**IMPORTANT**

***All Office of Health Strategy (OHS)******Certificate Of Need (CON)-  
related documents*** (**Determinations, Applications, Completeness Letter Responses and Modifications)** ***must be filed electronically*** through OHS’s single point of access, its CON Web Portal.

***First time Portal users must register prior to submitting any documents.***To register, click here: [Certificate of Need Web Portal](http://dphconwebportal.ct.gov/)

To access the portal, click on the link above or and click <https://portal.ct.gov/OHS> on the “Certificate of Need Program” link and then click on the “https://dphconwebportal.ct.gov“ link.

***OHS may, at its discretion, utilize data from Hospital Reporting System (HRS) and the Connecticut All Payer Claims Database (APCD)*** to supplement the administrative record and the hearing record associated with an application. OHS may also reference and cite HRS and APCD data in its agreed settlements and final decisions.

For any questions, please email [HSP@ct.gov](mailto:HSP@ct.gov) or call (860) 418-7001.

**CON Application - Main Form**

***Required for all CON applications***

**Contents:**

* OHS Waiver
* Checklist
* List of Supplemental Forms
* Proposal Information
* Affidavit
* Executive Summary
* Project Description
* Public Need and Access to Health Care
* Financial Information
* Utilization

# **OHS Waiver**

Please be advised that the Office of Health Strategy (OHS) is in the process of revising its regulations (19a-639a-3(b)) to enable it to accept new CON filings **via OHS’s website**.

While proceeding through this legal process, OHS waives the requirement for applicant(s) to file paper copies pursuant to Sec. 149 of Public Act No, 21-2 (June Special Session). All new CON applications filed electronically with OHS should be submitted via OHS’s website ([Certificate of Need Web Portal](https://dphconwebportal.ct.gov/Account/Login?ReturnUrl=%2F)) and include the following:

1. A scanned copy of each submission in its entirety\*, including all attachments, properly executed and notarized where necessary, in Adobe (.pdf) format.
2. An electronic copy of the applicant’s responses in MS Word (the applications) and MS Excel (the financial attachment).

**\*All application components (e.g., Main Form, Supplemental Form, Financial Worksheet and Exhibits) should be compiled and paginated.**

Note: Should anyone not have the ability to file electronically, the present paper submission process may still be used.

If you have any questions regarding a CON filing with OHS, please contact us by email at [HSP@ct.gov](mailto:HSP@ct.gov) or call us directly at (860) 418-7001.

# **Checklist**

**Instructions**: Review each item below and check box when completed. **[Checklist *must* be submitted as the first page of the CON application.]**

A completed CON Main Form, including an affidavit for each applicant, signed and notarized by the appropriate individuals. CON forms can be found at [OHS Forms](https://portal.ct.gov/OHS/Pages/Certificate-of-Need/CON-Forms).

A completed Supplemental Form specific to the proposal type (see next page to determine which Supplemental Form to include in the application).

A filing fee using Master Card or Visa submitted electronically via OHS’s website ([Certificate of Need Web Portal](https://dphconwebportal.ct.gov/Account/Login?ReturnUrl=%2F)) in the amount of $**500.00.**

**Note:** Should anyone not have the ability to pay electronically using Master Card or Visa, contact us at (860) 418-7001 for further instructions.

Attached is evidence demonstrating that public notice has been published for 3 consecutive days in a newspaper that covers the location of the proposal. Use the following link to help determine the appropriate publication: [Connecticut newspapers](https://portal.ct.gov/-/media/OHS/ohca/CONApplications/NewspapersListpdf.pdf). **The application must be submitted** **no sooner than** **20 days, but no later than 90 days from the last day of the newspaper notice.**

The following information **must** be included in the public notice:

* A statement that the applicant is applying for a certificate of need pursuant to section § 19a-638 of the Connecticut General Statutes;
* A description of the scope and nature of the project;
* The street address where the project is to be located; and
* The total capital expenditure for the project.

(Please fax (860-418-7054) or email ([HSP@ct.gov](mailto:HSP@ct.gov)) a courtesy copy of the newspaper order confirmation to OHS at the time of publication.)

A completed Financial Worksheet specific to the application type.

All confidential or personally identifiable information (e.g., Social Security number) has been redacted.

All material should be submitted via OHS’s website ([OHS Web Portal](https://dphconwebportal.ct.gov/Account/Login?ReturnUrl=%2F)) and include:

1. A scanned copy of each submission in its entirety\*, including all attachments in Adobe (.pdf) format.
2. An electronic copy of the applicant’s responses in MS Word (the application) and MS Excel (the Financial Worksheet).

\***All application components (e.g., Main Form, Supplemental Form, Financial Worksheet and Exhibits) should be compiled and paginated**.

**Note: OHS hereby waives requirement to file any paper copies.**

**Supplemental Forms**

In addition to completing this **Main Form** and **Financial Worksheet (A, B or C)**, the applicant(s) must complete the appropriate **Supplemental Form** listed below. Check the box of the **Supplemental Form** to be submitted with the application, below. If unsure which form to select, please call the OHS main number (860-418-7001) for assistance. All CON forms can be found on OHS’s website at [CON Forms and Submission](http://portal.ct.gov/DPH/Office-of-Health-Care-Access/Apps--Forms/OHCA-Forms).

|  |  |  |
| --- | --- | --- |
| **Check form included** | **Conn. Gen. Stat. Section 19a-638(a)** | **Supplemental Form** |
|  | (1) | **Establishment of a new health care facility** (mental health and/or substance abuse)*-**see note below\** |
|  | (2) | **Transfer of ownership of a health care facility** (excludes transfer of ownership/sale of hospital – see “Other” below) |
|  | (3) | **Transfer of ownership of a group practice** |
|  | (4) | **Establishment of a freestanding emergency department** |
|  | (5)  (7)  (8)  (15) | **Termination of a service:**   * inpatient or outpatient services offered by a hospital * surgical services by an outpatient surgical facility\*\* * emergency department by a short-term acute care general hospital * inpatient or outpatient services offered by a hospital or other facility or institution operated by the state that provides services that are eligible for reimbursement under Title XVIII or XIX of the federal Social Security Act, 42 USC 301, as amended |
|  | (6) | **Establishment of an outpatient surgical facility** |
|  | (9) | **Establishment of cardiac services** |
|  | (10)  (11) | **Acquisition of equipment:**   * acquisition of computed tomography scanners, magnetic resonance imaging scanners, positron emission tomography scanners or positron emission tomography-computed tomography scanners * acquisition of nonhospital based linear accelerators |
|  | (12) | **Increase in licensed bed capacity** of a health care facility |
|  | (13) | **Acquisition of equipment utilizing [new] technology** that has not previously been used in the state |
|  | (14) | **Increase of two or more operating rooms** within any three-year period by an outpatient surgical facility or short-term acute care general hospital |
|  | |  |
|  | Other | **Transfer of Ownership / Sale of Hospital** |

**\***This supplemental form should be included with all applications requesting authorization for the establishment of a **mental health and/or substance abuse treatment facility**. For the establishment of other “health care facilities,” as defined by Conn. Gen. Stat § 19a-630(11) - hospitals licensed by DPH under chapter 386v, specialty hospitals, or a central service facility - complete *the Main Form* only.

\*\*If termination is due to insufficient patient volume or a subspecialty is being terminated, a CON is not required.

**Proposal Information**

Select the appropriate proposal type from the dropdown below. If unsure which item to select, please call the OHS main number (860-418-7001) for assistance.

|  |  |
| --- | --- |
| **Proposal Type**  (select from dropdown) | Termination of inpatient or outpatient services by a hospital (including mental health/substance abuse services) |
| **Brief Description** | Norwalk Hospital proposes to terminate inpatient psychiatric unit services as part of a proposed shift in approach to address behavioral health care needs by expanding crisis services in its Emergency Department and expanding intensive outpatient psychiatry programs for the community. |
| **Proposal Address** | 34 Maple Street, Norwalk, CT 06856 |
| **Capital Expenditure** | $ 1,200,000 |
| **Is this Application the result of a Determination indicating a CON application must be filed?**  No  Yes, Docket Number: Click here to enter text. | |

**Applicant(s) Information**

|  |  |  |
| --- | --- | --- |
|  | **Applicant One** | **Applicant Two**  **(if applicable)** |
| **Applicant‘s Full Legal Name\* & Address:** | The Norwalk Hospital Association  34 Maple Street  Norwalk, CT 06856 |  |
| **Applicant Tax Status:**  (check one box) | For Profit  Not-for-Profit | For Profit  Not-for-Profit |
| **Parent Corporation Full Legal Name & Address:(if applicable)** |  |  |
| **New Company:**  **(if applicable)** | N/A | |
| **Contact Person:**  **(provide only one contact person per application)** |  | |
| Name: | Sally F. Herlihy, FACHE | |
| Title: | Vice President, Strategic Planning & Business Development | |
| Address: | 24 Hospital Avenue, Danbury CT 06810 | |
| Email: | sally.herlihy@nuvancehealth.org | |
| Phone number: | 203-739-4903 | |

\**For more than two applicants, attach a separate sheet providing the following information: applicant’s full legal name, address, tax status and, if applicable, the parent company’s name and address.*

# **Affidavit**

Applicant: The Norwalk Hospital Association

Project Title: Termination of Inpatient Psychiatry Services at Norwalk Hospital

I, Peter Cordeau, President of The Norwalk Hospital Association (“Norwalk Hospital”), being duly sworn, depose and state that Norwalk Hospital complies with the appropriate and applicable criteria as set forth in Sections 19a-630, 19a-637, 19a-638, 19a-639 of the Connecticut General Statutes, and that all facts contained in the submitted Certificate of Need application are true and correct to the best of my knowledge.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature Date

Subscribed and sworn to before me on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Notary Public/Commissioner of Superior Court

My commission expires: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

# **Executive Summary**

The purpose of the Executive Summary is to give the reviewer a conceptual understanding of the proposal. In the space below, provide a succinct overview of your proposal (this may be done in bullet format). Summarize the key elements of the proposed project. Details should be provided in the appropriate sections of the application that follow.

The Norwalk Hospital Association, doing business as Norwalk Hospital (also referred to herein as the “Applicant”), is requesting Office of Health Strategy (“OHS”) approval to terminate inpatient psychiatric services at Norwalk Hospital (the “Proposal”) as part of a new approach at Norwalk Hospital to address behavioral health care by expanding emergency, urgent and general outpatient behavioral health services, and expanding access to inpatient psychiatric services at its affiliate Danbury Hospital.

In recent years Norwalk Hospital and its parent Nuvance Health have engaged in comprehensive evaluations of the state of behavioral health services across the network and developed strategies for better addressing the unique health care needs of each community served. Due to key factors such as sustained low utilization of inpatient psychiatry services at Norwalk Hospital and ongoing staffing challenges for behavioral health clinicians and support staff, Norwalk Hospital proposes to restructure its approach to delivering behavioral health care by closing its inpatient unit while expanding outpatient and emergency capabilities and programs. New outpatient and emergency programs will enable earlier intervention and increased access to treatment in a lower acuity (and lower cost) outpatient setting for residents of the Service Area.

In connection with this Proposal, Nuvance Health will accommodate residents of the Norwalk community in need of inpatient psychiatric services at the existing Danbury Hospital psychiatric unit. This consolidation of inpatient psychiatric services will address staffing challenges and improve the efficiency of care. In addition, future plans to relocate, renovate, and further expand the inpatient psychiatric unit at Danbury Hospital will offer patients an improved experience in a more efficient work environment.

