

John D. Rockefeller IV
Governor



L. Clark Hansbarger, M.D.
Director

State of West Virginia

DEPARTMENT OF HEALTH

CHARLESTON 25305

NOTICE OF PUBLIC HEARING

Pursuant to Section five, Article three, Chapter twenty-nine-A of the Code of West Virginia, one thousand nine hundred thirty-one, as amended, the Regulatory Services Program of the West Virginia Department of Health shall convene a public hearing at 10:00 A.M. on Friday, January 8, 1982 in Conference Room E, Building 7, 1900 Washington Street, East, Charleston, West Virginia 25305, for the purpose of taking evidence pertaining to the filing of proposed Interim Health Facilities Plan, Chapter 16, Article 1, Series XII (1982).

Any citizen or other interested party may appear in person to present evidence. Any citizen or other interested party may submit written evidence to the West Virginia Department of Health, Regulatory Services Program, Room 416, 1800 Washington Street, East, Charleston, West Virginia 25305, not later than 5:00 P.M., Friday, January 8, 1982.

The issues to be heard shall be limited to the actual information contained in the proposed and above mentioned regulations. Copies of the proposed regulations may be obtained from the Regulatory Services Program, address heretofore appearing or by telephoning 304-348-2411.

FILED IN THE OFFICE OF
A. JAMES MANCHIN
SECRETARY OF STATE
THIS DATE 12-8-81
Administrative Law Division


L. Clark Hansbarger, M.D.
Director

Entered

December 8, 1981

PROPOSED

INTERIM HEALTH FACILITIES PLAN
FOR THE FISCAL YEAR 1982-83

Chapter 16-1
Series XII
(1982)

December, 1981

For Public Hearing January 8, 1982

FILED IN THE OFFICE OF
A. JAMES MANCHIN
SECRETARY OF STATE

THIS DATE 12-8-81
Administrative Law Division

Interim Health Facilities Plan
for the Fiscal Year 1982-83

Chapter 16-1
Series XII
(1982)

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WEST VIRGINIA ADMINISTRATIVE REGULATIONS
BOARD OF HEALTH

Chapter 16-1
Series XII
(1982)

FILED IN THE OFFICE OF
A. JAMES MANCHIN
SECRETARY OF STATE
THIS DATE 12-8-81
Administrative Law Division

Subject: Interim Health Facilities Plan for the Fiscal Year 1982-83

Section 1. General

1.01. Scope - This regulation establishes an interim one year health facilities plan for utilization of funds from the hospital services revenue account for the purpose of improving the delivery of health and mental health services at state health and mental health facilities, for maintaining or obtaining certification for such facilities, and for development and revision of the plan. This regulation outlines the process, staffing and budget for the development of the five year health facilities long-range plan. Anticipating that the development of a five year plan will require twelve months or more while the hospital services revenue account will begin accumulating funds January 1, 1982, this regulation also proposes expenditures of \$2,689,792 million for the fiscal year July 1, 1982 through June 30, 1983. These expenditures are primarily for renovations that will lead to certification generating more money for future projects and for improvements to assure the safety of the persons served in the state's institutions. All improvements will be subject to review under the State Certificate of Need law and Section 1122 of the Social Security Act.

1.02. Authority - These regulations are issued under authority of Chapter 16, Article 1, Section 15a of the West Virginia Code of 1931, as amended.

1.03. Filing Date - These regulation are promulgated on the _____ day of _____, 19____, and filed on the _____ day of _____, 19____, in the Secretary of State's office.

