casa

Assuring that people with disabilities have safe, healthy and secure homes that promote growth and independence.

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Division of Licensing and Regulatory Services

December 28, 2009

Phyllis Powell, Manager
Certificate of Need Unit
Division of Licensing and Regulatory Services
Department of Health and Human Services
State House Station #11
41 Anthony Avenue
Augusta, ME 04333-0011

Larry Carbonneau, CPA, Project Analyst
Certificate of Need Unit
Division of Licensing and Regulatory Services
Department of Health and Human Services
State House Station #11
41 Anthony Avenue
Augusta, ME 04333-0011

Subject: Letter of Intent

Re; Construction of a new ICF/MR facility replacing current facility

Dear Ms. Powell and Mr. Carbonneau:

This correspondence constitutes a Letter of Intent in accordance with Section 71.05(A) of the Bureau of Elder and Adult Services Policy Manual, Certificate of Need Regulations for Nursing Facility Level of Care Projects.

We seek to initiate the Certificate of Need review process to the extent it applies, to seek your advice and guidance on the best way to proceed and to obtain a Certificate of Need or authorization by the appropriate State of Maine agency.

Casa's ICF/MR facility is licensed as an ICF/MR Nursing facility which meets the scope of CON-Covered Activities described in 71.03 of the BEAS policy manual.

Our current facility requires a great amount of work to correct ongoing issues discovered through the survey process as well as through fire and safety inspections. In light of the current budgetary issues, it may seem that it is not the right time to consider any construction project. We feel strongly that the project we are requesting is designed to meet two very important criteria that are important to the State of Maine as well as the federal government. The project will have an immediate positive environmental effect and will reduce the cost of operating the facility over time. We are currently in the process of generating a proforma.

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It is our intent to build a new building on the same property as our current facility or to remodel the current building. We believe that building a new facility is the most financial and client appropriate process available to meet the needs of our current and future clients.

The current building has many assets that have been damaged over time or reached the end of a useful life, is energy inefficient, cannot accommodate the additional bed recommended by the local DHHS office, or accommodate the therapy pool that has been donated. The current building was designed and built in 1982 and an addition was added in 1992. The client needs have changed dramatically and the current building's configuration needs to be changed. The amount of damage to the building is significant. Damage includes the majority of all the doors, door frames, walls, heat registers and the floors. The amount of adaptive equipment going in and out of rooms has, over time, caused damage. We have made big strides in changing some of the equipment that is not only safer for the clients and staff, but will minimize some of the damage. Damage to the building is inevitable. The plans for the new building call for the use of products that are proven to be very resistive to damage. The products should last a long time and reduce the cost of upkeep as well as extend the life of the building.

Our client needs have evolved. A majority of our clients have been at the ICF for a long time. The physical and medical needs of our clients have changed dramatically over the last few years. There exists a very definite difference in the needs, abilities and social requirements of our clients. The concept of one living room at our ICF no longer meets the needs of the diverse clientele. Two living units for the majority of the day would benefit the medical and environmental needs of our clients.

The changing clinical needs of our clients also have increased the amount of adaptive equipment we need to meet those needs. The current lack of storage space of this equipment is an issue. It is imperative with the Life Safety Codes that we have adequate space for our clients to move around, especially in the case of emergencies which would require immediate evacuation of our clients. The plans include additional storage areas.

In September, 2008, a letter supporting a 17th bed at the ICF was received from Mr. Brian Scanlon of the Region I office of DHHS. Casa's facility is the only ICF/MR nursing facility in York and Cumberland counties. The additional bedroom in the plans would allow the facility to have 17 clients. This double occupancy room would also free up a private room for the clients who get sick until they get well enough to be brought back to the general population.

As we have witnessed with the cost of energy over the last couple of years, a reduction of energy costs is vital to everyone. The plan includes several energy saving options. The largest change would be the use of a geothermal system. The cost of the system would not only pay for itself in 15 years but would reduce the cost of operating this building into the future. Another energy change would be the heating of the facility's water with either solar or wind. Ongoing energy rate increases and minimizing the energy uses will create an ongoing savings to the MaineCare system.

The plan also calls for a therapeutic pool room. The pool itself is being donated to Casa. As our clients become more clinically fragile, the use of a therapeutic pool would be of great benefit. Although it is not a swimming pool, the clients currently going to area pools could benefit also as the number of pools available decreases and reimbursement for therapeutic swimming is often not available.

The cost of a new building has a preliminary cost of $3,320,175 and the remodel cost of the current building would be $1,824,878. Either option would take 12 to 14 months to complete. The remodel would be very disruptive to the clients for a very long period.

Casa would explore a Capital Drive as well as energy efficiency grants that would offset some of the costs. We believe that construction of a new building is the best option because 1) interest rates are generally less for new construction, 2) better opportunities for reimbursement or grants for energy efficiency projects are available, 3) new construction focused on energy efficiency is generally more efficient than upgrading existing construction, 4) new construction could be built to be adaptable for changes in healthcare minimizing future remodels that would be required of the current building, 5) remodeling the existing building would be very difficult on our clients, 6) with the expected reductions in MaineCare programs, it is expected that the ICF will have provide services in-house that are currently supplied at other sites, and 7) overall savings for MaineCare should be greater and last for a longer period with new construction.

Thank you for your consideration in this matter.

Sincerely,

Leo Bouchard
Administrator

Attached: Statement of Probable Cost (2)