Finding the right treatment plan for each patient is critical, and Norwalk Hospital and Nuvance Health are working to ensure that patients have access to the appropriate care to support their wellbeing. This proposal is a result of planning discussions undertaken in recent years to improve access and quality of behavioral health care for the Norwalk community. Norwalk Hospital has identified a growing need for outpatient mental health services in the Service Area and has developed plans to expand its existing behavioral healthcare center through further utilization of telehealth services and intensive outpatient programs (also referred to as “IOPs”). Norwalk Hospital recently established an adult dual-diagnosis IOP program in November of 2021 and currently has six patients enrolled with a capacity for 12. A new adolescent IOP is anticipated to begin in 2023, and these new IOPs supplement services already being provided by Norwalk Hospital through a general adult behavioral health IOP. These IOP programs respond to needs in the Service Area for this level of care. In addition, the plans call for an expansion and improvement in Emergency Department space assigned for therapeutic response to psychiatric emergencies. This provides a more appropriate environment for stabilization of patients and further assessment to determine appropriate post-stabilization treatment.

These initiatives will provide patients and their families in the Norwalk community with the benefit of an expanded continuum of behavioral health care services appropriate to the type of care needed to support their health, whether it be emergency psychiatric services when in crisis, ongoing outpatient and ambulatory treatment tailored to their needs, or access to quality inpatient care.

*Pursuant to Section 19a-639 of the Connecticut General Statutes, the Office of Health Strategy is required to consider specific criteria and principles when reviewing a Certificate of Need application. Text marked with a “§” indicates it is actual text from the statute and may be helpful when responding to prompts.*

# **Project Description**

1. Provide a detailed narrative describing the proposal. Explain how the applicant(s) determined the necessity for the proposal and discuss the benefits to the public and for each applicant, separately. Include all key elements, including the parties involved, what the proposal will entail, the equipment/service location(s), the geographic area the proposal will serve, the implementation timeline, anticipated start date, and why the proposal is needed in the community.

Norwalk Hospital is a teaching hospital located at 34 Maple Street in Norwalk, Connecticut that is currently licensed as a General Hospital with 328 beds and 38 bassinets. Norwalk Hospital’s primary service area includes the towns of Norwalk, Westport, Wilton, New Canaan, and Weston, Connecticut (the “Service Area”). Norwalk Hospital is part of Nuvance Health (approved pursuant to Docket No. 18-32238-CON), an integrated health care system that offers inpatient and outpatient hospital care, ambulatory care, and post-acute care across its multidisciplinary network of hospitals and other providers in Western Connecticut and the Hudson Valley, New York. As part of Nuvance Health’s dedicated efforts to better serve the unique behavioral health needs of each community, the Applicant is requesting OHS approval to terminate inpatient psychiatric services at Norwalk Hospital while it expands its behavioral health center to offer comprehensive outpatient care to the community, including new intensive outpatient programs, and its capacity for crisis services in the Emergency Department, in order to address the growing need for outpatient mental health services in the community. Norwalk Hospital patients will continue to be able to access high quality inpatient psychiatric services at Norwalk Hospital’s affiliate Danbury Hospital, which is planning to expand its inpatient psychiatric unit to update the facilities and accommodate additional patients and providers.

The Nuvance Health system comprises three Connecticut hospitals, Norwalk Hospital, Danbury Hospital (including the New Milford campus) in Danbury, and Sharon Hospital in Sharon, as well as three New York hospitals (Putnam Hospital in Carmel, Vassar Brothers Medical Center in Poughkeepsie, and Northern Dutchess Hospital in Rhinebeck). Nuvance Health currently operates the following inpatient psychiatric units across its system:

* A 20 bed adult inpatient psychiatric unit at Norwalk Hospital.
* A 22 bed adult inpatient psychiatric unit at Danbury Hospital.
* A 20 bed adult inpatient psychiatric unit at Putnam Hospital (where as a border hospital, the Connecticut Medicaid mediator will reimburse for inpatient services if the need arises).
* A 16 bed adult inpatient psychiatric unit with a geropsychiatry focus at Sharon Hospital, which was expanded in 2020 from 12 to 16 beds to meet the growing demand for this service.

In addition, outpatient and ambulatory (office-based) psychiatric services are currently offered throughout each community served by Nuvance Health. In Norwalk, these services include medication management, individual therapy, group therapy offered through a behavioral health center, visits with a physician, an advanced practice registered nurse, and multiple licensed clinical social workers in the primary care setting, among others.

Norwalk Hospital and Nuvance Health regularly review the health needs of their communities served in order to ensure that the unique needs of each community are addressed. They have assessed the need for inpatient psychiatric services based on catchment area data (beds per 100,000 residents), historical volumes, average length of stay, and average daily census across all Nuvance Health inpatient units. For outpatient psychiatric services, Norwalk Hospital and Nuvance Health reviewed waiting lists for outpatient care, average days from discharge to initial appointment, and outpatient services offered and available both in and out of network. Notably, Norwalk Hospital understands that many patients who need to rely on insurance to cover health care costs struggle to find private psychiatrists in the community who will accept them, which severely limits access for many area residents and underserved individuals in particular. Based on the results of this review, Norwalk Hospital and Nuvance Health determined that the needs of the Norwalk Hospital community would be better served through the addition of more outpatient psychiatric services and the centralization of inpatient psychiatric care at Danbury Hospital.

The utilization of the inpatient psychiatric unit at Norwalk Hospital has been consistently low in recent years, as described below.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Norwalk Hospital Inpatient Psychiatric Unit** | | | | | |
|  | **FY 2017** | **FY 2018** | **FY 2019** | **FY 2020** | **FY 2021** |
| **Available Beds** | 20 | 20 | 20 | 20 | 20 |
| **Average Daily Census** | 10.8 | 10.7 | 9.4 | 7.9 | 8.3 |

Due to consistent downward utilization trends, as well as clinical staffing constraints, over the past several years the available beds have fluctuated at approximately 11 or lower. These low-utilization trends, in combination with the ongoing staffing challenges, adversely impact the current inpatient psychiatric unit at Norwalk Hospital and provides Norwalk Hospital and Nuvance Health the opportunity to fundamentally redesign its behavioral health care delivery model to expand access to specialized outpatient programs and services as well as emergency interventions at Norwalk Hospital. In order to do so, Norwalk Hospital will cease to provide inpatient psychiatric services at Norwalk Hospital and will centralize the delivery of inpatient psychiatric services in Fairfield County at Danbury Hospital.

This consolidation of inpatient services will enable Norwalk Hospital and Nuvance Health to more efficiently utilize behavioral health clinical staff, of which there is a significant and ongoing shortage at both the local and the national level. Currently, only 3.2 full-time equivalent (“FTE”) psychiatrists and a 1.0 FTE advanced practice registered nurse cover all psychiatric services offered through Norwalk Hospital, including the inpatient psychiatric unit as well as all other inpatient and outpatient consultation services. Norwalk Hospital and Nuvance Health are currently recruiting for an additional 4.2 FTE psychiatrists and 2.0 FTE advanced practice registered nurses, which are necessary to deliver the services described in this Proposal.

This Proposal is one component in a multidisciplinary coordinated effort to better meet the behavioral health needs of patients in Fairfield County, and the impact of the proposed closure of the psychiatric unit will be offset by the proposed expansion and enhancement of psychiatric services available to the Norwalk community, and expansion of services at Norwalk Hospital’s affiliate Danbury Hospital, as described below:

* **Enhancement of crisis services in the Norwalk Hospital Emergency Department**.There is currently a comprehensive process in place in the Norwalk Emergency Department to respond to patients in need of emergency psychiatric services. However, in order to better serve the needs of the patients who have been presenting at Norwalk Hospital, the Applicant is expandingits capacity for crisis services available. Renovation plans are in process to design dedicated space in the Emergency Department for the assessment, stabilization, diagnosis and appropriate referral of emergency room crisis patients of all ages. This environment will be designed for the safe and secure assessment and stabilization of patients until they are ready to return home or be transferred for extended care. The space will include four renovated treatment bays to accommodate adult patients experiencing a psychiatric crisis, conversion of an existing equipment room into a private psychiatric workspace for providers and staff, and creation of a separate storage area for psychiatric crisis patients’ belongings. These additional locations, combined with two existing adult crisis rooms, will result in a total of six psychiatric adult crisis bays in close proximity to each other, enabling providers to more efficiently care for patients. This design also maintains good visibility to each treatment location which is important for safety of care.

For particularly vulnerable pediatric crisis patients in the Norwalk Hospital Emergency Department, two additional treatment bays will also be designed to accommodate the unique needs of children and adolescents. These two pediatric rooms will be located adjacent to each other and separated from the adult psychiatric crisis bay location. The two bays will have contemporary safety and ligature-resistant finishes, separate patient bathrooms to minimize the need to walk through the Emergency Department treatment pod, and good visibility into the rooms for staff to monitor conditions and maintain a safe environment of care.

The Emergency Department currently has psychiatry specialty consultative services available in-person during daytime hours and 24/7 by means of videoconferencing or teleconferencing. These services can include, as appropriate based on each patient, video-assisted physical examination, history and records review, diagnosis, treatment or diagnostic recommendations, and discussions between clinicians and patients/family, among other capabilities.

* **Continued use of telehealth to provide outpatient care**. In addition to the physical plant improvements in the Emergency Department, Norwalk Hospital will continue to utilize telehealth services as a mode of delivering outpatient psychiatric services. Enhancing access to telehealth services is identified as a strategy in the Nuvance Health 2025 Strategic Plan as a way to expand access to care. Utilization of telehealth during the Covid-19 pandemic has shown these services are a viable, convenient and safe means of delivering necessary psychiatric care. Norwalk Hospital’s experience with telehealth services during the pandemic reduced patient “no-show” rates for psychiatric services to all-time low levels. This demonstrates in part that telehealth services may be more convenient and conducive to care and recovery of some patients, and can be more convenient for patients to maintain consistent treatment and adhere to treatment regimens.
* **Expansion of outpatient services in the Norwalk community, including intensive outpatient programs**. Norwalk Hospital is planning an expansion of crucial programming to address the growing need for outpatient mental health services in the Norwalk community. Norwalk Hospital currently provides a variety of outpatient psychiatry services to the Norwalk community through its behavioral health center, which accepts all forms of insurance. The behavioral health center offers a day adult intensive outpatient program and a Department of Mental Health and Addiction Services (“DMHAS”) grant funded Community Support Program, among other services. The behavioral health center also provides individual, group, and family therapy, as well as medication management services, to 690 patients who are under or uninsured and have a chronic mental illness through a contract with DMHAS.

Currently, patients in the Norwalk community have limited options for outpatient behavioral health care covered by insurance. This paucity of options can restrict outpatient psychiatric care to only those individuals with means to pay out of pocket, and thus precludes many individuals in underserved communities and those reliant on government insurance programs from accessing behavioral health care except in emergency circumstances via a visit to an emergency room. This is not a sustainable or rational clinical approach to care, and the Proposal intends to redesign the approach to providing behavioral health care by expanding access for currently underserved communities to outpatient behavioral health services, reducing costs, improving outcomes, and alleviating the burden on emergency departments and other crisis intervention providers.

The Proposal is also consistent with the enhancement of the overall continuum of care through the expansion of outpatient services, exemplified by the legislative priorities for the federal government that support the growth of outpatient programs and services. Norwalk Hospital understands that Connecticut Senators Richard Blumenthal and Christopher Murphy recently submitted a budgetary request for the investment in outpatient programming as described in this application, recognizing these innovative strategies to avoid hospitalization. Norwalk Hospital understands that this has resulted in an earmark of $2.15 million for this initiative for Norwalk Hospital, subject to approval of the federal budget and finalization of legislation.

