

State of Vermont

Department of Mental Health
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Agency of Human Services

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September 23, 2016

Donna Jerry
Senior Health Policy Analyst
Green Mountain Care Board
89 Main Street
Montpelier, VT 05602

RE: Docket 12-028-H
Vermont Psychiatric Care Hospital

Dear Donna:

By this letter of transmittal, the Department of Mental Health submits the CON Implementation Report for the Vermont Psychiatric Care Hospital (VPCH) for the 1st Quarter of 2016. The spreadsheet is for the period of January 1 through March 31, 2016.

Please contact me should you have any questions.

Thank you.

Sincerely,

Judy P. Rosenstreich

Judy P. Rosenstreich
Senior Policy Advisor



Docket No. 12-028-H
Emergency Certificate of Need Application
Berlin State-run Hospital

Vermont Psychiatric Care Hospital

CON IMPLEMENTATION REPORT

Report Submitted to the

Green Mountain Care Board

January 1, 2016 through March 31, 2016

**Frank Reed, Commissioner
Vermont Department of Mental Health**

**Judy Rosenstreich, DMH Senior Policy Advisor,
prepared the CON Implementation Report with
input from the Vermont Department of Buildings
and General Services, Agency of Human Services/
DMH Information Technology Director, and Vermont
Psychiatric Care Hospital Chief Executive Officer.**

Verification Under Oath

**STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD**

In re: Vermont Psychiatric Care Hospital)
 CON Implementation Report) Docket No. 12-028-H
 January 1, 2016 to March 31, 2016)

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

Frank Reed, being duly sworn, states on oath as follows:

1. My name is Frank Reed. I am the Commissioner of the Vermont Department of Mental Health. I have reviewed the Certificate of Need Implementation Report for the Vermont Psychiatric Care Hospital.
2. Based on my personal knowledge and after diligent inquiry, I attest that the information contained in the Certificate of Need Implementation Report for the Vermont Psychiatric Care Hospital 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 Certificate of Need Implementation Report for the Vermont Psychiatric Care Hospital 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 Certificate of Need Implementation Report for the Vermont Psychiatric Care Hospital 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:

- (a) Judy P. Rosenstreich, MSA, Senior Policy Advisor, Department of Mental Health, developed the CON Application for the Vermont Psychiatric Care Hospital, has lead responsibility for this CON Implementation Report, represents the Applicant before the Green Mountain Care Board on regulatory matters, and advises the Department of Buildings and General Services on the CON process.
- (b) Michael Kuhn, RA, Buildings Engineer III, Vermont Department of Buildings and General Services (BGS), managed development and construction of Vermont Psychiatric Care Hospital, provided financial oversight of project costs, ensured compliance with building codes and occupancy requirements, authorized modifications during construction and after opening the facility on July 2, 2014, and prepared the spreadsheet to include all CON expenditures attributed to BGS.
- (c) Jeff Rothenberg, M.S., LCMHC, Chief Executive Officer, Vermont Psychiatric Care Hospital, has senior management responsibility for hospital operations, regulatory compliance, human resources, system integration, external relations, and institutional leadership of the program for acute inpatient psychiatric care.
- (d) Isabelle Desjardins, M.D., Executive Medical Director, Vermont Psychiatric Care Hospital; Medical Director of Inpatient Psychiatry, UVM Medical Center; Associate Professor of Psychiatry, UVM College of Medicine, is the lead clinician and director of the medical staff contracted by the State to provide psychiatric and general medical care at VPCH.
- (e) Brian Isham, B.A., AHS IT Director for the Vermont Department of Mental Health, provides direction and collaborative leadership for DMH staff planning the development/implementation of an Electronic Health Record (EHR) for the Vermont Psychiatric Care Hospital, serves as a resource for the IT infrastructure needs of the hospital, interfaces with the Vermont Department of Information and Innovation (DII), and helps steer the EHR project under the leadership of AHS Project Manager, Cheryl Burcham.¹
- (f) Cheryl Burcham, Project Management Professional (PMP), Project Manager, AHS IT, serves as lead project manager with responsibility for the planning, development, and implementation of an Electronic Health Record for the Vermont Psychiatric Care Hospital.

¹ Cheryl Burcham was Project Manager throughout this reporting quarter, January 1, 2016, to March 31, 2016. Project management responsibility was re-assigned to Brian Tierney, AHS IT, on May 29, 2016, and will be reflected in the Q2 reporting period.

