

DOCKET NO. GMCB-002-21CON

CERTIFICATE OF NEED PUBLIC HEARING

A PHYSICALLY SECURE RESIDENTIAL  
TREATMENT PROGRAM

VERMONT DEPARTMENT OF MENTAL  
HEALTH

AUGUST 4, 2021

# DMH TEAM TESTIFYING

- Karen Godnick Barber, General Counsel
- Samantha Sweet, Mental Health Services Director
- Anna Strong, Financial Director 1
- Ralph Irish, Middlesex Therapeutic Community Residence Program Director
- Kathy Hentcy, Director Mental Health & Health Care Integration

# BGS TEAM TESTIFYING

- Tabrena Karish, Project Manager
- Joe Aja, Director of Design and Construction

August 4, 2021

# AGENDA

- Legislative History
- Project Overview and Need
- Design of the Facility
- Financing
- Specific Criteria:
  - GMCB Rule 4.402
  - 18 V.S.A. § 9437
- Questions

# LEGISLATIVE HISTORY

## Act 42 (2019), Section 3

(a) The following sums are appropriated in FY 2020 to the Department of Buildings and General Services for the Agency of Human Services for the following projects described in this subsection:

(1) Statewide, secure residential recovery facility, replacement, land acquisition, design, permitting, and construction documents: \$3,000,000.00

# LEGISLATIVE HISTORY

## Act 42 (2019), Section 3, con't.

(c) The following sums are appropriated in FY 2021 to the Department of Buildings and General Services for the Agency of Human Services for the following projects described in this subsection:

(1) Statewide, secure residential recovery facility, replacement, land acquisition, design, permitting, and construction: \$1,500,000.00

# LEGISLATIVE HISTORY

## Act 50 (2021), Section 3

(a) The following sums are appropriated in FY 2022 to the Department of Buildings and General Services for the Agency of Human Services for the following projects described in this subsection:

- 1) Secure Residential Recovery Facility, design and construction:  
\$11,600,000.00

# LEGISLATIVE HISTORY

## Act 50 (2021), Section 3, con't.

(c) The amount appropriated in subdivision (a)(1) of this section shall be used to construct a 16-bed Secure Residential Recovery Facility on Parcel ID# 200-5-003-001 as designated on the Town of Essex's Tax Parcel Maps for transitional support for individuals who are being discharged from inpatient psychiatric care. Through interior fit-up, versus building redesign, the 16-bed facility shall include two eight-bed wings designed with the capability to allow for separation of one wing from the main section of the facility, if necessary. Both wings shall be served by common clinical and activity spaces. Neither wing shall include a locked seclusion area, and the facility shall not use emergency involuntary procedures. Outdoor space shall be adequate for exercise and other activities but not less than 10,000 square feet.



# LEGISLATIVE HISTORY

- The need for a secure level of care was first identified in 2005 as part of the ongoing planning process to replace the Vermont State Hospital
- A secure residential level of care was first statutorily created in 2012 after Tropical Storm Irene flooded and closed the Vermont State Hospital in **Act 160** (2012) and **Act 79** (2012)
- In **Act 79** (2012), State of Vermont committed to building a permanent secure residential program

# LEGISLATIVE HISTORY

- Created the temporary Middlesex Therapeutic Community Residence (MTCR), a seven-bed secure residential program
  - Built using Federal Emergency Management (FEMA) funds
  - Step-down facility for those who are no longer in need of inpatient care, but who need intensive services in a secure setting
  - Patients are on involuntary legal status under the Care and Custody of the Commissioner of Mental Health
  - Requires an Order of Non-Hospitalization in which the court indicates that the individual requires a secure setting

# LEGISLATIVE HISTORY

- **Act 178** (2014): proposed the creation of a 14-bed permanent secure residential replacement facility.
- **Act 26** (2015): the proposed size and cost of the replacement facility became the subject of this bill, requiring DMH and BGS to explore siting and design options for the replacement, consider the “broadest options for management and ownership”, and propose a timeline for closure of MTCR in 2018.
  - Fall 2015: DMH posted an RFI
  - 2016: RFP development
  - January 2017: submission of a facilities report to the Legislature

# LEGISLATIVE HISTORY

- **Act 84** (2017): authorized BGS to purchase an option on land or purchase land for a permanent, secure residential facility provided it was consistent with the AHS Facilities Report to be submitted in January 2018.
- **Act 82** (2017) and **Act 200** (2018): bills sought further examination of mental health care delivery and coordination across service settings.

# LEGISLATIVE HISTORY

- **Act 200** (2018) included the specific intent to “replace the temporary Middlesex Secure Residential Recovery Facility with a permanent facility that has a 16-bed capacity and which may be state operated.”
- Also required AHS submit a comprehensive evaluation of the mental health delivery structure within a “sustainable, holistic health care system” and required a broad range of stakeholder involvement “in working toward an articulation of a common, long-term vision of full integration of mental health services within a comprehensive and holistic health care system.”

# LEGISLATIVE HISTORY

- January 2019: DMH presented the legislature a comprehensive report, per the requirements of **Act 200, Sec. 9**, and subsequently, in January 2020, a 10-year plan “Vision 2030, A 10-Year Plan for an Integrated and Holistic System of Care.”
- These reports provided an overview of the evaluation process, engagement with key stakeholders, and next steps to maintain an active feedback loop, as well as making recommendations that emerged through a broad stakeholder input process and intensive “Think Tank” sessions.

# LEGISLATIVE HISTORY

- December 2019: pursuant to **Act 26** Section 2, DMH submitted a report that outlined “the mental health bed needs for residential programs across the State by geographic area and provider type, including long-term residences (group homes), intensive residential recovery facilities, and secure residential recovery facilities.”
- Specific to the MTCR replacement, the report outlined the population served, number of beds needed, justification for ongoing need, and the funding request in the FY 20 capital bill as highlighting that this project continued to be a priority for AHS and DMH.

# LEGISLATIVE HISTORY

- **Act 42 (2019)** demonstrated the legislature's increased commitment to a 16-bed replacement facility by allocating to BGS \$3 million for land acquisition, design, permitting, and construction documents for the new secure residential in FY 2020 and \$1.5 million in FY 2021.
- As required by **Act 42 (2019)**, DMH and BGS worked together with a contracted architectural firm to design a state-of-the-art therapeutic yet secure facility as well as to site a location for the facility.
  - Building design schematics included the involvement of key stakeholders during the summer and fall of 2020.



# LEGISLATIVE HISTORY

- This project was the focus of many hours of testimony and discussion during this last legislative session, culminating in **Act 50 (2021)**.
  - DMH alone testified 12 times in House Corrections and Institutions, House Health Care, Senate Institutions, and Senate Health and Welfare.
  - Many psychiatric survivors, peers, and advocates also testified

# PROJECT OVERVIEW AND NEED

- In order to provide equitable care possible for all Vermonters, a robust continuum of step-down treatment programs must be available .
- A permanent secure program is a key component in Vermont's system of programs available to individuals needing 24/7 treatment and support services.
- The replacement and expansion of the current Middlesex Therapeutic Residence is an essential and smart solution in addressing systemic challenges.