1.04. Effective Date - These regulations become effective on the _____ day of _____, 19____.

1.05. Expiration Date - This regulation shall expire on the 30the day of June, 1983.

Section 2. The Planning Process - The facilities administered by the department of health serve approximately 3,200 persons who are elderly, developmentally disabled, and/or mentally ill. They have a combined budget of over \$55 million and a staff of over 3,800. In some counties, the state's facilities are the largest employers and thus have a major impact on local economies. Consequently, the state's facilities impact upon many people's lives in a variety of ways. In establishing a planning process for the state's institutions, the department of health is committed to the policy that the process reflect the variety of interests which exist in the state vis-a-vis the health care institutions. Consequently, a two tiered structure described as a working committee and a review panel has been established. The working committee consists of legislators, health department and other state agency officials. Its responsibilities include developing a plan for review and comment and advising the director of health on the adoption of a plan. The review panel consists of representatives from advocate groups, employee associations, professional organizations, the state's medical schools and others. The review panel has the opportunity to make recommendations and comment upon the plan developed by the working committee. Members of the

working committee and review panel are appointed by the director of health.

Section 3. The Revenue Fund - The current annual income of all the state health facilities combined is \$4.5 million. The certification of 155 beds at Denmar and 93 beds at Pinecrest will generate an additional \$1.6 million per year. Assuming that in ten years (1992), the state will have reached its goal of having all beds certified and further assuming that approximately 2,500 persons will continue to be served by state facilities and reimbursed at \$25. a day, then the revenue fund should have an annual income of well over \$16 million a year. Figure 1 is a projection of the accumulation of funds in the hospital services revenue account.

Figure I
 Hospital Services Revenue Fund Projections

| Date Quarter Ending | Income For Quarter | Previous Balance | Interest 13% Annual | Total | Project Deductions | Balance of Funds |
|---------------------------|--------------------------|---------------------|---------------------------|------------|-----------------------|------------------------|
| 3/31/82 | 1,533,343 | -0- | -0- | 1,533,343 | 9,000 | 1,524,343 |
| 6/30/82 | 1,533,343 | 1,524,343 | 49,541 | 3,107,227 | 27,500 | 3,079,727 |
| 9/30/82 | 1,697,593 | 3,079,727 | 100,091 | 4,877,411 | 733,500 | 4,143,911 |
| 12/31/82 | 1,697,593 | 4,143,911 | 134,677 | 5,976,181 | 733,500 | 5,242,681 |
| 3/31/83 | 1,848,155 | 5,242,681 | 170,387 | 7,261,223 | 652,500 | 6,608,723 |
| 6/30/83 | 1,848,155 | 6,608,723 | 214,783 | 8,671,661 | 652,500 | 8,019,161 |
| 9/30/83 | 2,126,923 | 8,019,161 | 260,623 | 9,406,707 | -0- | 9,406,707 |
| 12/31/83 | 2,126,923 | 9,406,707 | 305,718 | 11,839,348 | -0- | 11,839,348 |
| 3/31/84 | 2,126,923 | 11,839,348 | 384,779 | 14,351,050 | -0- | 14,351,050 |
| 6/30/84 | 2,126,923 | 14,351,050 | 466,409 | 16,944,382 | -0- | 16,944,382 |