(g) Cathy Deyo, B.A., Financial Director I, Vermont Department of Mental Health, represents the Business Office of the Department of Mental Health in regard to Vermont Psychiatric Care Hospital reportable expenditures for the CON process. ²

(h) Stephanie Fuller, Financial Manager III, Agency of Administration Financial Services Division, supervises accounting staff and functions related to paying approved invoices of the Department of Buildings and General Services that are included in Total Project Costs for the Vermont Psychiatric Care Hospital.

5. In the event that the information contained in the Certificate of Need Implementation Report for the Vermont Psychiatric Care Hospital becomes untrue, inaccurate or incomplete in any material respect, I acknowledge my obligation to notify the Green Mountain Care Board and to supplement the Certificate of Need Implementation Report for the Vermont Psychiatric Care Hospital as soon as I know, or reasonably should know, that the information or document has become untrue, inaccurate or incomplete in any material respect.



Frank Reed, Commissioner, Department of Mental Health

On September 23, 2016, appeared before me and swore to the truth, accuracy and completeness of the foregoing.



Notary public

My commission expires 2/10/19



² Cathy Deyo was Financial Director I throughout this reporting quarter, January 1, 2016, to March 31, 2016. The Applicant's Financial Director I position is currently held by Anna Strong.

Health Information Technology

BACKGROUND

The Department of Mental Health signed a contract on December 30, 2015, with Computer Programs and Systems, Inc. ("CPSI") to provide a vendor hosted, web-based commercial off-the-shelf ("COTS") contractor-supported electronic medical records system for the Vermont Psychiatric Care Hospital ("VPCH").³ The contracted system will integrate physical, behavioral, dietary, billing and lab functions into a single system. Technology services from CPSI began on January 1, 2016, and will end on December 31, 2020. In addition, there is an option to extend the initial contract term for two additional one-year periods (Year 6 and Year 7).

This is an "off-the-shelf" system to be tailored to the needs of VPCH. The schedule is to complete the implementation phase by October 2016, which would then be followed by a contractor-supported maintenance and operation phase. As payments are made to CPSI for services rendered, such costs will be reported under Related Project Costs on the spreadsheet, Line 10. Full implementation of the Electronic Health Record is anticipated well before the 5-year contract term ends and thus at a total cost less than the not-to-exceed contractual amount of \$1,689,464. Actual CON costs to accomplish this, including associated expenses for training, consultation, and travel, are not expected to exceed the Total Project Cost as reflected in the Certificate of Need issued. The Department of Mental Health will advise the Green Mountain Care Board in the event this expectation changes.

The contracted system is called Thrive EHR. It will be interoperable with the Vermont Health Information Exchange ("VHIE") through Vermont Information Technology Leaders ("VITL") per 18 V.S.A. § 9352. The contract meets the requirements of the Certificate of Need for an Electronic Health Record under 18 V.S.A. § 9351. It meets the following objectives:

- Integrate physical, behavioral, pharmacy, dietary and lab functionality into a single unified EHR solution
- Streamline and standardize workflow to increase patient care and decrease clinical errors
- Implement quality improvement and operational efficiency programs made possible through data gathered through the system
- Improve the coordination of care by enhancing interoperability among VPCH and external partners in care
- Maximize the integration of behavioral health care with physical medicine
- Meet federal Health and Human Services requirements for Meaningful Use Certification as required for all healthcare technology

³ As reported in the January to December 2014 CON report, DMH received four bids due by August 29, 2014. An open bid process yielded proposals from Computer Programs and Systems, Inc.; UVM Medical Center (formerly Fletcher Allen Health Care); Netsmart Technologies, Inc., and Sajix Software Solutions. A Selection Committee of DMH, AHS IT, and DII employees reviewed, scored and ranked each proposal based on the qualifications of the organization and the quality of the evaluation study design. The proposal from CPSI received the highest average score and ranking by reviewers. The CON report of 2014 stated that once an EHR system is selected and the cost known, the State will submit the plan for regulatory review. The CPSI contract is available upon request.

- Interoperability with VHIE through VITL
- Automate report generation
- 24 x 7 x 365 support and service

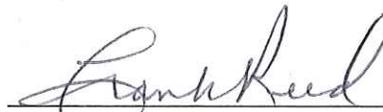
PROJECT STATUS

For the January through March reporting period, the implementation schedule for the Electronic Health Record remains on track for a fall implementation. In February the vendor held on-site meetings at VPCH to meet with key staff to gather facility requirements in order to begin configuring the system. The vendor did a walk through to assess equipment and technical requirements to support the system. It will provide VPCH with a map of the facility and the network topology. At these on-site meetings there were opportunities for VPCH staff to ask questions about the system as well as for the vendor to get a feel for the unique way that VPCH provides patient care. The vendor's team gathered conversion data, did an interface review, evaluated policies and procedures, evaluated staff responsibilities, and did an IT assessment.

