



Office of Health Care Access Certificate of Need Application

Final Decision

Applicant: Connecticut State Department of Mental Health and
Addiction Services

Docket Number: 04-30370-CON

Project Title: Construction /Renovation to Expand and Improve
Ward #6 at Whiting Forensic Institute

Statutory Reference: Sections 19a-638 & 19a-639 Connecticut General
Statutes

Filing Date: February 14, 2005

Decision Date: April 21, 2005

Default Date: May 15, 2005

Staff Assigned: Paolo Fiducia

Project Description: The Connecticut State Department of Mental Health and Addiction Services (“Applicant”) proposes to renovate and improve Ward #6 at the Whiting Forensic Institute located at Holmes Drive in Middletown, Connecticut, at a total capital expenditure of \$2,431,544.

Nature of Proceedings: On February 14, 2005, the Office of Health Care Access (“OHCA”) received Connecticut State Department of Mental Health and Addiction Services’ Certificate of Need (“CON”) application seeking authorization to renovate and expand Ward #6 at Holmes Drive, Middletown, Connecticut, at a total capital expenditure of \$2,431,544. The Hospital is a health care facility or institution as defined by Section 19a-630 of the Connecticut General Statutes (“C.G.S.”).

A notice to the public regarding the OHCA receipt of the Hospital's Letter of Intent to file its CON application was published in *The Middletown Press* on September 18, 2004, pursuant to Sections 19a-638 and 19a-639, C.G.S. OHCA received no comments from the public concerning the Hospital's proposal.

OHCA's authority to review and approve, modify or deny this application is established by Sections 19a-638 and 19a-639, C.G.S. The provisions of this section, as well as the principles and guidelines set forth in Section 19a-637, C.G.S., were fully considered by OHCA in its review.

Findings of Fact

Clear Public Need

Impact of the Proposal on the Hospital's Current Utilization Statistics

Proposal's Contribution to the Accessibility and Quality of Health Care Delivery in the Region

Impact of the Proposal on the Interests of Consumers of Health Care Services and Payers for Such Services

1. The Connecticut State Department of Mental Health and Addiction Services Whiting Forensic Institute ("Applicant") is located at Holmes Drive, Middletown, Connecticut. *(September 8, 2004, Letter of Intent, page 2)*
2. Whiting Forensic Institute ("WFI") is a 106 bed state institution for the criminally insane. The client population in this ward consists of patients whose behavior requires specialized services, including restraint and seclusion and a high degree of special observations for individualized treatment plans for behavioral modifications. *(February 3, 2005, CON Application, page 1)*
3. The Applicant's primary and secondary service area is the State of Connecticut. *(February 3, 2005, CON Application, page 3)*
4. The Applicant proposes to renovate and expand Ward #6 at Holmes Drive, Middletown, Connecticut, at a total capital expenditure of \$2,431,544. *(February 3, 2005, CON Application, page 7)*
5. The Applicant based the need for the renovation and expansion of Ward #6 on the following:
 - Quality of Care Improvements
 - Improved Patient Access to Services
 - High Occupancy Rate*(February 3, 2005, CON Application, page 2)*
6. Three distinct categories of patients have been identified for Ward #6 at WFI:

- Persistent High Utilizers who absolutely cannot be managed without the frequency and duration of restraint and seclusion in the typical maximum-security setting.
- Intermittent High Utilizers who at various times cannot be managed without the use of prolonged restraint and seclusion.
- Highly violent and psychotic patients, typically new admissions who are unpredictable and dangerous.