State Health Care Facilities

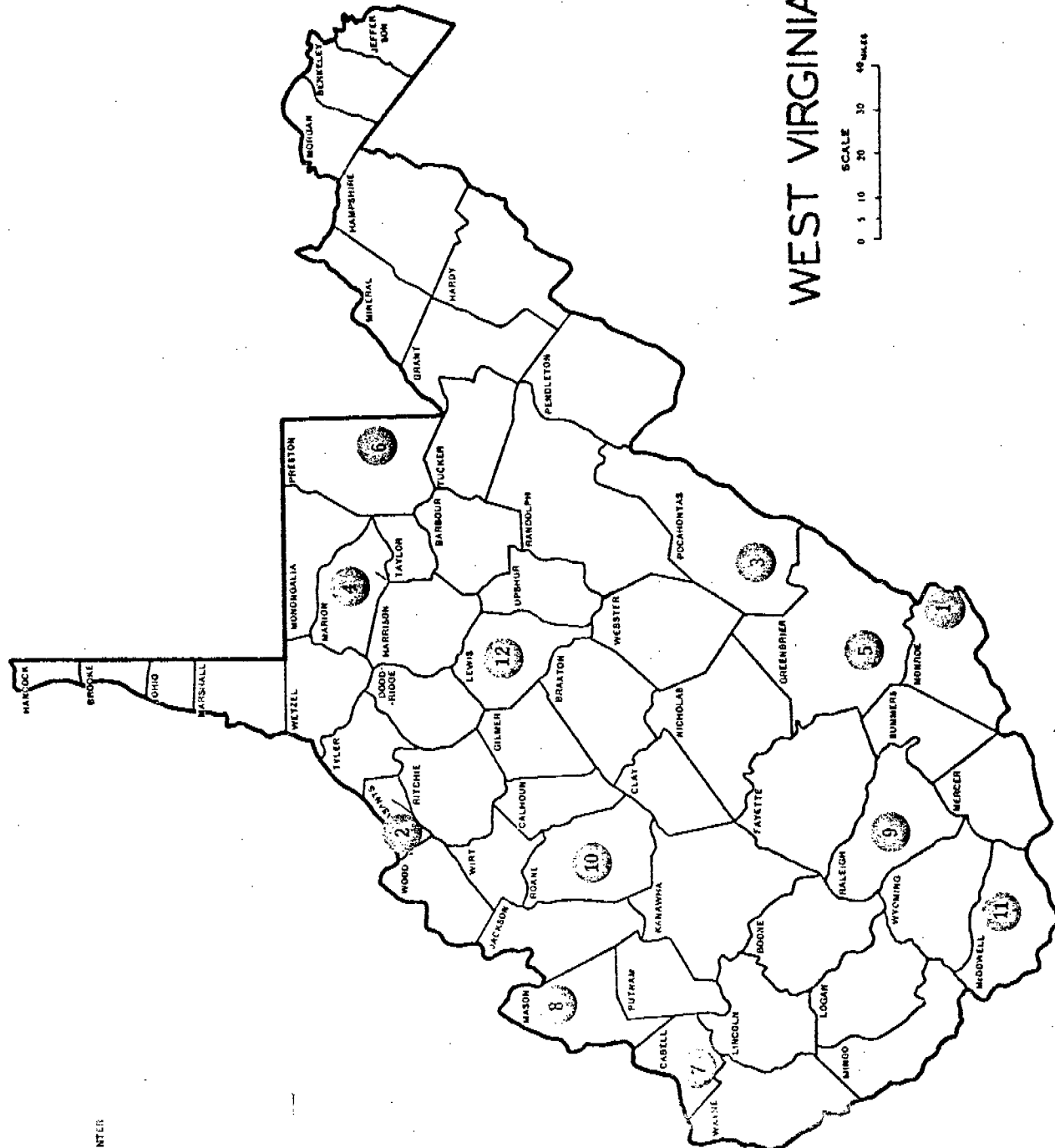
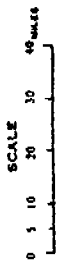
1981

| I. Long term Care Facilities | Capacity | Number of Certified beds | Number of Staff | Expenses | FY 1981 Collections |
|---|----------|--------------------------|-----------------|--------------|---------------------|
| 1. Hopemont | 304 | -0- | 386 | \$ 5,088,420 | \$ 478,258 |
| 2. Pinecrest | 248 | 93 | 340 | 5,336,801 | 418,443 |
| 3. Andrew S. Rowan | 196 | -0- | 98 | 1,565,100 | 153,749 |
| 4. Denmar | 165 | 155 | 242 | 3,635,433 | 535,165 |
| 5. Lakin | 167 | -0- | 225 | 3,325,749 | |
| II. Developmental Disability Facilities | | | | | |
| 6. Colin Anderson Center | 500 | 156 | 668 | 8,735,497 | 1,396,303 |
| 7. Greenbrier Center | 54 | -0- | 96 | 1,297,823 | 7,397 |
| III. Psychiatric Facilities | | | | | |
| 8. Huntington Hospital | 657 | -0- | 554 | 8,231,362 | |
| 9. Weston Hospital | 600 | -0- | 697 | 10,450,374 | |
| 10. Spencer Hospital | 478 | -0- | 360 | 5,112,509 | |
| IV. Emergency Medical Hospitals** | | | | | |
| 11. Welch Emergency (new facility) | 59 | -0- | 108 | 1,843,645 | 32,064 |
| 12. Fairmont Emergency | 44 | -0- | 61 | 1,185,487 | 116,686 |
| Total | 3,639 | 404 | 3,835 | 55,808,200 | 4,510,852 |