# PROJECT OVERVIEW AND NEED, CON'T

- This level of care targets a small but very vulnerable population – those individuals whose clinical presentations and safety risks present such a challenge that designated agencies or other programs are unable to safely and therapeutically care for them in the community. A secure residence is the only option for these individuals to step down to a lower level of care. As such it is a critical resource to promote in our mental health system.
- Long wait times in Emergency Rooms are symptomatic of inadequate flow in our system. Flow is a critical factor in our ability to support individuals effectively with minimal delays as they move through stages of care and recovery.
- Equitable care and treatment for those in this level of care is not possible without replacing the temporary facility in Middlesex.

# Current Middlesex Secure Residence

The temporary facility has  
outlived its lifespan and  
needs to be replaced

Site has poor drainage and is  
difficult to maintain

The trailers have no  
permanent foundation

Frost and moisture issues  
require constant repair to  
structure, ramps and fencing



# CURRENT MIDDLESEX DATA

- 95% of referrals to the secure residence are from Level 1 units across the state
- 53 individuals served since opening in 2012
- Average Length of Stay (LOS) is 10.4 months
- Over 64% of residents have stepped down to less restrictive settings or independent housing
- Occupancy Rates

FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
90%	94%	82%	92%	88%	91%	95%

August 4, 2021



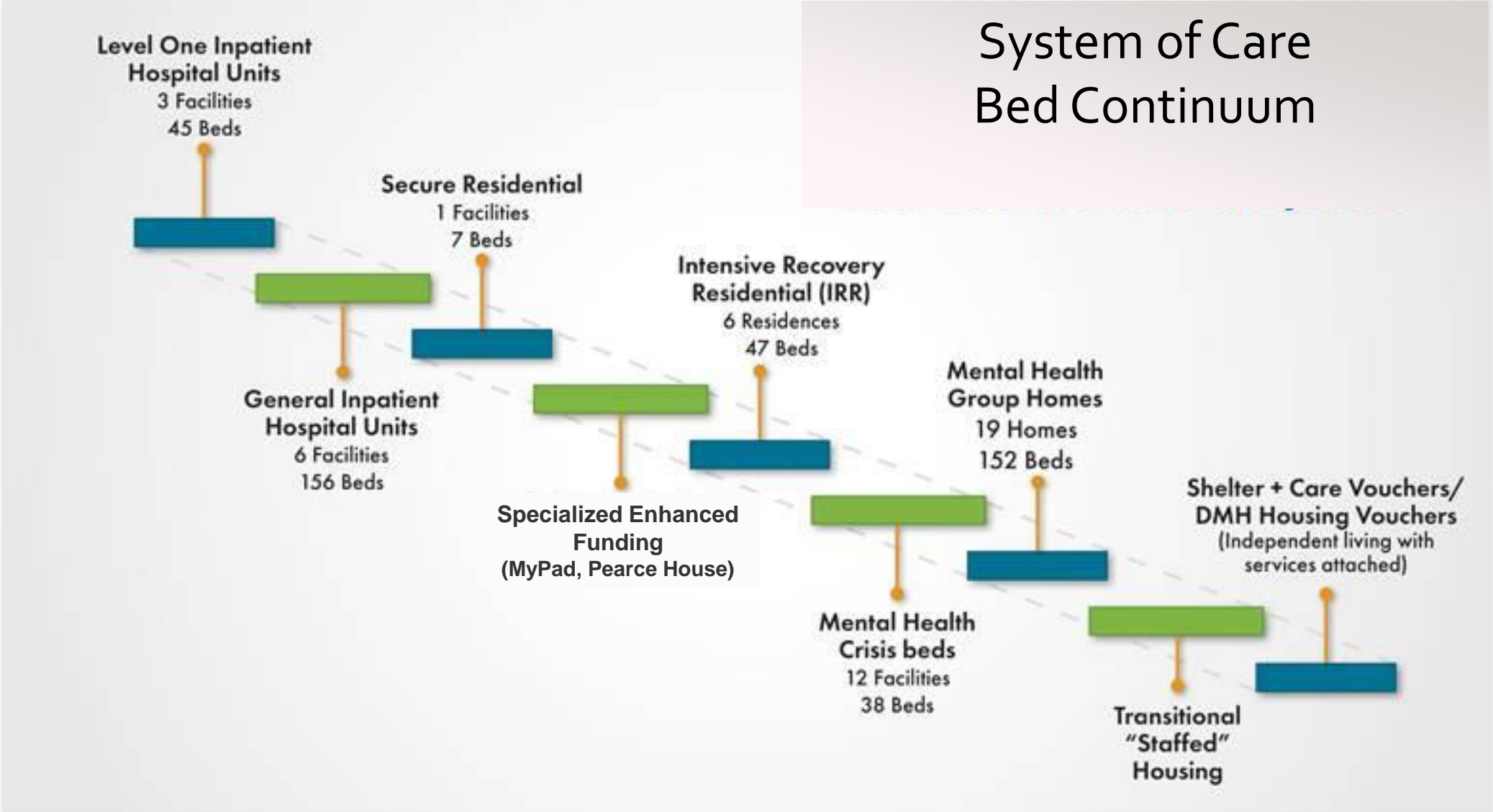
# FUTURE RECOVERY RESIDENCE

- A 16-bed physically secure recovery residence that provides the highest quality of recovery-oriented care, ensures the safety of residents and promotes rejoining and rebuilding a life in the community
- Provides care for individuals who are ready to discharge from inpatient hospitals but have higher treatment needs and risk factors that impact public safety and exceed the capacity of community providers
- Provides enhanced transitional support to successfully step down from inpatient level of care to a safe and stable environment
- Enhances equitable access to appropriate, timely and high-quality care and treatment

