

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, February 26, 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 I, 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, February 26, 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.

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SECY. OF STATE

L. Clark Hansbarger, M.D.
Director

PROPOSED

INTERIM HEALTH FACILITIES PLAN
FOR THE FISCAL YEAR 1982-83

Chapter 16-1

Series XII

(1982)

January, 1982

For Public Hearing February 26, 1982

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DEPT. OF STATE

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)

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 \$4,749,792 million for the fiscal year July 1, 1982 through June 30, 1983. 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 the 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 30th 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.

(Figure I and II show the location and present a statistical description of the facilities)

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 III is a projection of the accumulation of funds in the hospital services revenue account. With expenditures of approximately \$4.7 million, the revenue account is projected to accumulate \$5.7 million by July 1, 1983.

Figure I
 State Health Care Facilities
 1981

I. Long term Care Facilities	Capacity	Number of Certified beds	Number of Staff	Expenses	FY 1981 Collections
1. Hopement	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. Colln 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	1,372,787
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	<u>44</u>	<u>-0-</u>	<u>61</u>	<u>1,185,487</u>	<u>116,686</u>
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.

Figure III

Hospital Services Revenue Fund Projections

DATE-QUARTER	NORMAL	<u>CERTIFIED</u>	<u>CERTIFIED</u>	<u>CERTIFIED</u>	<u>CERTIFIED</u>	<u>CERTIFIED</u>	<u>TOTALS</u>
ENDING	INCOME	PINECREST	DENMAR	LAKIN	FAIRMONT	GREENBRIER	
March 31, 1982	\$1,000,000	\$ 152,843	\$255,500				\$1,408,343
June 30, 1982	1,000,000	*152,843	*255,500				408,343
Sept. 30, 1982	1,000,000	152,843	255,500	\$ 164,250			1,408,343
Dec. 31, 1982	1,000,000	152,843	255,500	164,250			1,572,593
March 31, 1982	1,000,000	152,843	255,500	164,250	\$68,437		1,723,155
June 30, 1983	1,000,000	152,843	255,500	164,250	68,437		1,723,155

*(FUNDS FROM PINECREST & DENMAR FOR OCT. 1981 - DEC. 1981 WILL BE RECEIVED IN JAN. - JUNE 82. (\$408,343)

FY 81-82 3,225,029 PLUS \$50,000 INTEREST (ESTIMATED) = \$3,275,029
 FY 82-83 6,591,496 PLUS \$500,000 INTEREST (ESTIMATED) = \$7,091,496

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; one third are developmentally disabled; and one third 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 Denmark (155 beds) have beds which meet the standards for federal reimbursement. Pinecrest and Denmark 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 \$847,512, 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 correct 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.

Resource Requirements GOAL I

1. Fairmont Emergency Hospital	\$ 48,000
2. Greenbrier Center	\$ 263,580
3. Pinecrest Hospital, B Wing	<u>\$ 535,932</u>
Total	\$ 847,512

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 or more efficient use of resources. A more

efficient use of resources includes establishing Hopemont State Hospital as a personal care facility which will require fewer staff. State health planning statistics also show that there is a need for personal care beds in West Virginia. This plan therefore proposes budgeting \$699,200 for improvements and alterations.

The recommendations for expenditures are based on the following criteria (1) safety (2) conservation of energy (3) efficiency (4) maintaining certification (5) maintaining or developing a comfortable environment.

Recommendations and Resource Requirements (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
Weston, Forensic Unit	Heating & Air Condition, System, Automatic Sprinkler System, Fire Alarm, Security System.	420,000
Hopemont	Renovation of Administration Building for 35-40 personal care beds.	69,500
Spencer	Energy conservation, window replacement	22,700
Huntington	Replacement of 3 roofs	81,000
Colin Anderson Center	Replacement of 1 roof	<u>88,000</u>
	TOTAL	\$699,200

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 IN THE MOST APPROPRIATE AND LEAST RESTRICTIVE SETTING.

This proposal recommends the establishment of an inpatient behavioral health services unit at Pinecrest State Hospital in Beckley to serve patients from Fayette, Monroe, Raleigh, Summers, Mercer, McDowell, and Wyoming Counties. The paramount objective of this unit will be provision of quality inpatient psychiatric services to patients now served by Huntington State Hospital in a setting much closer to their places of residence.

In Phase I of the renovation project, two floors of Pinecrest State Hospital Unit D will be reconstructed to provide 52 certified psychiatric inpatient beds at a cost of \$1,312,632.00. If future funding permits, another 26 beds will be added under Phase II of the project.