* Lakin has 120 long term care beds and an additional 20 bed childrens' unit.

** These hospitals provide primarily long term care services.

WEST VIRGINIA



- STATE HOSPITALS**
1. AUDREY S. ROWAN MEMORIAL HOME
 2. SHERMAN CENTER
 3. SOLN ANDERSON CENTER
 4. DENMARK HOSPITAL
 5. Hillabee
 6. FAIRMONT EMERGENCY HOSPITAL
 7. GREENBRIER COMMUNITY CENTER
 8. Greenbrier Hospital
 9. HUNTINGTON HOSPITAL
 10. Logan Hospital
 11. PHILCREST HOSPITAL
 12. SPOFFORD HOSPITAL
 13. WELCH EMERGENCY HOSPITAL
 14. WESTON HOSPITAL

Section 4. The Institutional Population - Approximately 3200 individuals are presently being served by the 12 state operated health facilities. Approximately one third of these individuals are over 65 years old and are in long term care facilities; 1/3 are developmentally disabled; and 1/3 are psychiatric patients.

In recent years, there has been a shift from the state hospitals towards community treatment. This shift has been viewed as desirable by state governments for both therapeutic and financial reasons and this plan endorses that trend. In West Virginia the implementation of the court decreed "Comprehensive Plan for Community Based Services for Developmentally Disabled Persons" will mean that within the next three to five years, the institutional population may be expected to decline. Even with the most optimistic projections for community placement, however, the state will continue to be responsible for an institutional population of 2,000-2,500 individuals. These will be acute and chronic psychiatric patients, the criminally insane and that portion of the geriatric population that has no access to private nursing homes for medical or economic reasons. The state may also have to continue to provide care for many developmentally disabled.

National economic and political trends should be carefully considered in planning for the future of the state's institutions. It is important to understand that the existing community services and private agencies have developed under an expansive social welfare system. National policy seems intent upon the contraction of that system. Consequently, we might expect that in the future, social, educational and medical services might be less available in the community, at the same time that demands for services may be increased.

Section 5. GOAL I - THE STATE'S INSTITUTIONAL POPULATION SHALL BE SERVED BY FACILITIES WHICH MEET FEDERAL STANDARDS FOR MEDICAID AND MEDICARE CERTIFICATION.

The State of West Virginia has been losing millions of dollars in federal reimbursement for patients eligible to receive Medicare and Medicaid payments. Of the 12 state operated health facilities, only three, Colin Anderson Center (156 beds), Pinecrest (93 beds), and Denmar (155 beds) have beds which meet the standards for federal reimbursement. Pinecrest and Denmar received certification October 1, 1981. Their certification, which was accomplished with an investment of \$800,000, should realize an additional \$1.6 million in federal dollars for the state next year.

Some facilities, such as Weston or Spencer, will require large investments for major renovations or new construction to make them eligible for certification. It is the goal of the state health department to plan for the eventual certification of all of its facilities, not only because of the availability of the federal dollars but also because certification will assure that West Virginia's state hospital population will receive better care in facilities which are safe and comfortable commensurate with national standards.

While the development of a five year plan which will address the issue of certification at all the facilities is in progress, the state can make some relatively small investments at Fairmont Emergency Hospital, Greenbrier Center and B-wing at Pinecrest Hospital. For an estimated \$347,512, an additional 182 intermediate care facility beds could be certified to realize an additional \$1.2 million per year. The assumptions for arriving at this figure are that 182 intermediate care facility beds will have a 90% occupancy rate and that 80% of the occupants will be eligible for reimbursement and be reimbursed at \$25 per day.