# HOW DID WE GET TO 16 BEDS?

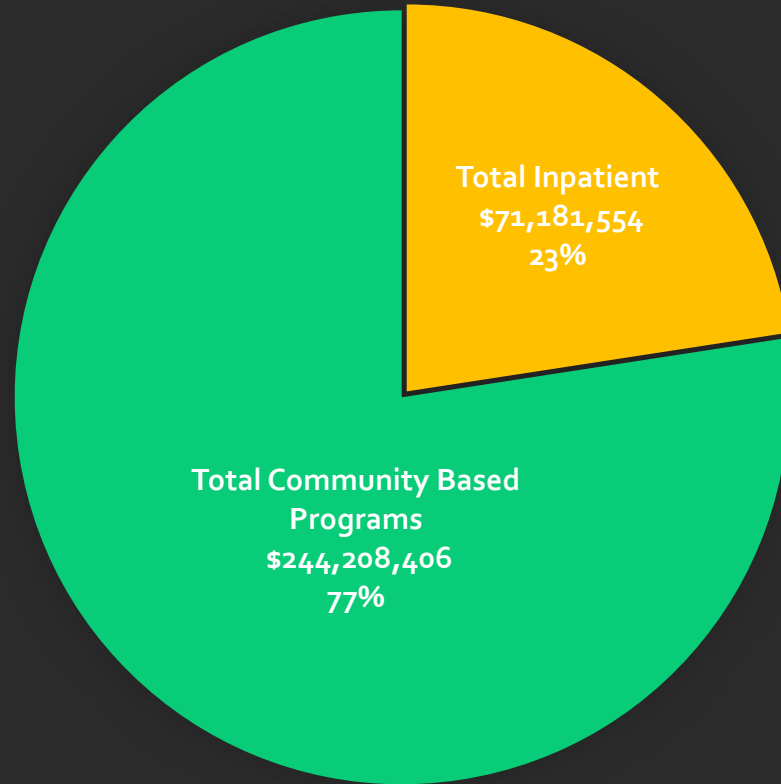
- The Legislature has directed DMH to study the need for secure residential beds on multiple occasions.
- The DMH Analysis of Residential Bed Needs Report (2020) to the Legislature considered
  - Number of individuals on inpatient status with no discharge options due to acuity (average 7-10 individuals at any one time)
  - Number of individuals on the MTCR waitlist from Level 1 inpatient units
  - Number of individuals served in the community on an enhanced funding plan, who would need inpatient treatment without a community-based option like MTCR
- This report, and the number of beds, has been extensively testified to and debated in the Legislature.
- Act 50 (2020) requires DMH and BGS to build a 16-bed facility.

# System of Care Bed Continuum





## DMH and DVHA Mental Health System Of Care Adult and Children - 2019



■ Total Inpatient   ■ Total Community Based Programs

# COMMUNITY INVESTMENTS

Out of the \$244M investments DMH makes annually

- Current \$3M for MTCR annually
- DA /SSAs
  - CRT programs
  - Emergency Services
  - Outpatient services
  - Children's

# COMMUNITY PROGRAMS

Program	Description
Outpatient	Provides services for adults without prolonged serious disabilities but who experience emotional, behavioral, or adjustment problems severe enough to warrant professional attention
Community Rehabilitation and Treatment (CRT)*	Provides services for adults with severe and persistent mental illness
Children and Families (C&F)*	Provide services to children and families who are undergoing emotional or psychological distress or are having problems adjusting to changing life situations.
Emergency Services	Serves individuals who are experiencing an acute mental health crisis. These services provided on a 24-hour a day, 7-day-week basis with both telephone and face-to-face services available as needed.
Advocacy and Peer Services	Broad array of support services provided by trained peers (a person who has experienced a mental health condition or psychiatric disability) or peer-managed organizations focused on helping individuals with mental health and other co-occurring conditions to support recovery

\*manipulated service population

# DESIGN OF THE FACILITY



## DMH Recovery Residence

AUGUST 4, 2021

3 V.S.A. § 2291

## STATE AGENCY ENERGY PLAN

# SEC. 49. RENEWABLE ENERGY AND ENERGY CONSERVATION POLICY

(a) The Department of Buildings and General Services shall incorporate the use of renewable energy sources, energy efficiency, and thermal energy conservation in any new building construction or major renovation project in excess of \$250,000.00 unless a life cycle cost analysis demonstrates that the investment cannot be recouped or there are limitations on siting.

### Buildings and General Services Design Guidelines

The design team shall incorporate renewable energy sources, energy efficiency, and thermal energy conservation and water conservation in any new building construction or major renovation project unless a life cycle cost analysis demonstrates that the investment cannot be recouped, there are limitations on siting or other laws, rules or regulations prohibit such measures.

- All new construction and major renovations must be in compliance with the currently adopted Vermont Commercial Building Energy Standards and achieve a minimum of 10%-20% greater energy savings.
- Collaboration between the State, contracted design team, and applicable Energy Efficiency Utilities (Green Mountain Power, Efficiency Vermont, and/or Vermont Gas Systems) shall occur.



