark R.J. McGee, MD -

Kari White – Northern Counties Healthcare

Alicia Roderiguez – Vermont Legal Aid

Linda Cramer – Disability Rights Vermont
Thomas Weigel, MD, Vermont Department of Mental Health
Josh Kantrowitz, MD - NVRH, Saint Johnsbury Pediatrics
Joseph Forscher – Northeast Kingdom Human Services
Allison Krompf – Vermont Department of Mental Health
Renee Rose – Northeast Kingdom Human Services, Peer Support
Presentation to Northeast Kingdom Human Services Mental Health Committee

Again, we did not specifically request a supporting statement from any of these groups or individuals after meetings. However, we have not received any feedback in opposition of our design to date

6. Regarding the federal funds anticipated to pay for Phase 1:

a. Are there any specific timing constraints to receive and use those funds?

Yes, the CDS funds must be spent within three (3) years of receipt.

b. It is stated that NVRH expects to receive “up to” \$3 million of federal funds to pay for Phase 1. Please explain the specific amount NVRH expects to receive and how the final amount will be determined.

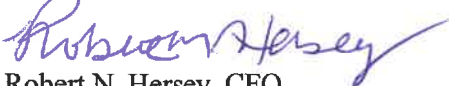
Once our application has been approved, NVRH will receive the full \$3 million. The final amount NVRH will receive will be the actual cost of the MHSA project, up to \$3 million. If the actual project cost is less than \$3 million, NVRH will return the unused funds.

We also want to take this opportunity to emphasize the sense of urgency to complete the MHSA in order to address the critical need for more appropriate space to care for people who may be experiencing a mental health crisis. In working with our community partners and peers, we have designed a set of care spaces providing support and beginning healing. The NEK lacks sufficient facilities and resources to address the increased number of community members in need of emergency mental health care. Often the NVRH Emergency Department (ED) is on the front lines of caring for these people, both adolescents and adults. Unfortunately, the ED was not constructed to provide adequate space to care for people experiencing a mental health crisis, nor was the space constructed to ensure the safety of the providers and families members attempted to help those patients.

In summary, NVRH is requesting a determination from the Green Mountain Care Board that construction of a new Mental Health Support Area is not subject to Certificate of Need review. Our request is based on two factors. First, the MHSA project cost is under the \$3 million CON threshold. Second, although the MHSA could eventually abut a planned Emergency Room/West Wing expansion project, which is subject to CON review, the MHSA could be a standalone structure if that ED/WW expansion does not occur. In support of our request, we have also addressed specific considerations listed in GMCB Rule 4.000 § 4.207(2)

If you have any questions, please don't hesitate to contact me.

Sincerely,



Robert N. Hersey, CFO

Cc: Shawn Tester
Jackie Zaun

Mental Health Support Area

Proposed Project Cost

Description	Total Budget	Total Line Cost
Administrative and legal expenses		\$ 44,802
General Contractor Bond	\$ 19,619	
General Contractor Bond General Liability Insurance	\$ 11,437	
Builders Risk Insurance	\$ 4,582	
Printing, travel and other Administrative Expenses	\$ 9,164	
Architectural and engineering fees		\$ 221,790
Architect Fees LBA	\$ 183,290	
Civil Engineering Fees	\$ 30,000	
Pre-Construction Estimating Services	\$ 8,500	
Other architectural and engineering fees		\$ 36,749
VT Department of Public Safety Permit Fee	\$ 19,795	
Act 250 (VT) Fee	\$ 15,236	
Wetland and Natural Resources ANR Fee	\$ 1,718	
Project inspection fees		\$ 15,500
Soil Testing	\$ 3,500	
Concrete Testing	\$ 3,000	
Steel Testing	\$ 2,500	
Fireproofing	\$ 2,000	
IBC Inspection	\$ 4,500	
Site work		\$ 67,750
Earthwork Building Footprint	\$ 67,750	
Demolition and removal		\$ 47,394
Document and Demo Existing Structures	\$ 19,707	
Temporary Provisions	\$ 21,437	
Dumpster and Concrete Dumpster	\$ 4,000	
Cut and Patch	\$ 2,250	
Construction		\$ 1,946,752
General Conditions	\$ 398,943	
Concrete	\$ 102,305	
Masonry	\$ 58,238	
Metals	\$ 108,236	
Rough and Finish Carpentry	\$ 24,055	
Thermal and Moisture Controls	\$ 192,388	
Doors, Windows, Glass	\$ 107,340	

Mental Health Support Area

Proposed Project Cost

Description	Total Budget	Total Line Cost
Finishes	\$ 271,214	
Specialties	\$ 32,500	
Fire Surpression	\$ 24,390	
Plumbing	\$ 85,500	
HVAC	\$ 316,325	
Electrical	\$ 123,779	
Exterior Improvements	\$ 15,000	
Utilities	\$ 6,350	
Constructin Manager Fee	\$ 80,189	
Equipment		\$ 48,265
Contingencies		\$ 427,285
Construction and Design Contingencies	\$ 427,285	
TOTAL PROJECT COSTS		\$ 2,856,287

Verification Under Oath

**STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD**

RE: Northeastern Vermont Regional Hospital Emergency Room Extension

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Docket No. N/A

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Verification Under Oath to file with Certificate of Need Application, correspondence and additional information subsequent to filing an Application.

Robert N. Hersey, being duly sworn, states on oath as follows:

1. My name is Robert N. Hersey. I am the Chief Financial Officer of Northeastern Vermont Regional Hospital (“NVRH.”). I have reviewed the Letter from NVRH to Donna Jerry, Senior Health Policy Analyst, dated May 10, 2022 (the “Letter.”)
2. Based on my personal knowledge and after diligent inquiry, I attest that the information contained in the Letter is true, accurate and complete, does not contain any untrue statement of a material fact, and does not omit to state a material fact.
3. My personal knowledge of the truth, accuracy and completeness of the information contained in the Letter is based upon either my actual knowledge of the subject information or upon information reasonably believed by me to be true and reliable and provided to me by the individuals identified below in paragraph 4. Each of these individuals has also certified that the information they have provided is true, accurate and complete, does not contain any untrue statement of a material fact and does not omit to state a material fact.
4. The following individuals have provided information or documents to me in connection with the Letter and each individual has certified, based either upon his or her actual knowledge of the subject information or, where specifically identified in such certification, based on information reasonably believed by the individual to be reliable, that the information or documents provided are true, accurate and complete, do not contain any untrue statement of a material fact, and do not omit to state a material fact:

Jacquelyn Zaun, Project Manager

5. In the event that the information contained in the Letter becomes untrue, inaccurate or incomplete in any material respect, I acknowledge my obligation to notify the Green Mountain Care Board and to supplement the Letter as soon as I know, or reasonably should know, that the information or document has become untrue, inaccurate or incomplete in any material respect.

Robert N. Hersey
[signature]

On May 12 2022, Robert N. Hersey appeared before me and swore to the truth, accuracy and completeness of the foregoing.

Darcie A. Miles Davis 5/12/22
Notary public Darcie A. Miles Davis

My commission expires 1/31/2023

[seal]