Prior to the Covid-19 pandemic, Norwalk Hospital saw an increase in referrals for outpatient services, which has been amplified by the Covid-19 pandemic. In order to identify exactly what additional services were needed, all patient referrals to the Norwalk Hospital behavioral health outpatient center were tracked for the six-month period of April through September of 2021, including reasons why patients could not be accepted (such as not matching criteria for program admission criteria due to age or diagnosis). Based on this data, a need for two additional intensive outpatient programs was identified, one for dual diagnosis adults and the other for adolescents. In order to meet this identified need, Norwalk Hospital added a dual diagnosis adult program in November of 2021 and anticipates a start date in early 2023 for an adolescent IOP at its behavioral health center. These programs are targeted at currently underserved populations with the greatest need, specifically adolescents and individuals with comorbid addictions.

Norwalk Hospital will be able to support these IOPs based on existing referral volume alone and anticipates that referral volume will also grow over time. The adult dual-diagnosis IOP initiated in November 2021 already has six patients enrolled, with a capacity for 12.

The expansion of these important outpatient services available through the behavioral health center, which is conveniently located in close proximity to public transportation, is designed to ensure that members of the Norwalk community have access to all levels of care, regardless of insurance coverage.

* **Continued investment in training future psychiatrists**. In order to address the national shortage of psychiatrists, which is evident in the Norwalk community, Nuvance Health recently established a psychiatry residency program, with its first class of residents having started in July of 2020. The program recruits for eight PGY-1 psychiatric residents per year and rotates residents throughout the Nuvance Health network inpatient and outpatient psychiatric programs. Residency training is a four-year program, where the first two years are dedicated to medicine, neurology and hospital-based psychiatry including inpatient, hospital consultations, and emergency services. During the third year, which for this program’s first class will commence in July of 2022, psychiatry residents will dedicate their entire year to outpatient care, which requires them to spend the majority of their time on a single site. At least two PGY-3 residents will be assigned to Norwalk Hospital’s outpatient behavioral health center, where they will be supervised by attending psychiatrists as they provide care for patients. Norwalk Hospital anticipates that this training program will increase the future supply of behavioral health providers at Norwalk Hospital and other regional facilities/practices.
* **Consolidation of inpatient psychiatric services at Danbury Hospital**. If the Proposal is approved, when the inpatient unit at Norwalk Hospital is closed, the inpatient psychiatric unit at Danbury Hospital will accommodate patients historically served by the Norwalk Hospital inpatient psychiatric unit. The consolidated unit will be equipped to accommodate the average daily census of the existing inpatient psychiatric units at both Danbury Hospital and Norwalk Hospital, enabling Nuvance Health to continue offering inpatient psychiatric services to both the Danbury and the Norwalk communities. Patients who present at the Norwalk Hospital Emergency Department in the future and require inpatient psychiatric treatment will be transferred to Danbury Hospital or another hospital of their choice, where appropriate. Patients discharged from inpatient psychiatric units require, and it is imperative that these patients can access, ongoing supportive outpatient care upon return to their local community.

Over the next two years, there are also facility plans to relocate the inpatient psychiatric unit at Danbury Hospital within the hospital and to renovate and further expand the unit from its existing 22 beds to 34 beds. The renovated unit will offer patients an improved experience that will address patient privacy, safety and security issues.

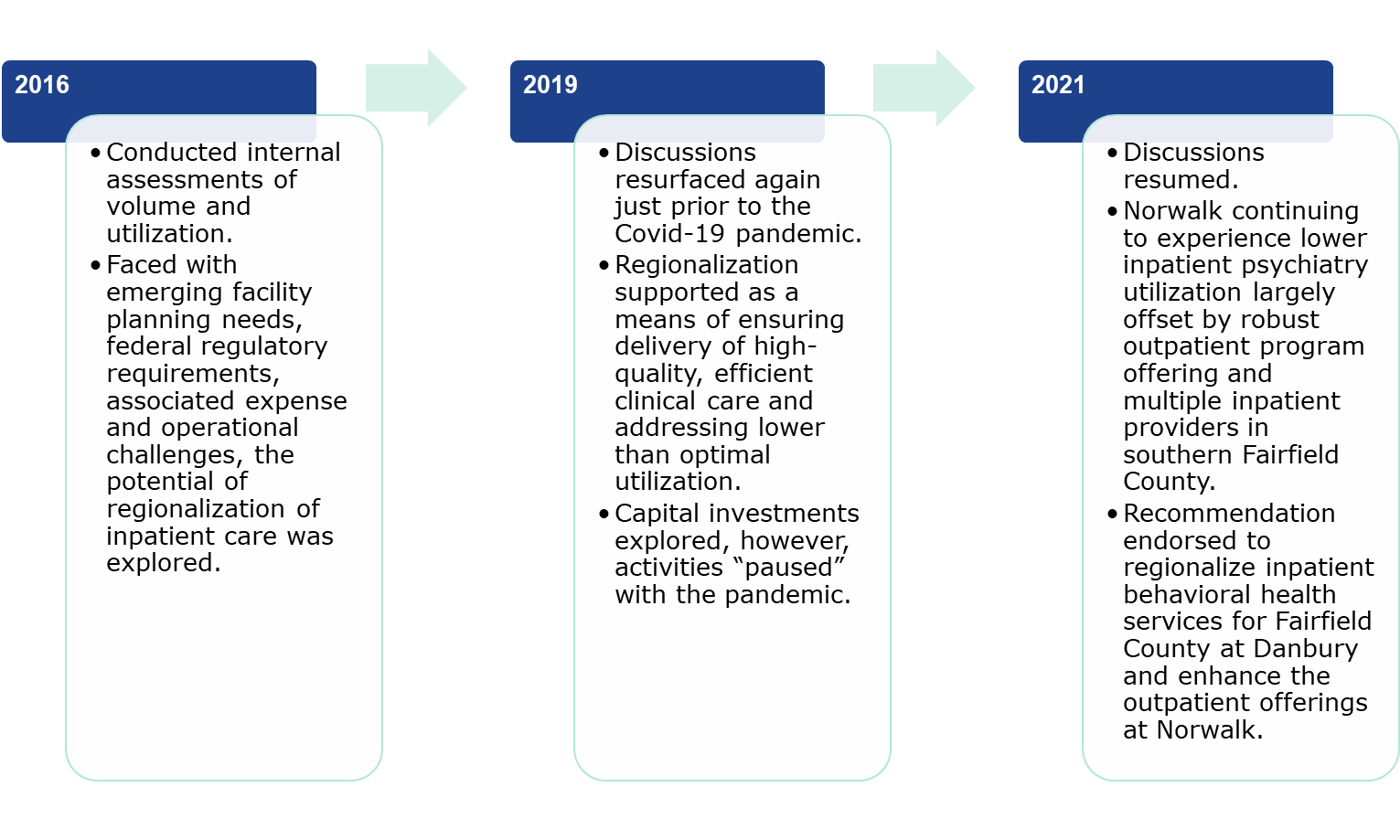
Both the immediate expansion of the inpatient unit at Danbury Hospital and the future renovation and expansion can be accommodated within Danbury Hospital’s existing license. The expanded unit will be staffed in part through offering Norwalk Hospital inpatient staff the opportunity to transition their roles to Danbury Hospital.

These initiatives will provide individuals and their families in the Norwalk community in need of psychiatric services with the benefit of an improved overall continuum of care, with quality emergency psychiatric services, a critically needed increase in access to outpatient services, including additional intensive outpatient programs, and continued access to coordinated inpatient services for those who require this level of care, regardless of insurance coverage. The expanded outpatient services are anticipated to reduce the overall cost of care by providing patients with the appropriate level of care at the appropriate time, thereby reducing the number of patients requiring inpatient psychiatric admission. Norwalk Hospital’s coordination of care as a hospital member of an integrated health system, utilizing system-wide standardized clinical protocols, quality measures, safety protocols and a single electronic medical record platform, will help to ensure that patient care is coordinated across the inpatient and outpatient care settings.

If OHS approves the Proposal, the Applicant will proceed with closure of the inpatient psychiatric unit at Norwalk Hospital and continued enhancements and expansion of the Norwalk Hospital outpatient behavioral health center programs based on community needs. The Danbury Hospital inpatient psychiatric unit will be prepared to accommodate the patients who historically would have received inpatient psychiatric care through Norwalk Hospital. The proposed relocation, renovation, and further expansion of the inpatient psychiatric unit at Danbury Hospital has been budgeted for Nuvance Health’s Fiscal Year 2022 and is anticipated to be completed over the next two years.

1. Provide the history and timeline of the proposal (i.e., When did discussions begin internally or between applicant(s)? What have the applicant(s) accomplished so far?).

Discussions regarding the viability of the Norwalk Hospital inpatient psychiatry unit have been ongoing over the past several years.



In 2016, Norwalk Hospital and its parent organization, Western Connecticut Health Network, Inc., conducted an internal assessment of psychiatric care at Norwalk Hospital. At the time, the volume and utilization data indicated that Norwalk Hospital may not be capable of supporting a standalone inpatient unit, and that Norwalk Hospital and Danbury Hospital should consider consolidation of inpatient psychiatric services. However, Norwalk Hospital did not move forward with those changes and has maintained the inpatient psychiatric unit at the hospital since that time.

Following the formation of Nuvance Health in 2019, an internal leadership team evaluated the current state of behavioral health across the newly formed network to determine and recommend a strategic plan for expanding services to meet the needs for psychiatric care in its communities. The team engaged in a comprehensive review, including a systematic evaluation of services currently provided by the network in each hospital community. The process included a series of interviews, reviews of current utilization and market trends, and identification of current methods for the delivery of care and their strengths, weaknesses and opportunities.

Utilizing the results of this analysis, Nuvance Health developed strategic recommendations for expanding needed services and redirecting resources to improve the delivery of high-quality care across the network. Recommendations included expanding telepsychiatry services to improve the management of behavioral health patients and continued expansion of integrated care across the network’s primary care practices to better support and increase access for behavioral health patients and reduce crisis events. The review also suggested a need to expand IOPs to increase access to higher acuity outpatient psychiatric care.  Norwalk Hospital now proposes to implement a new care delivery model emphasizing outpatient intervention and services, with enhanced inpatient care to be available at Danbury Hospital and other area facilities. This will allow the limited available physician and staffing resources necessary for inpatient psychiatric services to be focused in one location to improve efficiency and staffing challenges.

During 2020, Nuvance Health again engaged in an assessment of inpatient psychiatry services, and based on continued staffing challenges resulting in a steady downward trend in utilization (with an average daily census of 7.9 in fiscal year 2020) and the need to address the unit due to an upcoming demolition of the building in which the unit is located, recommended closure of the inpatient psychiatric unit at Norwalk Hospital and consolidation with the inpatient psychiatric services at Danbury Hospital. However, with the Covid-19 pandemic, plans were placed on hold and revisited again in January of 2021.

In January of 2021, the Nuvance Health Board of Directors endorsed the plan to close the Norwalk Hospital inpatient psychiatric unit and regionalize Nuvance Health inpatient psychiatry services in Fairfield County at Danbury. As detailed in response to Question 1 above, this plan includes improving access to the psychiatric needs of the communities served through:

* Strengthening outpatient support programs, in part through the addition of intensive outpatient programs;
* Bolstering crisis services in the Norwalk Hospital Emergency Department; and
* Expanding bed capacity at Danbury Hospital to accommodate the Norwalk Hospital inpatient volume.