August 4, 2021

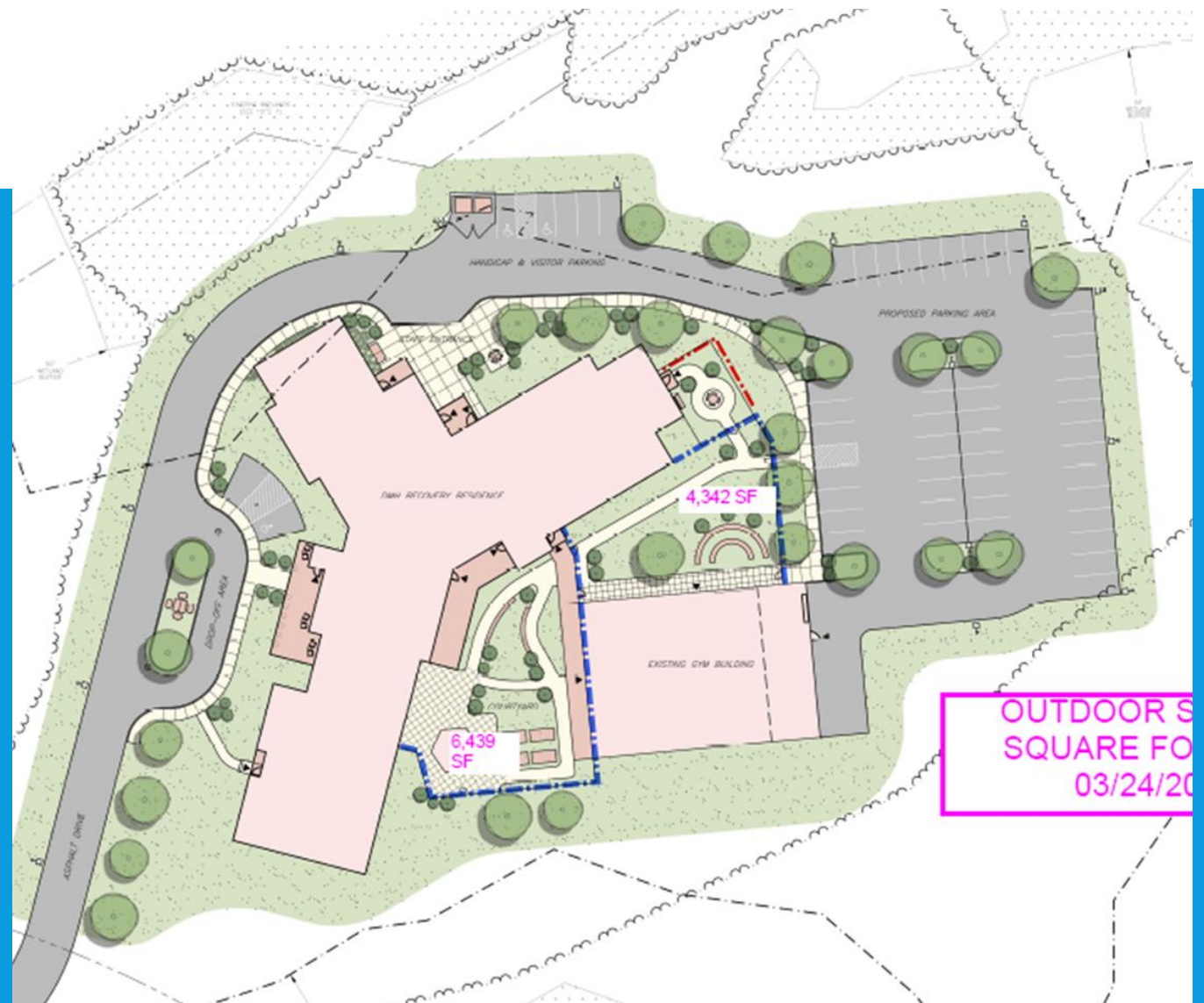


# A VIEW OF THE GROUNDS



AUGUST 4, 2021

# SECURE OUTDOOR AREA



AUGUST 4, 2021







August 4, 2021



August 4, 2021



August 4, 2021



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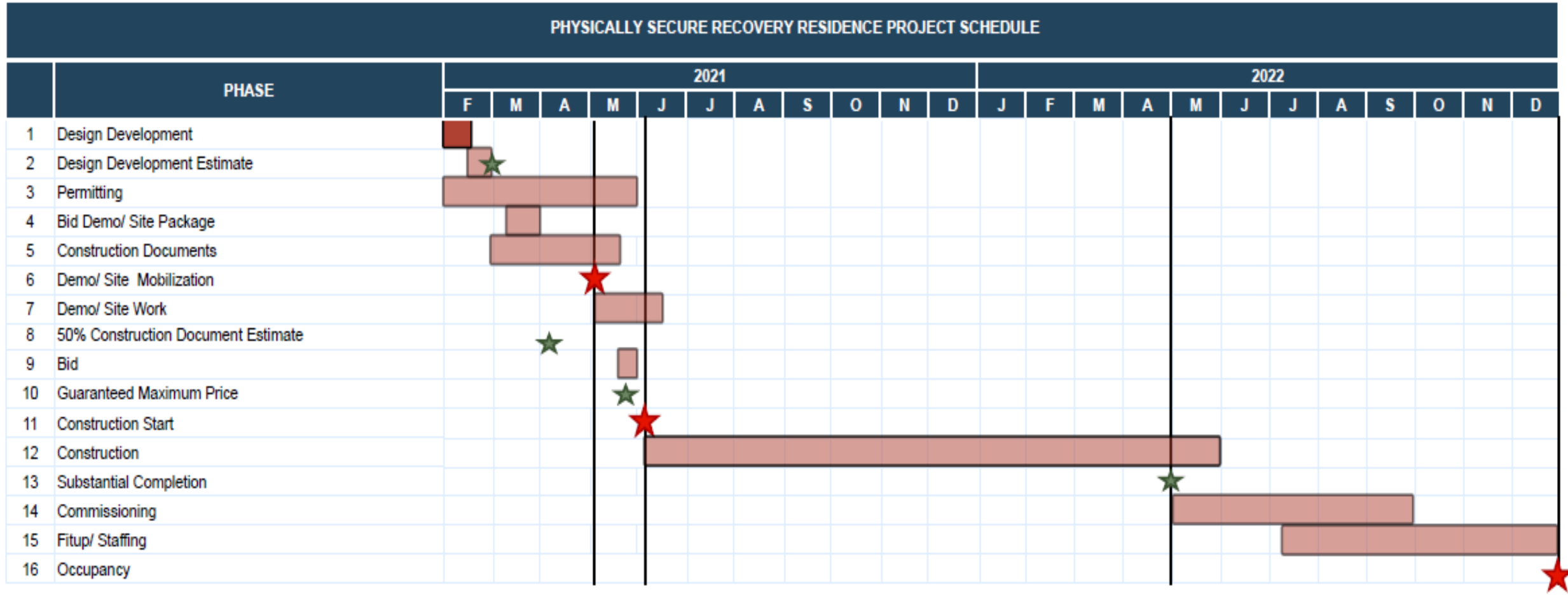
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August 4, 2021



# Recovery Residence Project Schedule





## FINANCIAL EXPENDITURES FOR THE SECURE RESIDENTIAL RECOVERY FACILITY

### **Construction Costs**

New Construction	\$9,367,227
Renovation	\$155,614
Site Work	\$1,755,746
Fixed Equipment	\$162,250
Design/Bidding Contingency	\$978,136
Construction Contingency	\$592,682
Construction Manager Fee	\$622,642
Miscellaneous costs	\$55,121
<b>Subtotal:</b>	<b>\$13,689,418</b>

### **Related Project Costs**

Furnishings, Fixtures & Other Equip.	\$400,000
Architectural/Engineering Fees	\$1,406,717
Administrative Expenses & Permits	\$977,250
Debt Financing Expenses	\$5,427,136
<b>Subtotal:</b>	<b>\$8,211,103</b>
<b>Total Project Costs:</b>	<b>\$21,900,521</b>

- Act 42 (2019), included requirement that the Secretary of Human Services and Commissioner of Buildings and General Services develop a proposal to expedite closure of the Middlesex Therapeutic Community Residence; beginning the formal and approved Certificate of Need (CON) process of application.
- Projected construction costs are estimated to be \$13,689,418.00 and the projected Related Project Costs are estimated to be \$8,211,103.00, for a combined total of \$21,900,521.00.
- The State finances long-term capital projects with General Obligation Bonds (GO Bonds). GO Bonds are tax exempt, the full faith and credit of the State are pledged to the payment of principal and interest on the bonds.