Fairmont Emergency Hospital has served primarily as an intermediate care facility with 35 long term care beds and 6 acute care beds since its opening in a new building in 1980. Its current census is 41. Two deficiencies keep Fairmont Hospital from being certified: (1) Incomplete stairs leading away from a fire exit to the rear of the building, and (2) a laboratory ventilation system inadequate for venting fumes from toxic substances. When Fairmont Hospital is certified as an intermediate care facility, it is anticipated to generate approximately \$273,000 in additional funds per year. No additional full time staff positions will be required to meet minimal certification staffing patterns.

Greenbrier Center is a short-term training facility serving primarily the mentally retarded 5-23 years of age. Its current census is 50. Deficiencies which preclude Greenbrier Center from certification under Intermediate Care/Mental Retardation standards include fire safety violations and the lack of accessibility for the handicapped. When Greenbrier Center is certified, it is expected to generate \$328,000 per year. No additional staff will be required.

Pinecrest Hospital is a long-term care facility providing skilled, intermediate and personal care for an average of 225 people. C-Wing with 93 beds has recently been renovated and certified for Medicaid/Medicare reimbursement. The renovation of B-Wing will add an additional 90 certifiable beds, increasing revenues to Pinecrest Hospital by approximately \$593,000 per year. No additional staff will be necessary for the certification of B-Wing.

Recommendations

1. Fairmont Emergency Hospital should receive \$48,000 from the Hospital

Services Revenue Fund to extend the stairs of the fire exit and contract its laboratory ventilation system.

2. Greenbrier Center should receive \$263,580 from the Health Facilities Revenue Fund to correct fire safety violations and make Greenbrier Hall and the Activities Building accessible to the handicapped.
3. Pinecrest Hospital should receive \$535,932 from the Health Facilities Revenue Fund to renovate B-Wing as an intermediate care facility.

Section 6. GOAL II - THE STATE'S INSTITUTIONAL POPULATION SHALL BE SERVED IN FACILITIES WHICH ARE SAFE, COMFORTABLE, AND IN GOOD REPAIR.

Some of the facilities operated by the state health department will require major investments for renovation or for replacement before they can meet standards for federal reimbursement. A long range plan will contain recommendations for these facilities so that ultimately all health care institutions operated by the State will meet the standards for certification. In the meantime, the existing facilities must be maintained to assure the safety and the comfort of those who inhabit them. Repairs must also be undertaken where necessary to protect the State's investment in the existing buildings and where possible to promote cost-effective alterations such as those which will lead to a conservation of energy. This plan therefore proposes budgeting \$462,200 for improvements and alterations.

The recommendations for expenditures are based on the following criteria (1) safety (2) conservation of energy (3) maintaining certification (4) maintaining or developing a comfortable environment.

Recommendations (not listed in any order of priority)

| <u>Facilities</u> | <u>Type of Improvement</u> | <u>Cost</u> |
|-----------------------|--|---------------|
| Andrew S. Rowan | Energy conservation insulation | \$ 18,000 |
| Hopemont | Energy conservation, pipes, insulation, windows | 160,000 |
| Hopemont | Wiring | 69,500 |
| Spencer | Energy conservation, window replacement | 22,700 |
| Huntington | Replacement of 3 roofs | 139,000 |
| Colin Anderson Center | Replacement of 1 roof | <u>30,000</u> |
| | TOTAL | \$462,200 |

Section 7. GOAL III - WHERE IT IS COST EFFECTIVE, INPATIENT BEHAVIORAL HEALTH SERVICES SHALL BE AVAILABLE TO THOSE PERSONS SERVED BY THE STATE'S INSTITUTIONS WITHIN 60 MINUTES OF THEIR PLACE OF RESIDENCE.