In response to the COVID-19 pandemic and to ensure continued access to essential behavioral health care, Norwalk Hospital expanded telepsychiatry and other behavioral health services delivered via telehealth and similar remote technologies for its patient population. Nuvance Health has continued to expand services available via telepsychiatry in order increase access to support for behavioral health patients. In addition, the network is planning to increase outpatient services throughout its communities, in part through intensive outpatient programs in Norwalk, including the IOPs described above for dual diagnosis adults and for children/adolescents. As another way of increasing access to behavioral health services, Nuvance Health obtained approval for and started a psychiatry residency program with the goal of training new psychiatrists who will live and work in our communities once they have completed their training.

1. Provide the following information:

utilizing **OHS Table 1**, list all services to be added, terminated or modified, their physical location (street address, town and zip code), the population to be served and the existing/proposed days/hours of operation;

**OHS TABLE 1**

**APPLICANT'S SERVICES AND SERVICE LOCATIONS**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Service** | **Street Address, Town** | **Population Served** | **Days/Hours of Operation** | **New Service or Proposed Termination** |
|  |  |  |  |  |
| Norwalk Hospital Inpatient Psychiatric Unit | 24 Stevens Street,  Norwalk, CT 06850 | Norwalk and surrounding communities | 24 hours per day, 7 days per week, 365 days a year | Proposed Termination |
|  |  |  |  |  |

utilizing **OHS Table 2**, identify the service area towns (i.e., use **ONLY** [official town names](http://ctstatelibrary.org/cttowns/counties)) and explain the reason for their inclusion (e.g., market share).

**Please note: use of village or area names instead of an official town name (Connecticut has 169 official towns) will not be accepted and will require revision/resubmission of the table.**

# **OHS TABLE 2**

**service area towns**

|  |  |
| --- | --- |
| **Official Town Name** | **Reason for Inclusion** |
| Norwalk, CT  Westport, CT  Wilton, CT  New Canaan, CT  Weston, CT  Adjacent Communities | Listed towns account for at least 75% of inpatient discharges  Secondary service area |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |

1. List all health care facility license(s) that the applicant current holds. If the license is inactive or is “not in good standing,” please explain why and provide a recent corrective action plan. List all health care facility licenses that will be needed to implement the proposal (i.e., include licenses required by the Department of Public Health, Department of Children and Families, etc.).

[Click here to lookup a license.](https://www.elicense.ct.gov/Lookup/LicenseLookup.aspx)

Norwalk Hospital – Connecticut Department of Public Health (“DPH”) General License # 000053

No additional licenses will be needed to implement this proposal.

[Click here for DPH Facility Licensing and Investigation Section (FLIS) website and contact information.](https://portal.ct.gov/DPH/Facility-Licensing--Investigations/Facility-Licensing--Investigations-Section-FLIS/Facility-Licensing)

[Click here to view SAMHSA data.](https://www.samhsa.gov/medication-assisted-treatment/practitioner-resources/DATA-program-data)

1. Submit the following information as attachments to the application:
   1. a copy of all Connecticut Department of Public Health, Department of Children and Families license(s) currently held by the applicant(s);

See Attachment A for a copy of Norwalk Hospital’s General Hospital license from DPH.

* 1. a list of all key professional, administrative, clinical and direct service personnel related to the proposal and attach a copy of their Curriculum Vitae;

See Attachment B for the Curriculum Vitae of the following key personnel:

* Charles Herrick, M.D. – System Chair, Psychiatry
* Steven McNerney – Administrative Director, Behavioral Health
* Peter Cordeau – President, Norwalk Hospital
* Leslie Lincoln, Chief Nursing Officer, Norwalk Hospital
  1. copies of any scholarly articles, studies or reports that support the need to establish the proposed service, along with a brief explanation regarding the relevance of the articles;

The following articles, studies, and reports support the Proposal and are in Attachment C:

**Issue Brief: The Implications of COVID-19 for Mental Health and Substance Use, Kaiser Family Foundation (2021)**

*This article supports the expansion of outpatient psychiatric services at Norwalk Hospital.*

* During the pandemic concerns about mental health and substance use have grown, including concerns about suicidal ideation – adults in the US reported an increase in symptoms of anxiety or depressive disorder from 1 in 10 (2019) to 4 in 10 (2021).
* The Kaiser Family Foundation survey results note that mental distress during the pandemic is occurring against a backdrop of high rates of mental illness and substance use that existed prior to the current crisis.
* There are a variety of ways the pandemic has likely affected mental health, particularly with widespread social isolation resulting from necessary safety measures, experiences of loneliness and negative mental health effects, and experiencing job or income loss.
* July 2020 reports also note adults are reporting specific negative impacts on their mental health and well-being, such as difficulty sleeping (36%) or eating (32%), increases in alcohol consumption or substance use (12%), and worsening chronic conditions (12%), due to worry and stress over the coronavirus.
* It will be important to consider how the increased need for mental health and substance use services will likely persist long term, even if new cases and deaths due to the novel coronavirus subside.
* The pandemic has further exacerbated mental health and substance use issues, increasing the need for mental health and substance use services.

**Mental Health, Substance Use, and Suicidal Ideation During the COVID-19 Pandemic, CDC Morbidity & Mortality Weekly Review, Vol. 69, No. 32 (Aug. 14, 2020) (referred to herein as “Mental Health During Covid-9 Pandemic, CDC”)**

*This article emphasizes the growing need for outpatient psychiatric services, particularly in light of the current Covid-19 pandemic.*

* Elevated levels of adverse mental health conditions, substance use, and suicidal ideation were reported by adults in the United States in June 2020.
* Mental health conditions are disproportionately affecting specific populations, especially young adults, Hispanic persons, black persons, essential workers, unpaid caregivers for adults, and those receiving treatment for preexisting psychiatric conditions.
* While the study has limitations, elevated prevalence of reported adverse mental and behavioral health conditions associated with the COVID-19 pandemic highlight the broad impact of the pandemic and the need to prevent and treat these conditions.

**Mental Health and the COVID-19 Pandemic, World Happiness Report, Chapter 5 (referred to herein as “Mental Health and the Covid-19 Pandemic, WHR”)**

*This paper summarizes and discusses the emerging evidence on the mental health consequences of COVID-19 and a continued trajectory of need that the proposed Norwalk outpatient programs will address.*

* The COVID-19 pandemic has been associated with a substantial rise in symptoms of mental ill-health. The pandemic has also appeared to increase inequalities in mental health, both within the population as a whole and between demographic groups.
* Four mechanisms believed to increase future health consequences are identified as: health-related anxieties directly arising from COVID-19; worries resulting from how the pandemic affects an individual’s financial situation; complications that arise from domestic family arrangements during lockdown or shelter-in-place regulations; and direct mental health effects of the loss or restriction of otherwise fulfilling activities caused by the pandemic and the various lockdown policies.

**American Hospital Association May 2019 TRENDWATCH Increasing Access to Behavioral Health Care Advances Value for Patients, Providers and Communities**

*This article summarizes ways hospitals and health systems are identifying and addressing behavioral health needs in their communities and aligns with Norwalk Hospital’s direction.*

* Key messages include that behavioral health is essential to individual and population health
* Timely access to affordable services remains a challenge for many Americans increasing access to behavioral health services can improve outcomes and lower costs.
* Hospitals’ roles in their communities as providers of emergency, inpatient and outpatient care, as well as their relationships with community-based organizations, have made them central to addressing community-wide behavioral health care needs.

**Effectiveness of inpatient versus outpatient complex treatment programs in depressive disorders: a quasi-experimental study under naturalistic conditions, Driessen, M. et al, BMC Psychiatry (2019)**

*This article demonstrates the effectiveness of inpatient versus outpatient complex treatment programs in depressive disorder and supports the proposed approach of Norwalk Hospital for this CON to focus treatment on IOPs.*

**Substance Abuse Intensive Outpatient Programs: Assessing the Evidence, McCarty, Dennis, et. al., Psychiatric Services (June 1, 2014)**

*This article supports the essential role IOPs have in the continuum of care.*

* “IOPs have emerged as a critical facet of 21st century addiction treatment for people who need a more intensive level of service than usual outpatient treatment, and they allow participants to avoid or step down successfully from inpatient services. This is an important consideration for policymakers, providers, and individuals engaged in substance abuse treatment services when deciding which level of care is most appropriate for specific clinical situations.”
* “Compared with inpatient care, IOP services have at least two advantages: increased duration of treatment, which varies with the severity of the patient’s illness and his or her response, and the opportunity to engage and treat consumers while they remain in their home environments, which affords consumers the opportunity to practice newly-learned behaviors.”

**Standards and Guidelines for Partial Hospitalization Programs and Intensive Outpatient Programs, Association for Ambulatory Behavioral Healthcare (2021)**

*The standards and guidelines of the Association for Ambulatory Behavioral Healthcare (“AABH”) reflect the essential role IOPs have in the continuum of care.*

* “PHPs [partial hospitalization programs] and IOPs are designed to help individuals understand their illness, reduce the impact of functionally debilitating symptoms, and cope with challenges situational crises. People need to feel hope, find purpose, and care for others. Whenever possible, they want to keep their job and maintain their homes. The treatment mission of PHP and IOP services is to develop a setting that provides the tools for recovery. The latest medication advances, therapeutic techniques, and peer connections meet individuals ‘where they are’ in a positive milieu that fosters support and change. PHPs and IOPs should represent the core of psychosocial treatments. The final rules pertaining to the implementation of the parity legislation were presented in November of 2013. At the time, Pamela Hyde, JD, SAMHSA Director, announced that partial hospitalization and intensive outpatient treatment were specifically included as essential ‘intermediate behavioral healthcare’ treatment options. This landmark decision validates over 40 years of effort by behavioral health professionals throughout the country to provide intensive ambulatory treatment and avert or reduce hospitalizations while creating an environment of personal recovery for countless Americans.”
* “With a continuum of behavioral health care, PHPs and IOPs function as vital components. They provide therapy and education in an intensive group environment that cannot be provided through either an outpatient individual therapy model or a crisis-oriented inpatient unit. Traditional outpatient treatment lacks the needed intensity and range of interventions, while clients on inpatient units tend to lack the stability and focus to participate actively in a group educational setting. PHP and IOP treatment allow persons served to stabilization more successfully while in their own community environment.”

**Development of Quality Measures for Inpatient Psychiatric Facilities: Final Report, U.S. Dep’t. Health & Human Services (Feb. 2015)**

*This review of quality measures aligns with the performance monitoring in place at Nuvance Health hospitals for the psychiatry program.*

* Chart-based measures provide a reliable screening mechanism (risk of suicide, risk of violence, substance sue and metabolic conditions) for follow-up care.

**Experiences of in-patient mental health services: systematic review, British Journal of Psychiatry (2019) (referred to herein as “Experiences of Inpatient Mental Health Services, BJP”)**

*This review supports the influence of environment on inpatient recovery-based care and the proposed renovations to the inpatient psychiatric unit at Danbury Hospital.*

* Based on a thematic review of studies to determine impact on patient experience, four areas emerged that are addressed in the inpatient program delivery at Danbury Hospital:
  + Importance of high-quality relationships
  + Averting negative experiences of coercion
  + A health, safe and enabling physical environment and ward milieu
  + Authentic experiences of patient-centered care

**Connecticut’s Behavioral Health Workforce Shortage Fact Sheet, Behavioral Health + Economics Network (2018)**

*This Fact Sheet highlights the escalating need for a behavioral health workforce and impact on need for more community-based services to reduce unnecessary hospitalizations, which aligns with Norwalk Hospital’s proposed direction to expand its outpatient programs.*

* “Currently, Connecticut would need a more than 50% increase in the behavioral health workforce to meet the needs of children, families and underserved individuals. Financial investment in the behavioral health workforce produces costs savings in ancillary social services by decreasing unnecessary hospitalizations and lengths of stay and reducing criminal justice costs by deferring individuals to community-based treatment.”
* “From 2010 to 2015, mental health-related visits to Connecticut’s hospitals rose by 32%. Hospitalization increases are a common side effect of community-based behavioral health workforce shortages as individuals in need are unable to access services in an outpatient setting. Hospitalizations are often more expensive than providing individuals the treatment they need within their community.”