(February 3, 2005, CON Application, page 2)

7. Currently there are 11 beds in Ward #6 of which 9 are routinely staffed. *(February 3, 2005, CON Application, page 2)*

8. Based on 9 staffed beds the occupancy rates have been as follows:

Table 1: 9 Beds Occupancy Rates

FY	Occupancy Rates	Patient Days
2002	117%	3851
2003	99%	3261
2004	125%	4117

(February 3, 2005, CON Application, page 2)

9. Currently two beds are used for patient overflow. Based on 11 beds the occupancy rates are as follows:

Table 2: 11 Beds Occupancy Rates

FY	Occupancy Rates
2002	96%
2003	81%
2004	103%

(February 3, 2005, CON Application, page 2)

10. The high occupancy rates demonstrate that the two overflow beds are insufficient for periods of high demand. Consequently, as part of this construction/renovation project, there will be a reallocation of three beds, one each from Unit #2, #3, and #4 so that the number of beds in Ward #6 will be increased from 11 to 14. The total number of beds in the facility will not change. *(September 8, 2004, Letter of Intent, page7)*

11. The Applicant stated that the purpose of the additional three beds in Ward #6 is to provide the flexibility to care for patients from other wards who are temporarily violent and need the extreme security provided in this ward until they are ready to return to their regular ward. *(September 8, 2004, Letter of Intent, page 7)*

12. The Applicant also proposes to increase the size of Ward #6 by 4,612 total additional square feet. Currently the unit has 7,800 square feet, bringing the total area to 12,412 square feet. *(February 3, 2005, CON Application, page 2)*
13. Renovations to the enlarged Ward #6 will include the following:
- A nurse's observation station where two restraint and two seclusion rooms will be relocated,
 - A bathroom for these rooms will be added,
 - A corridor which goes around Ward #6 eliminating the need for visitors to walk through,
 - A dedicated recreational area,
 - An enclosed courtyard area for patients,
 - A charting room that will provide space for the detailed charting necessary for the type of patient in Ward #6,
 - A conference room that will provide privacy for staff to discuss individualized treatment plans, and
 - An occupational therapy room for treating these patients.
- (February 3, 2005, CON Application, page 2)*
14. The Applicant anticipates that the Facility's renovations will commence in June 2005 and will be completed in October 2006 with commencement of operations in October 2006. *(February 3, 2005, CON Application, page 9)*

**Financial Feasibility of the Proposal and its Impact on the Applicants' Rates
and Financial Condition
Impact of the Proposal on the Interests of Consumers of Health Care Services
and Payers for Such Services**

15. The Applicant's CON proposal includes the following capital expenditure components: *(February 3, 2005 CON Application, page 7)*

Table 3: Applicant's Proposed Total Capital Expenditure

Description	Amount
Building Work Costs	\$ 2,124,877
General Conditions (permits, insurance, etc.)	120,000
Department of Public Works Fees	186,667
Total Capital Expenditure	\$ 2,431,544

16. The Applicant will fund the proposal's total capital expenditure with an equity contribution of \$2,431,544 from State of Connecticut general obligation bond funds that will be set aside for the project. *(February 6, 2003 CON Application, Page 9)*
17. The Applicant's CON proposal will not result in any increase in the Applicant's operating costs. The depreciation expense associated with the proposal will be accounted for by the State Comptroller's Office. *(February 3, 2005 CON Application, Attachment 7)*

Consideration of Other Section 19a-637, C.G.S. Principles and Guidelines

The following other principles and guidelines set forth in Section 19a-637 were also fully considered and the following findings made.

18. There is no State Health Plan in existence at this time. *(February 3, 2005, CON Application, page 1)*
19. The Applicant has provided evidence that this proposal is consistent with its long-range plan. *(February 3, 2005, CON Application, page 1)*
20. The Applicant has improved productivity and contained costs through group purchasing, energy conservation, and the application of technology. *(February 3, 2005, CON Application, page 6)*
21. The proposal will not result in changes to the Applicant's current teaching and research responsibilities. *(February 3, 2005, CON Application, page 6)*
22. The Psychiatrist assigned to this unit must be Board Certified in Psychiatry and Forensic Psychiatry because of the particularly complex nature of seriously and persistently mentally ill patients. *(February 3, 2005, CON Application, page 6)*
23. The Applicant has sufficient financial, managerial, and technical competence to provide efficient and adequate service to the public. *(February 3, 2005, CON Application, page 5)*

Rationale

The Office of Health Care Access (“OHCA”) approaches community and regional need for the proposed service on case by case basis. Certificate of Need (“CON”) applications do not lend themselves to general applicability due to a variety of complexity of factors, which may affect any given proposal; e.g. the characteristics of the population to be served, the nature of the existing services, the specific types of services proposed to be offered, the current utilization of services and the financial feasibility of the proposed services.