This proposal recommends establishing inpatient behavioral health services at Pinecrest State Hospital in Beckley to serve the southeastern part of the state. An acute inpatient psychiatric unit presently exists at Beckley Appalachian Regional Hospital. Because of their inability to pay and/or the characteristics of their medical problem (i.e., violent behavior, suicidal behavior, repeated acute admissions), many patients from that area are not served by Beckley Appalachian Regional Hospital but are transported to Huntington State Hospital. Between January 1, 1980 and June 30, 1981, 301 people from the Fayette-Monroe-Raleigh-Summers Mental Health Council and Southern Highlands Mental Health Council (Mercer, McDowell, Wyoming Counties)

catchment areas were admitted to Huntington Hospital. These individuals were primarily male, between the ages of 20 and 40 and were acutely suicidal or severely acting out patients, who were a threat to themselves or others.

Establishing a facility for treatment at Pinecrest would permit patients greater access to family and friends and promote continuity of care through mental health center outreach workers who are not now able to visit their patients at Huntington Hospital. It would also alleviate the difficulties experienced by sheriff's departments in the seven counties which are charged by law with transporting patients involved in the legal procedure for involuntary commitment. For the state, opening a psychiatric unit at Pinecrest would not be assuming a new responsibility but shifting the services from one part of the state to another.

It is proposed that Unit D of Pinecrest Hospital be renovated for use as a psychiatric facility with a total of 78 beds, and that FMRS Mental Health Center provide treatment services and administrative services for the hospital. The renovation should proceed in 2 phases beginning with the renovation of the 5th and 6th floor and including a new fire stair tower, elevator shaft and elevator, lower lobby and emergency entry.

With the completion of Phase I of 52 certified beds, revenues to the state are estimated at \$691,891 per year. Completion of all 78 beds should bring the state \$1,073,000 in revenue annually. The assumptions for this figure are: psychiatric beds are estimated at 90% occupancy rate; 60% of the occupants will be eligible for reimbursement at \$70 per day.

Recommendation

Pinecrest Hospital should receive \$1,312,632 to renovate 52 beds for use by psychiatric patients in Unit D.

Section 8. Resource Requirements for Goals I, II, III

| | |
|-----------------------------|------------------|
| Fairmont Emergency Hospital | \$ 48,000 |
| Greenbrier Center | 263,580 |
| Pinecrest Hospital (B-Wing) | 535,932 |
| Andrew S. Rowan | 18,000 |
| Hopemont Hospital | 229,500 |
| Spencer Hospital | 22,700 |
| Huntington Hospital | 139,000 |
| Colin Anderson Center | 30,000 |
| Pinecrest Hospital (D Unit) | <u>1,312,632</u> |
| Total | \$ 2,599,344 |

Section 9. Operating Cost - To develop the five year plan as mandated will require \$90,448 for a planner, clerical support, fringe benefits, contracted architectural and engineering services, and associated office expenses. The responsibilities of the planner are; to develop data and make projections of numbers of people served by and services required by institutions; to coordinate and staff the committees of the plan development process; to develop options for presentation to the committees and director of health; to write a 5 year plan as developed by the committees; to coordinate the implementation of the plan; to

work with the Treasurer's Office and Administrative Services on the revenue fund; to carry the plan through the public review process; and to coordinate the implementation of the plan.

Section 10. Total Expenditures - Total expenditures required for the implementation of this interim health facilities plan are \$2,689,792.

Section 11. Administrative Due Process - Those affected persons desiring a public hearing shall do so in a manner prescribed in and by the West Virginia Rules of Procedure, West Virginia Board of Health, Chapter 16-1, Series I, 1981 and further identified as Rules of Procedure for Contested Case Hearings and Declaratory Rulings. The aforementioned rules of procedure are incorporated herein by reference.

Section 12. Severability - If any provision of these regulations or the application thereof to any person or circumstance shall be held invalid, such invalidity shall not affect the provisions or applications of these regulations which can be given effect without the invalid provisions or application, and to this end the provisions of these regulations are declared to be severable.