# FINANCIAL EXPENDITURES FOR THE SECURE RESIDENTIAL RECOVERY FACILITY

	Proposed	Proposed	Proposed
	Year 1	Year 2	Year 3
	2023	2024	2025
<b>Gross Resident Revenue/ payment</b>			
Self Pay	\$70,949	\$70,949	\$70,949
Federal and State Funds	\$8,657,778	\$8,808,033	\$9,118,798
<b><u>Total Operating Expense</u></b>	<b>\$8,728,727</b>	<b>\$8,878,982</b>	<b>\$9,189,747</b>
<b>Operating Expense</b>			
Salaries (Non-MD)	\$3,631,297	\$3,758,392	\$3,889,936
Fringe Benefits (Non-MD)	\$2,748,374	\$2,844,567	\$2,944,127
Operating Expense	\$1,871,641	\$1,781,898	\$1,844,265
Contracts	\$477,415	\$494,125	\$511,419
Interest Expense (net of premium amortization) Estimate	\$193,010	\$363,034	\$340,047
Depreciation Estimate	\$411,835	\$411,835	\$411,835
<b><u>Total Operating Expense</u></b>	<b>\$9,333,572</b>	<b>\$9,653,851</b>	<b>\$9,941,629</b>

- The room and board rate for individuals at a Residential Recovery facility is established by the Department of Disabilities, Aging and Independent Living annually. The rate is based on Social Security Administration cost of living guidance and rate changes; Licensed Residential Care Home, Level IV/TCR.
- Gross Resident Revenue is a combination of Self Pay from Residents and Medicaid. The State match amount (currently 44%) combined with Medicaid's Federal Medical Assistance Percentage (FMAP, currently 56%) pay for the costs not covered by client Self Pay.
- The State pays the interest expense, not the project. The cost of debt financing and depreciation are not built into the project costs when determining revenue requirements to ensure the full cost recovery. The cost is depicted here for disclosure purposes.

	Proposed Year 1 2023	Proposed Year 2 2024	Proposed Year 3 2025
<b>Inpatient Utilization</b>			
Staffed Beds	16	16	16
Resident Days	5,256	5,256	5,256
<b>Non-Clinical FTEs</b>			
Principal Assistant	1.0	1.0	1.0
Administrative Services Coordinator III	1.0	1.0	1.0
(DMH) Quality Control Specialist III	1.0	1.0	1.0
Staffing Office Manager (Staffing)	1.0	1.0	1.0
Mental Health Scheduling Coordinator (Staffing)	5.0	5.0	5.0
Food Service Worker	2.0	2.0	2.0
Cook C	2.0	2.0	2.0
Supervising Chef	1.0	1.0	1.0
<b>Total Non-Clinical FTEs Totals</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>
<b>Clinical FTEs</b>			
Nurse Supervisor	1.0	1.0	1.0
Registered Nurse II; Clinical Specialty Nurse (Med)	4.0	4.0	4.0
Registered Nurse III; Charge, Clinical Specialty Nurse	5.0	5.0	5.0
Activity Therapist	2.0	2.0	2.0
Social Worker	2.0	2.0	2.0
DMH Psychologist	2.0	2.0	2.0
Mental Health Recovery Specialist (Peer)	2.0	2.0	2.0
Mental Health Specialist	24.0	24.0	24.0
Associate Mental Health Spec	5.0	5.0	5.0
Senior Mental Health Spec	2.0	2.0	2.0
<b>Total Clinical FTEs</b>	<b>49.0</b>	<b>49.0</b>	<b>49.0</b>
<b>Total FTEs</b>	<b>63.0</b>	<b>63.0</b>	<b>63.0</b>

## FINANCIAL EXPENDITURES FOR THE SECURE RESIDENTIAL RECOVERY FACILITY

- Utilization rate is based on 90% occupancy, consistent with the utilization of the existing Therapeutic Community Residence.
- Recovery Residence is a stand-alone self-contained facility, operational 24 hours/day, seven days a week.
- 49 clinical full-time employee's (FTE') meets requirements for licensed Secure Residential Recovery (SRR) beds.
- 14 Non-Clinical FTEs supports the operational and administrative needs of the facility.

# SPECIFIC CRITERIA CONSIDERED

## GMCB Rule 4.000: Certificate of Need

4.402(1) The Board shall not grant a Certificate of Need unless the proposed project is consistent with the policy and purposes set forth in Chapter 221 of Title 18, the statutory purposes set forth in 18 V.S.A. § 9372, and the criteria set forth in 18 V.S.A. § 9437.

## 18 V.S.A. § 9437

A certificate of need shall be granted if the applicant demonstrates that the project serves the public good and the Board finds:

(1) The proposed project aligns with statewide health care reform goals and principles because the project:

# 18 V.S.A. § 9437(1)(A): TAKES INTO CONSIDERATION HEALTH CARE PAYMENT AND DELIVERY SYSTEM REFORM INITIATIVES

- DMH adopted healthcare payment and delivery system reform in 2019, beginning a shift in community-based reimbursements to the Designated Agencies (DAs).
- Vision 2030 aims to provide Vermonters timely access to whole health, person-led care that achieves the Quadruple Aim of healthcare: 1) increasing the quality of care and patient experience, 2) improving population health, wellness, and equity, 3) lowering per-capita costs, and 4) creating a better environment for Vermont's providers.
- By fully embracing an integrated system that works collectively to address population health, wellness, and equity, Vermonters will have improved access to care, be healthier and happier, and the state will realize significant economic benefits.

18 V.S.A. § 9437(1)(A):  
TAKES INTO  
CONSIDERATION  
HEALTH CARE  
PAYMENT AND  
DELIVERY SYSTEM  
REFORM  
INITIATIVES,  
CON'T.

- The concept behind the DMH Recovery Residence was developed to align with the Vision 2030 goals.
- The lack of a secure step-down residence for those on an order of non-hospitalization (ONH) means that such individuals often remain hospitalized due to lack of appropriate community residential support and service programs. MTCR currently meets some of that critical need, and the DMH Recovery Residence will expand this critical capacity.
- The Recovery Residence will provide an appropriate option for Vermonters experiencing ongoing mental health needs who require a secure setting but not a hospital level of care.

## 18 V.S.A. § 9437(1)(B)

# ADDRESSES CURRENT AND FUTURE COMMUNITY NEEDS IN A MANNER THAT BALANCES STATEWIDE NEEDS, IF APPLICABLE;

- This project is a keystone in the mental health system of care continuum, critical to ensuring that all Vermonters can access the care they need, when they need it.
- MTCR operates consistently at or near capacity and while the overall number of people needing this level of care is relatively low, these individuals account for much longer lengths of stay in hospital beds due to inadequate aftercare support options.
- The need for expanded capacity in this critical area, first recognized in the 2005 Vermont State Hospital Futures Plan work, has continued to be the focus of numerous legislative acts since.
- To be an effective part of the system, the DMH Recovery Residence will be integrated into the continuum of care, working in partnership with inpatient units and community providers to assure a seamless transition of care.

18 V.S.A. § 9437(1)(C)

IS CONSISTENT WITH APPROPRIATE ALLOCATION OF HEALTH CARE RESOURCES, INCLUDING APPROPRIATE UTILIZATION OF SERVICES, AS IDENTIFIED IN THE HEALTH RESOURCE ALLOCATION PLAN DEVELOPED PURSUANT TO SECTION 9405 OF THIS TITLE.

Act 26 (2019), required DMH to analyze bed needs. That analysis documented several important points about the need for the Secure Recovery Residence.