**Projected Workforce of Psychiatrists in the United States: A Population Analysis, Psychiatric Services (2018)**

*This analysis supports the national shortage of psychiatrists and the sustained inability to recruit and fill open positions for the Applicant.*

* The analysis concludes that “Because of steady population growth and the retirement of more than half the current workforce, the psychiatrist workforce will continue to contract through 2024 if no interventions are implemented, leading to a significant shortage of psychiatrists.”

**Addressing the escalating psychiatrist shortage, American Association of Medical Colleges (Feb. 12, 2018)**

*This article explains that there is an increasing need for mental health services as the national shortage in psychiatrists continues to grow and describes strategies to support delivery of behavioral health services that align with steps being taken by Norwalk Hospital.*

* The use of telemedicine expands the workforce and “’offers the flexibility to work from home or in circumstances when practitioners otherwise might not be available. Also, access to more varied client populations can decrease burnout and thereby increase workforce retention.’”
* Collaboration between primary care providers and psychiatrists is essential.
* The article also highlights the importance of providing high quality psychiatry clinical rotations.

**Why It’s So Hard to Find a Therapist Who Takes Insurance, Wall Street Journal (Oct. 5, 2021)**

*This commentary supports access to providers that accept all insurances to address their therapy needs. The outpatient programs at Norwalk Hospital accept all individuals referred for treatment based on availability, regardless of payer source.*

* About 34% of people with private insurance said they had difficulty finding a therapist who would accept their coverage, according to a 2016 survey—the most recent data available—of more than 3,100 participants conducted by the National Alliance on Mental Illness, a national mental-health advocacy group. By comparison, 9% said they had difficulty finding an in-network primary-care provider.
  1. the “state, federal, national or industry-approved” protocols or Standard of Practice Guidelines that will be utilized in relation to the proposal. Attach copies of all relevant sections and describe how the applicant proposes to meet the protocols or guidelines; and

This Proposal involves the termination of the inpatient psychiatry service at Norwalk Hospital, but Norwalk Hospital and its affiliated providers will continue providing care in accordance with applicable standards of care and clinical protocols for behavioral health care. Nothing in this Proposal seeks to modify or otherwise change the protocols, and notably Norwalk and Danbury Hospitals are both accredited by The Joint Commission, and obligated to operate in compliance with all applicable state and federal laws.

Of relevance to Norwalk Hospital’s clinical practice, the Columbia Suicide Severity Rating Scale (<https://www.hrsa.gov/behavioral-health/columbia-suicide-severity-rating-scale-c-ssrs>) is utilized in the Norwalk and Danbury Hospital Emergency Departments, and the PHQ-9 (Patient Health Questionnaire-9; <https://www.mdcalc.com/phq-9-patient-health-questionnaire-9>) is utilized to assess the degree of severity of depression and/or GAD-7 (General Anxiety Disorder-7; <https://www.mdcalc.com/gad-7-general-anxiety-disorder-7>) to measure the severity of anxiety for the intensive outpatient programs.

* 1. copies of agreements (e.g., memorandum of understanding, transfer agreement, operating agreement) related to the proposal. If a final signed version is not available, provide a draft with an estimated date by which the final agreement will be available.

There are no currently available agreements related to the Proposal. For patient transfers from Norwalk Hospital to Danbury Hospital, Norwalk Hospital will utilize the Nuvance Health transfer center to coordinate transfers and admissions to Danbury Hospital. The transfer center utilizes a registered nurse to learn about each patient’s unique circumstances and then identify and initiate the appropriate transfer quickly and efficiently. Once accepted for transfer, the nurse coordinates nursing unit and bed arrangements for the patient, facilitates the transmission of the necessary paperwork and medical documents, coordinates nurse to nurse report to ensure continuity of care and arranges transportation. The transfer center enables Norwalk Hospital and other Nuvance Health facilities to connect patients requiring inpatient psychiatric services with the appropriate next step in their care, taking into consideration their clinical diagnosis, needs, and other unique circumstances. Norwalk Hospital is dedicated to connecting patients with the appropriate level of care, regardless of whether this means transferring a patient to an affiliated hospital or to a hospital outside of Nuvance Health, and therefore Norwalk Hospital will also coordinate with local hospitals to accept transfers of behavioral health patients, in accordance with patient choice and the capabilities of the receiving facility.

# **Public Need and Access to Care**

§ *“Whether the proposed project is consistent with any applicable policies and standards adopted in regulations by the Office of Health Strategy;” Conn.Gen.Stat. § 19a-639(a)(1).*

1. Describe how the proposed project is consistent with any applicable policies and standards in regulations adopted by the Office of Health Strategy (OHS).

While there are no directly applicable policies and standards in OHS regulations, this Proposal aligns with the principles of Healthy Connecticut 2020, the Connecticut Department of Public Health’s State Health Improvement Plan, Focus Area 6, *Mental Health, Alcohol, and Substance Abuse* and its goal to “Improve overall health through the lifespan, through access to quality behavioral health services that include screening, early intervention, prevention and treatment” because the Proposal seeks to expand access to early intervention and treatment in the lower-acuity (and lower cost) outpatient setting, and to centralize higher acuity inpatient care for consistent treatment and quality of care.

The Proposal is also consistent with the Healthy Connecticut 2025 State Health Assessment, Chapter 6, *Behavioral Health, Trauma & Injury*, which states the following:

Behavioral health issues, including mental illness and substance use disorders, are associated with substantial social and economic costs to families and communities. In Connecticut, the percentage of the population diagnosed with depression, anxiety, ADHD, and other mental disorders, excluding drug or alcohol dependence, has increased overall since 2012. Substance use and alcohol use disorder screening, brief intervention and referral to behavioral health and medical care are effective strategies that can make an impact on this underserved population. Trauma screening by medical and behavioral health providers will provide opportunities for appropriate care. Prevention, treatment, harm reduction, and supportive recovery services are essential to reversing these trends and preventing increases in related health concerns and injuries. (Emphasis added.)

This Proposal expands access to outpatient treatment and intervention for all Norwalk Hospital Service Area community members in need of psychiatric care, including by improving crisis services and Emergency response and stabilization processes, while also maintaining access to specialized inpatient care in the Danbury Hospital inpatient psychiatric unit.

*§ “The relationship of the proposed project to the statewide health care facilities and services plan;” Conn.Gen.Stat. § 19a-639(a)(2).*

1. Describe how the proposed project aligns with the OHS Health Systems Planning’s Statewide Health Care Facilities and Services Plan, available at [HSP Publications Library](https://portal.ct.gov/OHS/Health-Systems-Planning/HSP-Publications/HSP-Publications-Library).

Through the Certificate of Need program, OHS strives to improve access to high-quality health services, minimizes unnecessary duplication of services, facilitates healthcare market stability, and helps contain the cost of healthcare. This Proposal aligns with the goals of the CON program and the Connecticut Department of Public Health’s Statewide Health Care Facilities and Services Plan (published in October 2012, and updated with Supplemental revisions in 2014, 2016 and 2018). Specifically, the Proposal seeks to expand access to lower cost outpatient services, increase early intervention treatment to reduce the incidence of higher acuity psychiatric incidents and decompensation, and lower costs of care by reducing higher cost inpatient stays via preventive and early intervention efforts in the outpatient setting, and by better managing emergency and other crisis situations via specialized facilities and processes at Norwalk Hospital. The Proposal also seeks to reduce the duplication of inpatient psychiatric services at both Norwalk Hospital and Danbury Hospital by consolidating the provision of those services at Danbury Hospital in an expanded unit with specialized facilities, and consistent staffing and processes to align with applicable standards of care.

*§ “Whether there is a clear public need for the health care facility or services proposed by the applicant;” Conn.Gen.Stat. § 19a-639(a)(3).*

1. With respect to the proposal, provide evidence and documentation that demonstrate clear public need. Include citations to referenced articles, peer-reviewed literature or other documentation that supports the application:

identify the target patient population to be served;

The Proposal seeks to serve residents of the Norwalk Hospital Service Area needing psychiatric care, and any other individuals from adjacent communities who present to the Norwalk Hospital Emergency Department with psychiatric disorders

discuss if and how the target patient population is currently being served;

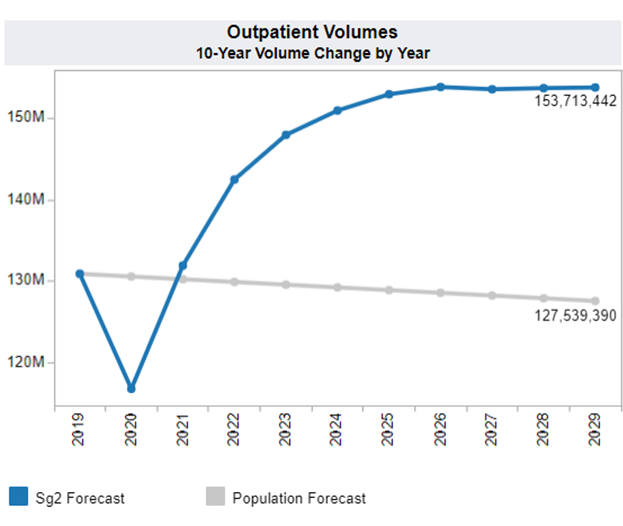
Residents of the Norwalk Hospital Service Area who require inpatient admission to a psychiatric unit are currently hospitalized at Norwalk Hospital’s psychiatric inpatient unit, as well as other hospitals in Fairfield County, DMHAS Region 1 or elsewhere based on their clinical needs and individual circumstances.

document the need for the equipment and/or service in the community;

As discussed in response to Questions 1 and 2 above, the Proposal will address the urgent need for earlier intervention and multidisciplinary care for behavioral health patients in a lower acuity and lower cost outpatient setting, while at the same time the transition of inpatient psychiatric services from Norwalk Hospital to Danbury Hospital will maintain access to inpatient psychiatric services for residents of the Service Area.

The Applicant has identified a growing need for outpatient services in the Norwalk community. First, there are currently a shortage of psychiatrists available to community members who rely on insurance, which severely restricts access for most individuals, and particularly those in underserved communities who may be uninsured or underinsured and unable to pay out-of-pocket for psychiatric care.

Norwalk Hospital has worked with Sg2,  a health care firm that provides health care trends, insights and market analytics to support strategic planning, in order to assess community need.  Sg2’s Impact of Change model forecasts demand for health care services over the next decade, examining the cumulative effects and interdependencies of key impact factors driving change in utilization. Over the next ten years, the model forecasts that outpatient volumes (for all ages) will grow significantly (17.5%).



Specific to the Nuvance Health Connecticut geography and behavioral health services, Sg2 projects growth in outpatient services that is four times (28%) that for inpatient care (7%) for the ten-year period from 2018 to 2028. These forecasts support the approach proposed by Norwalk Hospital in this application.