During March the vendor worked on the configurations of VPCH's system based on the requirements gathered in February during the on-site meetings. During this time VPCH staff worked on gathering the data elements required to populate the system's modules: financial information for billing and insurance, ancillary services, rooms, beds, and specific data needed to populate patient electronic health record. Also in March, several VPCH staff members traveled to Mobile, Alabama, to attend vendor's training workshops. The week's training consisted of an Electronic Forms Workshop, a System Orientation Seminar, and an Inpatient Physician Administrators workshop.

Buildings and General Services

The Department of Buildings and General Services, with their Civil Engineering consultant, has developed site plans for submission to the local and State permitting authorities. We are completing the floor plans and elevations for the storage garage. The February 23, 2016, report for the fourth quarter of 2015 referred to questions regarding the amount of the property, the campus, that was developed for the Vermont Psychiatric Care Hospital. We are still awaiting resolution of this matter regarding the amount of property we have for the facility. Once these questions are answered, we will submit the plans for local and State approvals. The estimate for the garage and associated work remains unchanged at \$100,000.00.

 9/23/16
Frank Reed, LICSW Date
Commissioner
Vermont Department of Mental Health
Waterbury, Vermont

**Vermont Department of Mental Health
Vermont Psychiatric Care Hospital - Berlin, Vermont
CON Implementation Report #8
Project Costs - Period: 01/01/2016 - 03/31/2016**

	Certificate of Need Approved Amount	Expenditures for 1/1/16 - 3/31/16	Dollars Expended to Date	Dollars That Remain	% Under/Over	Current Expense Values
Construction Costs						
1. New Construction	\$ 14,683,475	\$ 2,020	\$ 19,248,196	\$ (4,564,721)	31.1% over	\$ 18,328,754
2. Renovation				\$ -		
3. Site Work	1,750,000	\$ -	\$ 2,324,048	\$ (574,048)	32.8% over	\$ 2,375,854
4. Fixed Equipment			\$ -	\$ -		
5. Design/Bidding Contingency	1,643,300					
6. Construction Contingency	941,550	\$ -				\$ 645,680
7. Construction Manager Fee	657,320	\$ -	\$ 598,236	\$ 59,084	9% under	\$ 538,179
8. Other - Construction Costs	754,929	\$ -	\$ 232,931	\$ 521,998	69.1% under	\$ 283,354
Subtotal	<u>\$ 20,430,574</u>	<u>\$ 2,020</u>	<u>\$ 22,403,411</u>	<u>\$ (1,972,837)</u>	<u>9.7% over</u>	<u>\$ 22,171,821</u>
Related Project Costs						
1. Major Moveable Equipment	\$ 1,175,000		\$ -	\$ 1,175,000		\$ 219,904
2. Furnishings, Fixtures & Other Equipment	1,300,000	\$ -	\$ 1,519,890	\$ (219,890)	16.9% over	\$ 4,048,059
3. Architectural/Engineering/Implementation Fees	2,050,000	\$ -	\$ 2,083,285	\$ (33,285)	0.2% over	\$ 2,117,350
4. Land Acquisition	2,400,000	\$ -	\$ 2,314,765	\$ 85,235	3.6% under	\$ 2,400,000
5. Purchase of Buildings				\$ -		
6. Administrative Expenses & Permits	575,000	\$ -	\$ 241,705	\$ 333,295	57.9% under	\$ 521,682
7. Debt Financing Expenses (see below)	9,704,388		\$ -	\$ 9,704,388		\$ 5,279,883
8. Debt Service Reserve Fund			\$ -	\$ -		
9. Owners Contingency			\$ -	\$ -		
10. Other - Electronic Health Record	376,620	85	\$ 27,145	\$ 349,475	92.8% under	
Subtotal	<u>\$ 17,581,008</u>	<u>\$ 85</u>	<u>\$ 6,186,790</u>	<u>\$ 11,394,218</u>	<u>64.8% under</u>	<u>\$ 14,586,878</u>
Total Project Costs	\$ 38,011,582	\$ 2,105	\$ 28,590,201	\$ 9,421,381	24.8% under	\$ 36,758,699