- Occupancy rate for group homes is extremely high (from the mid 80% to over 90%) and turnover low for the cohort of individuals require the level of support services the DMH Recovery Residence would provide.
- The population proposed for this project requires support and supervision that exceeds staff-secure community care (as opposed to the physically secure DMH Recovery Residence).
- Within inpatient psychiatric hospitals there are seven to 10 individuals at any one time that need a physically secure residential setting.



18 V.S.A. § 9437(2)(A)

(2) THE COST OF THE PROJECT IS REASONABLE, BECAUSE EACH OF THE FOLLOWING CONDITIONS IS MET:

(A) THE APPLICANT'S FINANCIAL CONDITION WILL SUSTAIN ANY FINANCIAL BURDEN LIKELY TO RESULT FROM COMPLETION OF THE PROJECT.

### Current Appropriation for Construction Cost

- FY 21 Capital Bill - \$4.5M
- FY 22 Capital Bill - \$11.6M
- Total Cost of the project - \$16M

### Operating Cost for Existing Residential Facility

- Current Appropriation for 7 bed Middlesex Therapeutic
- Community Residence (MTCR) - \$3M
- DMH will include additional cost for operations in the FY 23 budget process

18 V.S.A. § 9437(2)(B)(I)

(B) THE PROJECT WILL NOT RESULT IN AN UNDUE INCREASE IN THE COSTS OF MEDICAL CARE OR AN UNDUE IMPACT ON THE AFFORDABILITY OF MEDICAL CARE FOR CONSUMERS. IN MAKING A FINDING UNDER THIS SUBDIVISION, THE BOARD SHALL CONSIDER AND WEIGH RELEVANT FACTORS, INCLUDING (I) THE FINANCIAL IMPLICATIONS OF THE PROJECT ON HOSPITALS AND OTHER CLINICAL SETTINGS, INCLUDING THE IMPACT ON THEIR SERVICES, EXPENDITURES, AND CHARGES;

- Potential to reduce the cost of medical care from unnecessary days of continued hospitalization for the population to be served.
- Access to step-down level of care options for persons who otherwise may not be able to discharge.
- Impacts wait times for hospital beds in emergency departments, i.e.:
  - Individuals waiting for services
  - Availability of emergency care capacity for individuals needing services and freeing staff to focus on other healthcare emergencies.
- Timely transfer of persons to the right level of care when they need it supports the most efficient use of existing healthcare capacities and allows expenditures and charges to accurately reflect the costs of services and care delivered.

## 18 V.S.A. § 9437(2)(B)(II)

# WHETHER THE IMPACT ON SERVICES, EXPENDITURES, AND CHARGES IS OUTWEIGHED BY THE BENEFIT OF THE PROJECT TO THE PUBLIC.

- The benefits of receiving the right care, at the right time, and in the right place is advantageous to all members of the public.
  - No individual should be disadvantaged due to the lack of the right facility, such as step-down locked residential capacity
  - No individual should be disadvantaged from accessing their specific healthcare service needs that might otherwise have been compromised or unavailable
- Individuals being able to move in a timely manner from higher level inpatient or residential services, that likely include the most restrictive features on personal autonomy, to less-restrictive residential settings configured to safely meet their immediate risks and needs is a benefit to the public overall.
- Providing as full a spectrum of residential support options as possible to meet the specific mental health needs of individuals in its continuum of services is in the interest and benefit of the public.

## 18 V.S.A. § 9437(2)(C)

# LESS EXPENSIVE ALTERNATIVES DO NOT EXIST, WOULD BE UNSATISFACTORY, OR ARE NOT FEASIBLE OR APPROPRIATE

- Programmatically, alternative community-based programs comparable to the MTCR locked, secure program are not available.
  - DMH efforts to solicit interest in developing comparable programs through the private sector have been met with preferences for staff-secure residential program development that would be inadequate for the population needing these services.
- Individuals requiring locked, secure residential services are persons initially involuntarily hospitalized and then found by a court to require an ONH with conditions for residency at a locked program once discharged from an inpatient unit. The DMH Recovery Residence will provide this needed support.

## 18 V.S.A. § 9437(2)(C)

# LESS EXPENSIVE ALTERNATIVES DO NOT EXIST, WOULD BE UNSATISFACTORY, OR ARE NOT FEASIBLE OR APPROPRIATE, CON'T.

- This proposal is the best fit for replacing the aging MTCR.
- Specific to the siting of this project:
  - BGS conducted two land searches and received eight submissions but none were suitable. During the site selection process, the Woodside Drive site became available and was identified as the most suitable including community location, privacy, and staffing availability.
  - The site was already owned by the state, which saved purchasing cost and allowed an accelerated overall timeline to occupancy.

18 V.S.A. § 9437(2)(D)

IF APPLICABLE, THE APPLICANT HAS INCORPORATED APPROPRIATE ENERGY EFFICIENCY MEASURES.

This project will be implemented with multiple efficiency measures. These include, but are not limited to:

- low wattage LED lighting and controls;
- a building automation system to monitor, track and control all mechanical components;
- energy recovery ventilation; and
- a geothermal water-to-water heat pumps system which allows the building's heating, air conditioning, and ventilation systems to be provided from a fully electrified source in lieu of fossil fuels.

18 V.S.A. § 9437(3)

THERE IS AN IDENTIFIABLE, EXISTING, OR REASONABLY ANTICIPATED NEED FOR THE PROPOSED PROJECT THAT IS APPROPRIATE FOR THE APPLICANT TO PROVIDE

The Legislature and DMH have identified a longstanding need for secure residential treatment since 2005. In Act 50 (2021), Section 3, the Legislature allocated the funding for this facility and instructed DMH and BGS to build it:

*(c) The amount appropriated in subdivision (a)(1) of this section shall be used to construct a 16-bed Secure Residential Recovery Facility on Parcel ID# 200-5-003-001 as designated on the Town of Essex's Tax Parcel Maps for transitional support for individuals who are being discharged from inpatient psychiatric care. Through interior fit-up, versus building redesign, the 16-bed facility shall include two eight-bed wings designed with the capability to allow for separation of one wing from the main section of the facility, if necessary. Both wings shall be served by common clinical and activity spaces. Neither wing shall include a locked seclusion area, and the facility shall not use emergency involuntary procedures. Outdoor space shall be adequate for exercise and other activities but not less than 10,000 square feet.*

## 18 V.S.A. § 9437(4)

THE PROJECT WILL IMPROVE THE QUALITY OF HEALTH CARE IN THE STATE OR PROVIDE GREATER ACCESS TO HEALTH CARE FOR VERMONT'S RESIDENTS, OR BOTH.