As noted above, prior to the Covid-19 pandemic, Norwalk Hospital saw an increase in referrals for outpatient services, which has been amplified by the pandemic. A review of patient referrals for the six-month period between April and September of 2021 was conducted to identify additional services needed, which included determining why an individual could not be accepted (such as not matching criteria for program admission criteria due to age or dual diagnosis). This data confirmed the need for two additional intensive outpatient programs: one for dual diagnosis adults and the other for adolescents, which would supplement Norwalk Hospital’s current IOP for general adult psychiatric services. In order to meet this identified need, Norwalk Hospital already established an evening dual diagnosis adult program in November of 2021, and an adolescent program is anticipated to begin in 2023. Norwalk Hospital will be able to support these IOPs based on its current patient population and need, and Norwalk Hospital anticipates that establishment of these programs and addition of specialized staff will increase referrals to the programs over time.

explain why the location of the facility or service was chosen;

Not applicable. This is a termination of the inpatient program at Norwalk Hospital.

provide incidence, prevalence or other demographic data that demonstrates community need;

See Attachment D for the below reports.

The *2020 Regional Priority Report for Southwestern Connecticut (Region 1)* (the “Report”), was released in June of 2021 with the primary purpose of informing DMHAS about data and priority recommendations for prevention, treatment, and recovery services in Southwest Connecticut (Region 1). In Southwest Connecticut, a program of the Regional Youth Adult Social Action Partnership (RYASAP), is the Regional Behavioral Health Action Organization (RBHAO) charged with conducting this process in order to assess the behavioral health needs of children, adolescents, and adults regarding substance misuse, mental health, and problem gambling. Through a detailed effort that includes collection of federal, state and local data, qualitative focus groups and interviews, and use of a priority ranking matrix, the top priorities of Southwest Connecticut are identified. The Report’s key findings include that:

[O]ur regional data workgroup identified again (also first in 2019 Priority Report) **Mental Health** as the top priority for the region. It emerged as the most important area to address for multiple reasons: mental illness affects the most people, it creates a significant burden, it is associated with all the issues the behavioral health community is trying to prevent (suicide, drug misuse, problem gambling), and it is getting worse, with anxiety and depression increasing dramatically among young people as well as increasing among adults. Mental health is also the number one concern as people in the region, state, and country were largely affected by the COVID-19 pandemic. The COVID-19 pandemic has impacted the mental health of individuals of all ages, making it the most important focus. Addressing people’s mental health struggles improves their health and reduces their need for unhealthy coping skills such as use of ATOD’s. Report, page 56.

Recommendations based on the Report’s findings include the following:

Support regional efforts to address timely access to treatment, including access to medication (e.g., open access models, telehealth, cooperative agreements among providers, evening/weekend hours, co-locating clinics at shelters).

Pursuant to the Fairfield County Community Wellbeing Index 2019 (“Welling Index”, available at <http://ctdatahaven.org/reports/fairfield-county-community-wellbeing-index>), which collects and analyzes over 100 sources of national, state, and local data pertaining to need, “reducing the frequency at which residents experience depression or other mental health disorders represents one of the greatest opportunities to improve the overall well-being of Fairfield County.” Wellbeing Index, p. 84.

The 2019 Greater Norwalk Region Community Health Needs Assessment (“CHNA”) and Community Health Improvement Plan (“CHIP”) identified mental health and substance use as a top health priority in the community, noting that:

Mental health and substance abuse were the top health concerns reported in the interviews and focus groups and were felt to impact persons of every socio-economic level. . . . Mental health services are present but limited and often strained. There are long waiting lists, especially for those with no health insurances and for those with Medicaid seeking outpatient services. Even those with commercial insurance often have difficulty finding outpatient care. . . . CHNA, p. 16 (Emphasis added).

These insights align with 2016 Greater Norwalk Region CHNA that also identified mental health/substance abuse as priorities, and recognizes that three years later, while there have been improvements in community partnerships, and attention to mental health and screening for social determinants have improved, these remain priority concerns.

With respect to mental health and substance use, one of the goals included in the 2019 CHIP is to “Improve access to appropriate care for adults and children”. CHIP, p. 27 (Emphasis added). In particular one of the objectives supporting this goal was to “Identify highly vulnerable populations and connect to care”. CHIP, p. 27. This included expanding substance and dual diagnosis treatment programs, in part through implementation of a dual diagnosis IOP. CHIP, p. 27.

The Applicant’s multi-faceted approach to delivering outpatient care conveniently at a lower cost, along with the plans to improve crisis interventions, directly address many of the key issues cited by the reports above, particularly access issues exacerbated by and during the pandemic. For example, Norwalk Hospital’s planned expansion of outpatient programming, and in particular the addition of an IOP for adolescents and a dual diagnosis IOP for adults in the evenings, which will be available to all residents regardless of payer source, aligns with both the Report and the priorities identified in the CHNA.

discuss how low-income persons, racial and ethnic minorities, disabled persons and other underserved groups will benefit from this proposal;

The Proposal will benefit low-income persons, minorities, disabled persons and other underserved groups by increasing opportunities to access ambulatory office or other outpatient behavioral health care, as well as specialized IOP care, in a more patient- and family-friendly setting that allows patients to avoid institutional settings and the potential stigma attached to such admissions.

The Norwalk Hospital Community Health Needs Assessment (“CHNA”) (available at <https://www.norwalkhospital.org/about-us/about-us>) provides local level health related data about Norwalk and the surrounding towns of New Canaan, Weston, Westport and Wilton and complements the 2019 Fairfield County Community Wellbeing Index (“Welling Index”, available at <http://ctdatahaven.org/reports/fairfield-county-community-wellbeing-index>) a comprehensive report about Fairfield County and the towns within it. According to the Wellbeing Index, the population in Norwalk has greater racial and ethnic diversity, as well as income disparities and education attainment than the surrounding region.

The Hospital derives the largest number of patients from Norwalk, which has a population of approximately 88,599 individuals and includes a medically underserved low income population designated by the Health Resources & Services Administration.

|  |  |  |
| --- | --- | --- |
| **Race/Ethnicity** | **Norwalk** | **State of CT** |
| Asian (Non-Hispanic) | 5% | 4% |
| Black (Non-Hispanic) | 14% | 10% |
| Hispanic or Latino/a (or any race) | 28% | 16% |
| White (Non-Hispanic) | 51% | 67% |
| Other (American Indian, Alaska Native, Native Hawaiian or Pacific Islander) | 2% | 3% |

(https://www.norwalkct.org/DocumentCenter/View/15190/Town-Profile-norwalk-2019)

Studies show that the Covid-19 pandemic has negatively impacted the mental health of many people (for example, during the pandemic the number of adults in the U.S. reporting symptoms of anxiety or depressive disorder has risen from 1 in 10 to 4 in 10), and that certain racial and ethnic minority groups have been disproportionately impacted (in particular, black and hispanic racial/ethnic minority groups). *See* *Mental Health During Covid-9 Pandemic*, CDC; *Mental Health and the Covid-19 Pandemic*, WHR. This Proposal would enhance access to outpatient wrap-around behavioral health services that are increasingly needed in the Service Area, and in particular by the medically underserved population described above, as Norwalk Hospital accepts all patients, regardless of insurance.

list any changes to the clinical services offered by the applicant(s) and explain why the change was necessary

The Applicant proposes to expand the types of specialized outpatient behavioral health care services provided at Norwalk Hospital and in the Norwalk Hospital community, maintain and improve emergency crisis psychiatric services, while also terminating the provision of inpatient psychiatric services at Norwalk Hospital.

The decision to close Norwalk Hospital’s inpatient psychiatric unit is the result of a consistently low census and utilization, paired with sustained staffing challenges for psychiatric physician and non-physician practitioners. Currently, only 3.2 FTE psychiatrists and a 1.0 FTE advanced practice registered nurse cover all psychiatric services offered through Norwalk Hospital, including the inpatient psychiatric unit as well as all other inpatient and outpatient consultation services. Although Norwalk Hospital and Nuvance Health are actively recruiting for additional providers, ongoing national and local behavioral health staffing shortages require that Norwalk Hospital and Nuvance Health utilize clinical staffing resources as efficiently as possible.

Norwalk Hospital has determined that it will be more effective to reallocate resources to expand access to outpatient care and consolidate inpatient care for its Fairfield County residents at Danbury Hospital. The consolidation of inpatient services will allow the limited available physician and staffing resources necessary for inpatient psychiatric services to be focused in one location, and will meet the inpatient needs of both service areas in a more efficient manner. Approval of the Proposal will enable Norwalk Hospital to more efficiently deliver behavioral health care utilizing its stretched staffing resources, and to focus on early intervention and ongoing treatment in a lower cost setting.

In addition, future renovations to the inpatient psychiatric unit at Danbury Hospital will enable Nuvance Health to serve the inpatient psychiatric needs of both the Danbury and the Norwalk communities in an ideal contemporary environment. See*Experiences of Inpatient Mental Health Services*, BJP; *Environmental and Therapeutic Issues in Psychiatric Hospital Design: Toward Best Practices* (Oct. 2006), available at <https://ps.psychiatryonline.org/doi/full/10.1176/ps.2006.57.10.1376> (referred to herein as “Psychiatric Hospital Design Best Practices”)*; Impact of the hospital-built environment on treatment satisfaction of psychiatric in-patients*, Psychological Medicine (2020), available at <https://qmro.qmul.ac.uk/xmlui/handle/123456789/68105> (referred to herein as “Impact of Environment on Psychiatric Inpatients”).

The consolidation of inpatient psychiatric services in Fairfield County is part of a larger effort by Nuvance Health to better address the current behavioral health needs of the communities it serves. As further described above, Nuvance Health has already implemented a number of changes across the network, including utilizing tele-psychiatry consultations to support hospitals without specialists and establishing a psychiatry residency program. The network is also in the process of expanding outpatient services, in part through the addition of intensive outpatient programs in the Norwalk community that will fill an identified need. The adult dual diagnosis IOP program was initiated in November of 2021 and currently has six patients with a capacity for 12. A new adolescent IOP will begin in 2023.

Norwalk Hospital remains dedicated to broadening access to behavioral health treatment services in its region while enhancing the existing clinical quality and outcomes, including by utilizing clinical partnerships with its affiliate Danbury Hospital. Network-wide standardized clinical protocols, quality measures, safety protocols and a single electronic medical record platform will help to ensure that patient care is coordinated across inpatient and outpatient care settings.

explain how access to care will be affected; and

This Proposal will maintain access to inpatient psychiatric services for the Norwalk community, and is intended to expand access by offering new outpatient services and programs for the community, while retaining options for inpatient care when clinically warranted. The Norwalk Hospital Emergency Department will be renovated to establish additional specialty treatment areas for emergency psychiatric crisis interventions, and post-stabilization the hospital will determine whether a patient can be followed up in the community or referred to an IOP, or whether inpatient admission is necessary, in which case the patient may be transported to Danbury Hospital or another local hospital, depending on the patient’s diagnosis and choice and capabilities of the receiving facility. Norwalk Hospital Psychiatry Department physicians are able to admit directly to Danbury Hospital from the Norwalk Hospital Emergency Department, which can reduce wait times for post-stabilization patients needing inpatient care, and transportation from Norwalk Hospital to Danbury Hospital will be provided at no cost to the patient unless otherwise required by the patient’s applicable insurance or applicable law.

The Proposal will enable Nuvance Health to utilize its clinical behavioral health staff – which has been overwhelmed and overworked by COVID-19 and sustained staffing shortages – to provide more valuable and timely care to community members in the outpatient setting, reducing the burden on the Emergency Department and inpatient units to serve as primary providers of behavioral health care (which such environments are not designed to do). Norwalk Hospital will also dedicate resources to the renovation of the Emergency Department to better provide crisis treatment for those emergency cases that require appropriate intervention and stabilization. Together, the Proposal’s interdependent plans will holistically improve access to quality inpatient psychiatric care in the region.

