
**Addictions and Mental Health Division
(AMH)
Oregon State Hospital Replacement Project
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*Oregon State Hospital Replacement Project (OSHRP)
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ADDICTIONS AND MENTAL HEALTH DIVISION

Oregon State Hospital replacement

Hospital built from 1883 – 1950

More than 40% of the building space was unusable, with water leaking from roofs, crumbling walls, and the toxic hazards posed by the presence of asbestos and lead

2007 – Decision to site two facilities, one in Salem and the other in Junction City

2008 – Phased construction begins. Hospital continues to operate while under construction

January 2011 – Patients move into first new living and treatment units

Salem campus will be complete at end of 2011

Oregon State Hospital replacement

The 2005 Master Plan predicted the need for 980 hospital beds.

A siting committee, including legislators, selected the existing OSH campus and Junction City for the new facilities based on its determination that the sites will meet the needs of people with mental illness.

- 620 beds on the old hospital grounds in Salem
- An additional 360 hospital beds to be provided in a new facility

A 2010 reforecast lowered the expected need for state hospital beds to 794 and closure of the Blue Mountain Recovery Center and the Portland campus of Oregon State Hospital.

- 620 beds at the Salem campus
- 174 beds in Junction City

In 2007, after the level of Certificates of Participation for building both sites had been determined by legislators, the construction plans for the Salem site were modified to meet new US Department of Justice recommendations for active treatment and standards of care.

The new Salem OSH, which continues toward its completion date at the end of the year, is a significant component of the mental health system and provides a hospital-level of care for Oregonians with mental illness.



Salem – Components of the new hospital come online

The new kitchen was turned over to hospital operations in September 2010 and its staff are now providing all meals from the new site



Vocational rehabilitation



The new vocational rehabilitation component of the hospital came online October 2010.

The space is purpose-built – a direct response to patients who requested more work opportunities.

Addictions and Mental Health Division

Patient housing and treatment

The first patients moved into the 124-bed section of the Salem campus in January 2011. Harbors is the admissions, behavior (stabilization) and corrections unit of the new facility

A dedication ceremony was held on November 18, 2010.



Harbors – the first residential patient area to open



Construction

- To date, of the 282 sub-contracting firms on this project, 263 or 93% are Oregon and Washington-based businesses contracted to provide services, building materials and workers.
- Of the 3,718 construction workers who have contributed to the project, 3,631 or 98% are from Oregon and Washington.
 - 3,119 jobs (84%) are for Oregonians
 - 511 jobs (14%) are for Washingtonians
- An Oregon business that reopened to supply bricks to the project created dozens of living-wage jobs.
- As directed by the Legislature and our leadership, these are taxpayer dollars putting Oregonians back to work.

Behavioral Health Integration Project (BHIP)

- BHIP has purchased Avatar, a basic, tried-and-tested system that meets hospital needs, HIPAA and Joint Commission requirements and is certified by the Commission for Health Information Technology
- Four successful electronic data conversion tests have been completed with real, de-identified data
- System testing, load testing, user-acceptance testing and independent verification and validation testing began in late January and continues through March
- An extensive and comprehensive training plan has been developed, which involves training 1,300 staff, in 8 computer labs, during all 3 shifts, in 6 weeks.
- The target Go-Live date is May 2011
- Go/no-go decision points ensure quality is maintained, especially in testing and training, while still pursuing an aggressive Go-Live date

NewPATH: New Person-centered Alternative To Hospitalization

- An April 2010 analysis shows that with the development of NewPATH, 85% of the current Geropsychiatric Treatment Services (GTS) patients would be eligible and better served in the community.
- Understanding this, OSHRP in partnership with SPD, AMH and OSH is developing a road map for reducing 66 Junction City beds.
- The recommendation is to create 70 community, high intensity, long-term care placements by the year 2027, together with more prevention, outreach and mental health wrap-around services for older adults and younger adults with disabilities.
- This would address a gap in community resources that would meet the needs of older adults and younger adults with disabilities outside of the state hospital setting.

NewPATH continued

The NewPATH team reviewed models for community-based treatment.

- Develop small facilities with intensive staffing to meet special needs of population served in the Neuro/Gero program at OSH
 - Operating costs in the range of \$1.8 million per year and .3 million in start up costs **per facility** would be required
- Increase service intensity and wrap around services in existing community-based programs
 - Operating costs in the range of \$4.6 million per year Total Funds for approximately 38 clients with minimal one time costs
- Longer range strategy to create a step down (subacute) facility for people with dementia
 - Operating costs approximately \$3.4 million per year Total Funds for 15 people with \$1.4 million in start up costs
- Longer range strategy to create a residential care unit for people with sex offending behaviors
 - Operating costs approximately \$2.5 million per year Total Funds for 15 people with \$2.7 million in start up costs

NewPATH continued

- These costs would be new to the state
- A combination of NewPATH strategies must be implemented to support the reduction of the Gero/Neuro hospital bed capacity from 178 to 112 or a reduction of 37 percent. These actions are assumed in the new Junction city capacity

Junction City

- The Addictions and Mental Health Division revised forecast reduces the Junction City campus to 174 beds
- Our recommendation moves completion of Junction City to 2014 to address the closure of Portland and Blue Mountain
- The closure of Portland and Blue Mountain requires 152 beds at hospital level of care
- Hospital level of care is defined as requiring 24-hour nursing and psychiatric care, on-site credentialed professional staff, organized medical staff, treatment planning, pharmacy, laboratory, on-site food and nutritional services, as well as vocational and educational services

Oregon State Hospital at Junction City: Recommendations

- Build a 174-bed facility and delay the opening until the summer of 2014
- Reduce the 11-13 Policy Option Package (POP) 422 to \$88.9 million in line with the \$458.1 million approved by the Legislature
- Develop a POP for 13-15 COP funding for the balance needed to complete the project. We will use 11-13 biennium to look for additional savings opportunities

Oregon State Hospital Replacement Project

	2009-11	GBB 2011-13	Recommended Plan 2011-13
Debt Service	\$ 27.57	\$ 76.07	\$ 74.75
Construction Costs			
Salem	\$ 236.17	\$ 45.66	\$ 45.66
Junction City	\$ 21.80	\$ 99.26	\$ 32.80
BHIP & Project Management	\$ 21.22	\$ 10.43	\$ 10.43
Operating Costs			
Salem	\$ 323.16	\$ 347.29	\$ 347.29
Junction City	\$ -	\$ -	\$ -

Funding

Based on recommendations from a Joint Legislative and Executive Branch Task Force, the 2007 Oregon Legislature authorized Certificate of Participation (COP) financing estimated at \$458.1 million through 2013 to build two new state-operated psychiatric hospitals.

COP funds issued as of December 31, 2010	\$292,378,094
Estimate* COP issue March 2011	<u>\$ 76,833,189</u>
TOTAL COP issued through 09-11 biennium	\$369,211,283

Actual expenditures as of December 31, 2010	\$240,331,630
Projected expenditures for 2009-11	<u>\$128,879,653</u>
TOTAL expenditures for 2009-11	\$369,211,283

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