- For persons who no longer require acute inpatient care but need treatment in a secure setting for an extended period, the level of care provided by a secure recovery residence is essential.
- An appropriate treatment facility will free up inpatient bed capacity that has been in short supply over several years.
- The increased bed capacity offered will also provide greater access to this level of care and services.
- The new Recovery Residence, like MTCR, will remain the only IRR in Vermont offering step-down, secure capacity that is unavailable elsewhere in Vermont.
- The quality of the care environment in the new Recovery Residence will far surpass what has been available in what was envisioned to be a temporary facility and program.



18 V.S.A. § 9437(5):  
THE PROJECT WILL NOT HAVE AN UNDUE ADVERSE IMPACT  
ON ANY OTHER EXISTING SERVICES PROVIDED BY THE  
APPLICANT.

- The Recovery Residence has a unique mission and program with licensure as a Therapeutic Community Residence.
- Its purpose was defined in Act 79, and the ongoing need for a permanent replacement has been the subject of acts and reporting requirements to the legislature for the past several years.
- MTCR serves an otherwise unmet need, and DMH has not found an alternative, willing entity to develop a comparable program even through an RFI and subsequent RFP processes.
- To date, DMH remains the only entity adequately fulfilling Act 79's statutory obligation to assure this level of care is available.
- There will not be any adverse impact on existing services provided by DMH or by the providers with whom DMH contracts for other residential and community-based mental health services and supports. It will replace the only such program currently available, MTCR.

18 V.S.A. § 9437(7)

THE APPLICANT HAS ADEQUATELY CONSIDERED THE AVAILABILITY OF AFFORDABLE, ACCESSIBLE TRANSPORTATION SERVICES TO THE FACILITY, IF APPLICABLE.

- As a matter of statute (18 V.S.A. §7511, Transportation), DMH policy, and increasingly prevalent practices of the law enforcement community, persons subject to an ONH will access the DMH Residential Recovery program by transport or escort using the least restrictive means in each individual circumstance.
- Family, friends, and other visitors will access the Recovery Residence by automobile as the site is 1.7 miles from Exit 15 of I-89 off Route 15 in Colchester. Green Mountain Transit also provides service to the site with a bus stop directly across Route 15 at the Ethan Allen Barnes Avenue intersection. (.5 miles or a 9-minute walk).

18 V.S.A. § 9437(8):

IF THE APPLICATION IS FOR THE PURCHASE OR LEASE OF NEW HEALTH CARE INFORMATION TECHNOLOGY, IT CONFORMS WITH THE HEALTH INFORMATION TECHNOLOGY PLAN ESTABLISHED UNDER SECTION 9351 OF THIS TITLE.

- This CON application does not involve the purchase or lease of new health care information technology.
- Given the small size of the residence, the costs of acquiring an electronic health record as a single operating entity or as part of a larger system with necessary health information firewalls, have been prohibitive. Even as a 16-bed residence, the size does not warrant the level of IT time and cost investment with system specifications, configuration, security, and interfacing challenges for an electronic solution.

18 V.S.A. § 9437(9)

THE PROJECT WILL SUPPORT EQUAL ACCESS TO APPROPRIATE MENTAL HEALTH CARE THAT MEETS STANDARDS OF QUALITY, ACCESS, AND AFFORDABILITY EQUIVALENT TO OTHER COMPONENTS OF HEALTH CARE AS PART OF AN INTEGRATED, HOLISTIC SYSTEM OF CARE, AS APPROPRIATE.

- This facility will operate as a state-wide resource for this level of care, affording equal access to individuals meeting the requirements of residence regardless of ability to pay.
- Rates will be determined consistent with requirements for other residential care settings making its affordability equivalent to other healthcare facilities.
- Resident care will be delivered in an integrated and holistic manner based on evidence-based practices.
- It will be licensed as a Therapeutic Community Residence and be subject to all applicable inspections and regulatory standards.
- Residents in this program will have access to and oversight by Disabilities Rights Vermont in its capacity as the state Mental Health Care Ombudsman and legal representation by the Mental Health Law Project of Vermont Legal Aid.

## GMCB RULE 4.402(2)

IN ORDER TO SATISFY 18 V.S.A. § 9437(1), THE APPLICANT MUST SHOW THAT THE PROJECT IS GENERALLY CONSISTENT WITH THE HRAP AND THAT THE PROJECT SATISFIES ANY HRAP THAT THE BOARD HAS IDENTIFIED IN A JURISDICTIONAL DETERMINATION UNDER SECTION 4.301(3) OR 4.302(2) OF THIS RULE.

- As proposed, the DMH Secure Recovery Residence supports the HRAP principles.
  - Critical health needs – for those in need of a secure recovery residence, MTCR is the only option. MTCR, however, was built under emergency conditions and to be temporary.
    - With no permanent foundation, frost and moisture issues put healthy living conditions at risk
    - At any one time, six to seven individuals wait in hospital beds for this level of care, risking their own recovery and causing others to have to wait in emergency rooms for a hospital bed.
  - Services – no other entity in Vermont provides this level of care. Several RFPs failed to find any organization willing to develop such a facility.
    - The DMH Secure Recovery Residence will provide equitable healthcare services for some of Vermont's most vulnerable people.

## GMCB RULE 4.402(2)

IN ORDER TO SATISFY 18 V.S.A. § 9437(1), THE APPLICANT MUST SHOW THAT THE PROJECT IS GENERALLY CONSISTENT WITH THE HRAP AND THAT THE PROJECT SATISFIES ANY HRAP THAT THE BOARD HAS IDENTIFIED IN A JURISDICTIONAL DETERMINATION UNDER SECTION 4.301(3) OR 4.302(2) OF THIS RULE, CON'T.

- Cost Containment - the lack of sufficient beds for people who need this level of care creates a cascade of costs through-out the system, as those in need of this care wait in hospitals, and those in need of hospital care wait in emergency rooms. When acute mental health needs go untreated, the person's condition may decline, leading to a longer and perhaps more challenging recovery period.
- Quality of care – the quality of the care environment in the new Recovery Residence will far surpass what has been available in what was envisioned to be a temporary facility and program.
  - Residents will have access to naturally-lit, communal areas
  - Residents will have access to secure outdoor areas

Payment and Delivery Reform – DMH fully embraces the Quadruple Aim and has recently convened the Mental Health Integration Council, in concert with a legislative charge to integrate health systems in Vermont. The DMH Secure Recovery Residence has been developed as a critical service in the vision of a fully integrated, equitable and responsive health care system.

GMCB RULE 4.402(3)(A)

THE BOARD MAY CONSIDER THE FOLLOWING FACTORS IN DETERMINING WHETHER A PROJECT WILL SERVE THE PUBLIC GOOD UNDER 18 V.S.A. § 9437(6):

(A) WHETHER THE PROJECT WILL HELP MEET THE NEEDS OF MEDICALLY UNDERSERVED GROUPS AND THE GOALS OF UNIVERSAL ACCESS TO HEALTH SERVICES.