The Connecticut State Department of Mental Health and Addiction Services (“Applicant”) proposes to renovate and improve Ward #6 at the Whiting Forensic Institute located at Holmes Drive in Middletown, Connecticut, at a total capital expenditure of \$2,431,544. The Applicant based the need for the renovation and expansion of Ward #6 on quality of care improvements, improved patient access to services, and high occupancy rate. Whiting Forensic Institute (WFI) is a 106 bed state institution for the criminally insane. The client population in this ward consists of patients whose behavior requires specialized services, including restraint and seclusion and a high degree of special observations for individualized treatment plans for behavioral modifications. Currently Ward #6 has 11 beds of which 9 are staffed. Based on 9 staffed beds the occupancy rate is as follows: 117% in FY 2002, 99% in FY 2003, and 125% in FY 2004. Two Beds are used for patient overflow with a total of 11 beds. Based on 11 beds the occupancy rate is as follows: FY 2003 96%, FY 2003 81%, and FY 2004 103%. The high occupancy rates show that the two overflow beds are insufficient for periods of high demand. Consequently, as part of this construction/renovation project, there will be a reallocation of three beds, one each from Unit #2, #3, and #4 so that the number of beds in Ward #6 will be increased from 11 to 14. The total number of beds in the facility will not change. The Applicant stated that the purpose of the additional three beds in Ward #6 is to provide the flexibility to care for patients from other wards who are temporarily violent and need the extreme security provided in this ward until they are ready to return to their regular ward. In addition, the Applicant proposes to increase the size of Ward #6 by 4,612 square feet bringing the total area to 12,412 square feet. During the construction/renovations patients from Ward #6 will temporarily be dispersed throughout the building where additional security will be added to care for them.

The total capital expenditure of \$2,431,544 for the CON proposal will be funded entirely by an equity contribution from State of Connecticut general obligation bond funds that will be set aside for the project. The Applicant’s proposal will not result in any increase in the Applicant’s operating costs because the depreciation expense associated with the proposal will be accounted for by the State Comptroller’s Office. Therefore, OHCA finds that the CON proposal is both financially feasible and cost effective.

Based upon the foregoing Findings and Rationale, the Certificate of Need application of the Connecticut State Department of Mental Health and Addiction Services to renovate and improve Ward #6 at the Whiting Forensic Institute located at Holmes Drive in Middletown, Connecticut, at a total capital expenditure of \$2,431,544, is hereby GRANTED.

Order

The Connecticut State Department of Mental Health and Addiction Services (“Applicant”) is hereby authorized to renovate and improve Ward #6 at the Whiting Forensic Institute located at Holmes Drive in Middletown, Connecticut, at a total capital expenditure of \$2,431,544, subject to the following conditions:

1. The authorization shall expire April 21, 2007. Should the Applicant’s renovations and improvement to Ward #6 not be completed by that date, the Applicant must seek further approval from OHCA to complete the project beyond that date.
2. The Applicant shall not exceed the approved capital expenditure of \$2,431,544. In the event that the Applicant learns of potential cost increases or expects that the final project costs will alter, the Applicant shall file with OHCA a request for approval of the revised budget.

All of the foregoing constitutes the final order of the Office of Health Care Access in this matter.

By Order of the
Office of Health Care Access

April 21, 2005

Signed by Cristine A. Vogel
Commissioner