At the Norwalk Hospital Emergency Department, renovation plans are in process to design dedicated space in the Emergency Department for the assessment, stabilization, diagnosis and appropriate discharge (whether to inpatient status, transfer, or home) of emergency room crisis patients of all ages. This environment will be designed for safety and security of psychiatric crisis patients until they are ready to return home or be transferred for extended care. The space will include four renovated treatment bays to accommodate adult patients experiencing a psychiatric crisis, creation of a private psychiatric workspace for providers and staff, and a separate storage area for psychiatric crisis patients’ belongings. These additional locations, combined with two existing adult crisis rooms, will result in a total of six psychiatric adult crisis bays in close proximity to each other, enabling providers to more efficiently care for patients. This location also maintains good visibility for providers and staff in order to maintain safe care and oversight of patients in the department.

For particularly vulnerable pediatric crisis patients in the Norwalk Hospital Emergency Department, two additional treatment bays will also be designed to accommodate the unique needs of children and adolescents. These two pediatric rooms will be located adjacent to each other and separated from the adult psychiatric crisis bay location. The two bays will have contemporary safety and ligature-resistant finishes, separate patient bathrooms to minimize the need to walk through the Emergency Department treatment pod, and good visibility into the rooms for staff to monitor conditions and maintain a safe environment of care.

discuss any alternative proposals that were considered.

As noted above in describing the history of this Proposal, for many years Norwalk Hospital has pursued alternatives to closure by maintaining the existing unit and seeking to establish IOPs and expand outpatient programming. However, Norwalk Hospital has ultimately determined that this is not feasible due to sustained clinical staffing challenges of an inpatient unit that has seen extended low utilization. In addition, Norwalk Hospital is undertaking significant construction projects which will affect the physical space in which the psychiatric unit is currently located, which has compelled Norwalk Hospital to reconsider whether relocation and maintenance of the current unit is viable. Norwalk Hospital, in consultation with clinical experts and after consideration of utilization, need, and clinical standards of care, has determined it is not.

*§ “Whether the applicant has satisfactorily demonstrated how the proposal will improve quality, accessibility and cost effectiveness of health care delivery in the region, including, but not limited to, (A) provision of or any change in the access to services for Medicaid recipients and indigent persons;” Conn.Gen.Stat. § 19a-639(a)(5).*

1. Describe and provide specific details on how the proposal will improve the following (i.e., include citations to referenced articles, peer-reviewed literature or other documentation that supports the application):
   1. the quality of health care in the region;

Norwalk Hospital has been and will continue to be focused on providing high-quality behavioral health services to patients in the community in alignment with best practices and through a culture of accountability, which includes appropriate internal event reporting and accurate and timely reporting to external oversight agencies.

The Proposal will improve the quality of inpatient psychiatric care in the region through the addition of new specialized IOPs and other outpatient services and programs, as well as the intended recruitment of new providers and staff for such programs, and also the renovation of the Emergency Department to improve outcomes for patients in crisis. Moreover, Danbury Hospital plans to renovate and expand its inpatient psychiatric unit to become a state-of-the-art destination facility for best psychiatric treatment practices, care, and providers.

The Proposal will also enable Nuvance Health to dedicate resources to the future renovation of one consolidated and modernized inpatient psychiatric unit. Although the environment of care is extremely important to the health and well-being of patients, for too long this has been a neglected area of consideration when building inpatient psychiatric units. *Experiences of Inpatient Mental Health Services*, BJP; *Impact of Environment on Psychiatric Inpatients*, Psych. Med.; *Psychiatric Hospital Design Best Practices.* As a result, these units have occupied available facility space and are not designed with comfort in mind. The ligature risk requirements, which are sparse and utilitarian in nature, present additional challenges when designing with comfort in mind. Planned renovations to the consolidated inpatient psychiatric unit will result in a service that offers patients a welcoming and comfortable environment that is more conducive to treatment. For example, compliance with the current ligature risk requirements has increased the noise level dramatically, and noise reduction has been identified as critical to the inpatient psychiatric environment, therefore the plan includes investing in significant sound reduction improvements. *See Psychiatric Hospital Design Best Practices.* As another example, the floor plan will be designed to provide greater meeting space with entrances off-wards, which will be more conducive to patients connecting with their families and other visitors. *See* *Impact of Environment on Psychiatric Inpatients, Psych. Med.*By relocating the existing service from two separate floors in the hospital into a single level, modern inpatient unit, patients and families will experience a more unified patient care environment. Rooms will be configured in semi-private or private configurations to maximize the patient experience when possible. In addition, a new centrally located staffing area will improve staff visibility of the unit. Additionally, investments in the aesthetics of staffing and patient areas are expected to improve the overall morale and patient experience leading to reduced burnout and improved patient and family satisfaction, as well as an improved work environment for staff.

* 1. accessibility of health care in the region; and

This Proposal will maintain access to inpatient psychiatric services for the Norwalk community. Although Norwalk Hospital will cease to offer inpatient psychiatric services on the Norwalk campus, the Danbury Hospital inpatient psychiatric unit will contemporaneously be expanded to accommodate Norwalk Hospital patients requiring inpatient-level care, and Norwalk Hospital’s expanded outpatient services and programs are intended to reduce reliance on the Emergency Department and inpatient care for behavioral health in the region. Patients who present at Norwalk Hospital in an emergency or other circumstance who may require inpatient admission can be admitted directly to Danbury Hospital, and transported there without cost to the patient unless otherwise required by insurance or law, or may be transferred to one of the other inpatient providers in the region, as listed in the chart below:

|  |  |
| --- | --- |
| **Facility** | **Number of Beds** |
| Danbury Hospital | 22 (plans to increase to 34) |
| Greater Bridgeport Community Mental Health Center | 62 |
| Silver Hill Hospital | 39\* |
| St. Vincent’s Behavioral Health | 60 |
| Stamford Hospital | 20 |
| St. Vincent’s Medical Center | 16 |
| Bridgeport Hospital | 40 |
| **Total** | 219 |

Source: CT staffed and available beds from Report 400, FY20.

\*Source: OHS Docket No. 20-32403-DTR

In coordination with the consolidation of inpatient psychiatric services, and as described in the responses in Questions 1 and 8.h. above, Norwalk Hospital is developing dedicated space in the Emergency Department for the assessment, stabilization, diagnosis and disposition of emergency room crisis patients of all ages. Expansion of outpatient services available to the Norwalk community will close gaps in available services, through the establishment of two additional intensive outpatient programs, one for dual diagnosis adults and the other for adolescents, which will be located in the outpatient behavioral health center in Norwalk.

* 1. the cost effectiveness of health care delivery in the region.

The Proposal will enable more cost-effective delivery of health care in the region because expansion of the provision of outpatient services, and establishment of additional specialized IOPs, is intended to provide more value for care delivered by enabling more patients to access behavioral health treatment earlier and more regularly, instead of relying solely on the Emergency Department for interventions in response to crises and similar urgent clinical situations.

* 1. health equity in the region

The Proposal is being implemented with the goal of improving health equity and expanding access to currently underserved populations within the Norwalk community, where the need for more services and earlier interventions is particularly acute due to the impact of the COVID-19 pandemic and exacerbation of long-time inequalities in access and delivery of behavioral health care. As identified in response to Question 8.e. above, the CHNA provides local level health related data about Norwalk and the surrounding towns of New Canaan, Weston, Westport and Wilton and complements the 2019 Fairfield County Community Wellbeing Index, a comprehensive report about Fairfield County and the towns within it. The population in Norwalk has greater racial and ethnic diversity, as well as greater income and education disparities, than the surrounding region.

Norwalk Hospital is acutely aware of its obligation to promote health equity in furtherance of its mission and has invested in new resources and structures to devote to this important work. Norwalk Hospital’s parent Nuvance Health will supply the services of a network Medical Director of Health Equity along with the Assistant Vice President of Health Equity, Inclusion and Diversity, to work on internal programs and also partner with community organizations to elevate and address the underlying causes of health inequality. One example of this is Nuvance Health’s membership in the Healthcare Anchor Network. As a member of the Healthcare Anchor Network, Nuvance Health is committed to sustainably invest in communities to address not just health disparities, but economic and racial inequalities as well.

1. What specific steps will the applicant(s) take to ensure that future health care services provided will adhere to the National Standards on culturally and Linguistically Appropriate Services (CLAS) to advance health equity, improve quality and help eliminate health care disparities in the projected service area? (More details can be found at [National CLAS Standards](https://minorityhealth.hhs.gov/omh/browse.aspx?lvl=2&lvlid=53)).

Norwalk Hospital will continue to ensure that health care services provided will adhere to the National Standards on Culturally and Linguistically Appropriate Services to advance health equity, improve quality and help eliminate health care disparities in all its stated service areas.

Norwalk Hospital complies with The Joint Commission (“TJC”) Hospital Standards and Elements of Performance. Joint Commission standards have supported the provision of care, treatment, and services in a manner that is sensitive and responsive to individual patient needs for many years. Since care spans a broad continuum and involves a complex interplay of both individual and system behaviors, the standards that support effective communication, cultural competence, and patient- and family-centered care are found throughout the Comprehensive Accreditation Manual for Hospitals. The National CLAS Standards can be directly cross-walked to the standards and elements of performance that TJC Hospitals follow. This cross-walk, published by TJC, is available online here (<https://thinkculturalhealth.hhs.gov/clas/crosswalks>).

Norwalk Hospital will accommodate all language preference or other communication needs, whether they’re cultural or linguistic. Interpretive services and devices are available for non-English speaking, visually impaired, deaf and hard-of-hearing patients. Free aids and services to people with disabilities to communicate effectively with us, such as: qualified sign language interpreters, written information in other formats (large print, audio) and information in different languages. Our website services and content are accessible to persons with disabilities including, but not limited to users of screen reader technology. We have made modifications to the Website to enable and maintain accessibility in-line with the Web Content Accessibility Guidelines, which is an auxiliary aid to enable people with disabilities to obtain to use the Website and obtain its content in conformance with the Americans with Disabilities Act and applicable State and Local accessibility requirements.

Additional initiatives and services tied to CLAS:

* Patient financial assistance paperwork is available in six languages and can be found on the financial assistance page of our website.
* Employees are required to complete online Mandatory Annual Training around Anti-Harassment and Anti-Discrimination which reflect our commitment to Diversity & Inclusion in our HR policies.
* HEDI (Health Equity, Diversity and Inclusion) initiative delivers on our commitment to health equity, cultural humility, and anti-racism by providing an environment where every member of the Nuvance Health community – including and at the forefront – patients and colleagues – have opportunity, feel welcomed, valued, respected, supported and accepted.
* Creation of Employee Resource Groups (ERGs) – Internally and externally focused groups that foster community engagement and inclusivity around organizational goals. One of the first opportunities identified was to help overcome vaccine hesitancy evident among people of color within Nuvance Health and our communities.
* Health Equity Monthly Education and Local Peer Listening Sessions
* Promotion of supplier and support services diversity
* Educate, Listen and Learn program– focusing on anti-bias and implicit bias training starting with executive and senior leadership, with roll-out to all managers
* Strengthen Our Pipeline of Diverse Talent – develop diverse recruiting channels, formalize career and mentorship programs and strengthen community-based relationships

1. Describe how you are promoting health equity at your facility and/or in your programs.

As noted above, Norwalk Hospital recognizes its obligation to promote health equity as part of its mission, and is strongly supported in these efforts by Nuvance Health. Norwalk Hospital will benefit from the services of a part-time network Medical Director of Health Equity along with an Assistant Vice President of Health Equity, Inclusion and Diversity (currently being recruited), to work on internal programs as well as partner with community organizations to elevate and address the underlying causes of health inequality. Norwalk Hospital also intends to promote health equity by expanding access to outpatient behavioral health care services via this Proposal, including via expansion of its behavioral health center and creation of new IOPs available to all patients in the community (in contrast to current restrictions on availability of psychiatric care in the community). As a community hospital, Norwalk Hospital will cater its new and expanded services to community members to ensure new and continued access to care for the community, and a reduced reliance on the emergency department as a stand-in for primary mental health care treatment. In addition, employee and leadership compensation at Norwalk Hospital, as is the case at other Nuvance Health hospitals, involves consideration of a variety of metrics for performance, including health equity measures.