- There are no other services/placements like the new secure residential.
- For this population, without this program, there are no options for community placement from a higher of care.
- No one will be denied service based on ability to pay
- No one is denied service based on race, gender, sexual orientation, age

# GMCB RULE 4.402(3)(B)

## WHETHER THE PROJECT WILL HELP FACILITATE THE IMPLEMENTATION OF THE BLUEPRINT.

The Vermont Blueprint for Health designs community-led strategies for improving health and well-being.

- The DMH Recovery Residence will play a key role in this work, as a facility that provides ready access to appropriate care.
- While the DMH Recovery Residence will be a clinical treatment residence, it will also focus heavily on providing non-clinical interventions and activities, such as functional skill building, practice in seeking and sustaining employment and housing, as well as in building inter-personal and self-care and wellness skills.
- The DMH Residential Recovery program is focused on building a culture of care that not only treats those seeking care with respect and dignity, but also supports them to lead the development of their treatment plan and recovery goals. Strategies holding the person's individual needs, values, and interests as a guide for treatment services will be reflected in their services plan.
- Each resident's local DA Community Rehabilitation & Treatment (CRT) program manager will be a member of the resident's treatment plan and will help build strong connections for the individual with other community services. As the former resident moves back into the community, their CRT Program Manager will assist with helping them transition to increased independence.



## GMCB RULE 4.402(3)(C)

WHETHER THE APPLICANT HAS DEMONSTRATED IT HAS ANALYZED THE IMPACT OF THE PROJECT ON THE VERMONT HEALTH CARE SYSTEM AND THE PROJECT FURTHERS EFFECTIVE INTEGRATION AND COORDINATION OF HEALTH CARE SERVICES.

# Integration and Coordination of Healthcare Services

## • Holistic Care

- Mental Health
- Physical Health
- Substance Use

## GMCB RULE 4.402(3)(C)

WHETHER THE APPLICANT HAS DEMONSTRATED IT HAS ANALYZED THE IMPACT OF THE PROJECT ON THE VERMONT HEALTH CARE SYSTEM AND THE PROJECT FURTHERS EFFECTIVE INTEGRATION AND COORDINATION OF HEALTH CARE SERVICES. CON'T.

### Mental Health

- Evidence Based Practices
  - Trauma Informed
  - Recovery Oriented Cognitive Therapy (CT-R)
  - Dialectical Behavior Therapy (DBT)
  - Motivational Interviewing
- Connection with Community Mental Health Services
  - All Residents assigned Case Manager in the Community Rehabilitation and Treatment Program (CRT)
    - Part of treatment team
    - Regular appointments and connection
    - Integrated team approach to discharge
- Staff
  - Psychiatrist
  - Psychologists
  - Social Workers
  - Specifically trained Mental Health Specialist
  - Recovery Specialists/Peers Professionals
  - Activities Therapists.

## GMCB RULE 4.402(3)(C)

WHETHER THE APPLICANT HAS DEMONSTRATED IT HAS ANALYZED THE IMPACT OF THE PROJECT ON THE VERMONT HEALTH CARE SYSTEM AND THE PROJECT FURTHERS EFFECTIVE INTEGRATION AND COORDINATION OF HEALTH CARE SERVICES, CON'T.

### Mental Health

Medication Management (Psychiatrist/Nursing staff)

Therapy (Psychologist)

Groups (Activities therapist/ Social Work/ Psychologist/ MHS/ Peers/ Nursing)

Life Skills

- Budgeting, ADL's, Cooking/Nutrition, Relaxation, Planning, Job Skills, Sleep Hygiene, Money Management, time management, Seasonal wellness skills etc.

Leisure Skills

- Arts and music, Gardening, Stress Management etc.

Health and Wellness

- Wellness Recovery Action Plan (WRAP), Smoking Cessation, Substance use management Skills, Medication Management etc.

Peers Supports

- In-house Peer Specialist
- Vermont Psychiatric Survivors

## GMCB RULE 4.402(3)(C)

WHETHER THE APPLICANT HAS DEMONSTRATED IT HAS ANALYZED THE IMPACT OF THE PROJECT ON THE VERMONT HEALTH CARE SYSTEM AND THE PROJECT FURTHERS EFFECTIVE INTEGRATION AND COORDINATION OF HEALTH CARE SERVICES, CON'T.

### Physical Health

- 24 Hour on-site nursing
- Yearly Physicals for all residents
- Connection to community PCP where the Resident lives
- Connections to Community Health Centers
- Dental and Vision Care
- Groups facilitated by nurses on health-related issues

## GMCB RULE 4.402(3)(C)

WHETHER THE APPLICANT HAS DEMONSTRATED IT HAS ANALYZED THE IMPACT OF THE PROJECT ON THE VERMONT HEALTH CARE SYSTEM AND THE PROJECT FURTHERS EFFECTIVE INTEGRATION AND COORDINATION OF HEALTH CARE SERVICES, CON'T.

### Substance Use Treatment

- In house Therapists/Psychologists
- Integrated Treatment plans and assessments
- Access to community treatment and groups
- In house groups on co-occurring treatment

## GMCB RULE 4.402(3)(D)

# WHETHER THE PROJECT IS CONSISTENT WITH CURRENT HEALTH CARE REFORM INITIATIVES, AT THE STATE AND FEDERAL LEVEL.

The DMH Recovery Residence would significantly enhance Vermont's progress on health care reform.

- Provide appropriate care in a timely manner
- Improve patient experience
- Improve provider experience
- Improve community connections/integration
- Help communities meet needs identified in Community Health Needs assessments
- Contain costs

## GMCB RULE 4.402(3)(E)

EXCEPT WHERE CIRCUMSTANCES SUPPORT APPROVAL OF AN EMERGENCY CERTIFICATE OF NEED, WHETHER THE PROJECT WAS IDENTIFIED PROSPECTIVELY AS NEEDED AT LEAST TWO YEARS PRIOR TO THE TIME OF FILING IN THE HOSPITAL'S FOUR-YEAR CAPITAL PLAN.

- Given this is not an emergency CON application, nor a project that is connected to a hospital, this criteria is not applicable.
- However, as noted throughout this presentation, planning for this replacement facility has been ongoing in the Legislature and at AHS since MTCR was first opened after Tropical Storm Irene.

## GMCB RULE 4.402(3)

(F) WHETHER, AND IF SO TO WHAT EXTENT, THE PROJECT WILL HAVE AN ADVERSE IMPACT ON THE ABILITY OF EXISTING FACILITIES TO PROVIDE MEDICALLY NECESSARY SERVICES TO ALL IN NEED, REGARDLESS OF ABILITY TO PAY OR LOCATION OF RESIDENCE.

No one will be denied service based on ability to pay

No one is denied service based on race, gender, sexual orientation, age

Service area is statewide



QUESTIONS?