The Department of Health will contract with Fayette-Monroe-Raleigh-Summers Mental Health Council (FMRS) to provide treatment staff and programming. Pinecrest Hospital will provide hotelling services. FMRS will have a subcontract with Southern Highlands Mental Health Council to serve residents of Mercer, McDowell, and Wyoming Counties.

The primary philosophical tenet of this project is that psychiatric patients respond best to treatment offered in or near their communities where linkages to significant others and community based services are most readily available. A psychiatric unit at Pinecrest will offer greater continuity and quality of care as a result of treatment being offered in or near the patient's community, improved interagency communication, better patient transition from inpatient to outpatient care, a more efficient referral system, better qualified staff due to recruiting advantages, and partial relief of overcrowded conditions at Huntington State Hospital. It will meet the needs of an underserved population, and reduce the financial burden on families, and county governments for transportation costs.

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This Pinecrest State Hospital and FMRS inpatient behavioral health services unit (Pinecrest-FMRS Unit) will meet the needs of subchronic patients who are defined as those who have extended term mental illnesses, need many periodic hospitalizations, and can usually be returned to their communities within 15 to 60 days with the aid of a treatment system that unifies psychiatric inpatient and outpatient community mental health services under one central administration.

A December 7, 1981 research study of Huntington State Hospital patients from the above cited counties indicated that the majority of the patients were subchronic as defined above and include individuals with extended illnesses, the developmentally disabled, and the aged. A June 1981 study indicated at least 200 of the 301 residents from the above cited counties admitted to Huntington State Hospital were classified as subchronic and would benefit from the program.

The Pinecrest-FMRS Unit is also designed to treat individuals often referred to as "revolving door" patients or multiple admittees. The June 1981 study indicated that these individuals accounted for 18% of 301 patients studied. These multiple admittees were primarily male, aged between 20 and 40, suicidal, prone to violence, and accounted for 34% of all Huntington State Hospital admissions and 39% of total escapes during the study period.

Should the subchronic and multiple admittees not fill all Pinecrest-FMRS Unit beds on a continuing basis, other suitable patients (very chronic or developmentally disabled) could be admitted, or the catchment area could be expanded to include other southern West Virginia counties.

The Pinecrest-FMRS Unit is designed to serve patients not currently served by Beckley Appalachian Regional Hospital and Princeton Community Hospital. The

aforementioned study indicated that on December 7, 1981 there were 211 patients at Huntington State Hospital from the targeted counties. On that particular day, even if the existing 40 psychiatric inpatient beds at the two local hospitals were filled with the identified Huntington State Hospital patients, a need would still exist for 171 beds at the Pinecrest-FMRS Unit. This would be more than enough to fill the 52 Phase I beds and the additional 26 Phase II beds.

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.

In addition this plan recommends the expenditure of \$1.8 million to construct a 36 bed unit for emotionally disturbed/behaviorally disordered adolescents at Huntington State Hospital. The current facility at Lakin Hospital does not meet fire safety standards nor certification standards and is considered unsuitable for renovation. Since a new facility will have to be constructed, it is recommended that it be built at Huntington State Hospital. Locating the adolescent program in an urban area will make the specialized treatment services, particularly through Marshall University Medical School, more accessible and available.

Recommendations

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

2. 1.8 million should be appropriated for construction of a 36 bed adolescent behavioral health unit at Huntington Hospital.

Resource Requirements for Goal III

1. Pinecrest - D Wing	\$ 1,312,632
2. Adolescent Unit at Huntington	<u>1,800,000</u>
Total.....	\$ 3,112,632

Section 8. 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 9. GOAL I Total Resource Requirements

Fairmont Emergency	\$ 48,000
Hospital	
Greenbrier Center	263,580
Pinecrest Hospital - B Wing	<u>535,932</u>
Total.....	\$847,512

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<u>GOAL II</u>	A. S. Rowan	18,000
	Weston Hospital/Forensic	420,000
	Hopemont Hospital	69,500
	Spencer Hospital	22,700
	Huntington Hospital	81,000
	Colin Anderson Center	<u>88,000</u>
	Total.....	699,200

<u>GOAL III</u>		
	Pinecrest D	1,312,632
	Adolescent Unit	<u>1,800,000</u>
	Total.....	3,112,632

<u>GOAL IV</u>		
	Operating Costs	<u>90,448</u>90,448

TOTAL EXPENDITURES \$ 4,749,792

Section 10. 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 11. 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.