1. Describe how your facility and/or programs will positively impact your community with special attention to the demographic data response in 8a (target patient population).

The Proposal will benefit all members of the community who may require behavioral health care and can expand access to important care for community members not currently able to be treated or who may rely on the emergency department as a primary provider of mental health care. The target patient population will be eligible to be treated as part of new IOPs and expanded outpatient services, but also maintain access to inpatient care where required. The renovation and updating of the Norwalk Hospital Emergency Department will provide a more therapeutic setting in which to deliver essential behavioral health care interventions, and to monitor patients as part of clinical assessments prior to discharge. The IOPs are being developed based on data and clinical input to determine what type of programs can have the most impact on mental health in the community.

1. Connecticut has identified several health priorities in the state (i.e., addressing chronic conditions, access to substance use disorder treatment, childhood obesity, behavioral health treatment, lead screenings/prevention, addressing low birthweight racial gap, and emergency room use). [Please click here to be taken to the Quality Council 2022 Core Measure Set.](https://portal.ct.gov/-/media/OHS/Quality-Council/Core-Measure-Set/2022-CT-Core-Measure-Set-Updated-2021-6-23.pdf) Identify if the proposal addresses any of the core measures outlined as health priorities for the state. If so, describe which core measure is addressed.

The Proposal directly addresses a key health priority in the state: behavioral health treatment and how to improve access and value of care delivered, particularly in response to the significant deleterious impact of the pandemic on behavioral health and individual health overall (which exacerbated a number of health inequalities, particularly in underserved communities). The Proposal has been designed based on updates to the standards of care for behavioral health care, and a determination that expanding outpatient services and programs while consolidating inpatient services in a newly renovated unit will have the most immediate and positive long-term impact on the delivery of behavioral health care in the region. The new IOPs provide specialized care and treatment for patients in acute need and can reduce the incidence of hospitalization. Expanded outpatient programs generally can reach new patients and families, reducing reliance on the emergency department as a sole resource for behavioral health crises, and correspondingly reducing the strain on the Emergency Department and providers and allowing for truly acute hospital cases to be prioritized.

Referencing the Quality Council 2022 Core Measure Set provided via the link, Norwalk Hospital providers address the following Behavioral Health Core measures in their provision of clinical care:

#19. Follow-up Care for Children Prescribed ADHD Medication

* Patients are seen at a minimum of 90 days with monitoring of vital signs including height, weight and symptom improvement scales.

#20. Metabolic Monitoring for Children and adolescents on Antipsychotics

* No formal program is in place, however, appropriate lab work is assessed dependent on the prescribing clinician.

#21. Follow-up After Hospitalization for mental Illness (7-Day)

* Primary Care providers do transition of care follow-up via care managers including scheduling a visit within 7 or 14 days depending on the individual’s clinical scenario.

#22. Follow-up After Hospitalization for Mental Illness (7-Day)

* Through expansion of both the residency training program, clinical staff and IOPs, patients will be guaranteed an appointment within 7 days of discharge.

#23. Substance Use Assessment in Primary Care

* Screening, Brief Intervention and Referral to Treatment (SBIRT) is an evidence-based approach to identifying patients who use alcohol and other drugs at risky levels. The goal of SBIRT is to reduce and prevent related health consequences, disease, accidents and injuries. SBRIT is our modality of choice and administered in our practices annually.

#24. Concurrent Use of Opioids and Benzodiazepines

* Development of a controlled substance tracking protocol is now available to aide clinical providers in identifying high risk patients. Morphine milligram equivalents (MME) is a measurement of pain management physicians use to determine how different opioids relate to each other. High risk patients are identified with a MME > 90 for opioids, and concurrent use of benzodiazepines. Plans are to role this out in 2022. In addition, we have a standard controlled substance agreement that is provided to all patients using any type of controlled substance. Patients seen every 90 days with routine urine drug screening and close follow-up.

#25. Use of Pharmacotherapy for Opioid Disorder

* Currently there are a small number of clinicians prescribing Suboxone and Vivitrol medications in the ambulatory setting to treat opioid addiction, and once development of the tracking protocol (above) is completed, efforts will be directed to development of a robust MAT program. Medication-assisted treatment (MAT) is the use of medications, in combination with counseling and behavioral therapies, to provide a “whole-patient” approach to the treatment of substance use disorders.

1. Are you recognized as a Patient Centered Medical Home (“PCMH”)? If not, are you working toward PCMH recognition?

All Nuvance Health Medical Practice Primary Care offices are certified as level 3 Patient Centered Medical Homes, the highest rating that can be attained, including all primary care offices serving the Norwalk Service Area.

1. Describe how your organization has tried to positively impact primary care in Connecticut. For example, explain your participation in primary care delivery models that incentivize value via alternative payment. If this application if for a mental health or substance use facility, explain any participation in models that integrate behavioral health care into primary care. If this application relates to specialty care, explain how your proposal will integrate and coordinate with primary care.

As part of Nuvance Health, Norwalk Hospital participates in an integrated primary care behavioral health model featuring physicians and non-physician practitioners and other specialized staff. This model embeds Behavioral Health Consultants (“BHCs”) into primary care offices. The BHCs are not just co-located but are part of the primary care team and see patients during their primary care visits if there is a need. Nuvance Health providers screen patients for depression, and in many practices also for social determinants of health (“SDOH”) and related health equity metrics. The BHCs assist with chronic disease management, nutrition and obesity issues, life stresses and behaviors that adversely affect health. Using this model, the primary care team is better able to meet the medical and emotional needs of their patients in a coordinated, patient centered and convenient manner. Nuvance Health also employs high risk navigators who assist patients with SDOH if they hit risk thresholds.

1. Please provide a breakdown of the racial/ethnic composition for the service area and for the applicant’s patient population.

The Norwalk Hospital Community Health Needs Assessment (“CHNA”) (available at <https://www.norwalkhospital.org/about-us/about-us>) provides local level health related data about Norwalk and the surrounding towns of New Canaan, Weston, Westport and Wilton and complements the 2019 Fairfield County Community Wellbeing Index (“Welling Index”, available at <http://ctdatahaven.org/reports/fairfield-county-community-wellbeing-index>) a comprehensive report about Fairfield County and the towns within it. According to the Wellbeing Index, the population in the city of Norwalk has greater racial and ethnic diversity, as well as income disparities and education attainment than the surrounding region (see response to Question 8.f. above)

* Norwalk Hospital’s FY 2021 inpatient, adult population was 70.4% white, 12.8% Hispanic, 11.5% black, and 2% Asian for those that answered this question (Source: Internal EMR).

|  |  |
| --- | --- |
|  |  |
| In Patient | **Count of Ethnicity** |
| **Asian** | **197** |
| Declined | 2 |
| Hispanic Origin | 2 |
| Non Hispanic Origin | 193 |
| **Black** | **959** |
| Declined | 11 |
| Hispanic Origin | 10 |
| Non Hispanic Origin | 938 |
| **Declined** | **16** |
| Declined | 10 |
| Non Hispanic Origin | 6 |
| **Other** | **1250** |
| Declined | 10 |
| Hispanic Origin | 1071 |
| Non Hispanic Origin | 169 |
| **Unavailable** | **41** |
| Declined | 17 |
| Hispanic Origin | 2 |
| Non Hispanic Origin | 22 |
| **White** | **5861** |
| Declined | 70 |
| Hispanic Origin | 130 |
| Hispanic Origin Unknown | 1 |
| Non Hispanic Origin | 5660 |
| **Grand Total** | **8324** |

1. Provide specific details describing how this proposal will help improve the coordination of patient care.

This Proposal will improve the coordination of patient care by consolidating the inpatient psychiatric services of Norwalk Hospital and Danbury Hospital into one location. This will allow enhanced coordination of care and delivery of standardized evidence-based care for all patients in need of inpatient psychiatric care.

* As Norwalk Hospital and Danbury Hospital are a part of the same system, all direct care providers have access to a patient’s electronic medical record.
* All psychiatry providers are cross credentialed at Norwalk Hospital and Danbury Hospital, increasing their ability to care for patients as a team, communicate more effectively with one another, and review one another’s work to ensure consistency and eliminate variation in care and inconsistencies in the medical record. Psychiatric providers at Norwalk Hospital are able to admit patients to Danbury Hospital directly. This also allows for seamless hand-offs between providers and improved connections of care between inpatient and outpatient services to ensure this occurs.
* Access to care will expand so that patients will have the opportunity to obtain immediate appointments upon discharge because of the Applicant’s plan to expand outpatient services.
* Expanded outpatient programming and services will enable more effective continuous follow-up of patients in the outpatient setting, and treatment of more psychiatric conditions, to enable coordination and management of care, and allow for earlier interventions prior to significant decompensation that may require emergency or inpatient treatment.

1. Describe how this proposal will improve access to care for Medicaid recipients and indigent persons and, in addition, answer the following:

This Proposal will improve access to care for Medicaid recipients and indigent persons by establishing more outpatient services and programs that such individuals may utilize to access behavioral health care. The Proposal will also ensure the continued availability of inpatient psychiatric services to Medicaid recipients and indigent persons, who will be eligible to receive treatment through the Danbury Hospital inpatient psychiatric unit. As part of the same network, the same standards for admission apply at Danbury Hospital and Norwalk Hospital.

The Applicant offers a full continuum of outpatient services to Medicaid recipients and the indigent population. The Norwalk Hospital outpatient programs will accept all individuals referred for treatment based on availability. Currently, the payer mix for outpatient services is approximately 36% Medicaid, 46% Medicare, 5% Managed Medicare, and 12% commercial insurance.

* 1. Are you a current Medicaid provider?

Yes, Norwalk Hospital is enrolled in the Connecticut Medicaid program, participates as a Medicaid provider, and will continue to do so.

* 1. How will you assure that you will abide by the [Medicaid Access standards](https://portal.ct.gov/DSS/Health-And-Home-Care/Medicaid-Access-Monitoring-Review-Plan/Medicaid-Access-Monitoring-Review-Plan)?

Norwalk Hospital has long participated in the Medicaid program and ensured its compliance with Medicaid access standards.

1. Provide a copy of the applicant’s charity care policy and sliding fee scale applicable to the proposal.

See Attachment E for the Nuvance Health Network Financial Assistance Policy, which applies to all hospitals in the Nuvance Health network, including Norwalk Hospital.

1. If charity care policies will be changed as a result of the proposal, list all changes and describe how the new policies will affect patients.

Not applicable, there will not be changes to the Applicant’s Charity Care policies as a result of this proposal.

*§ “Whether an applicant, who has failed to provide or reduced access to services by Medicaid recipients or indigent persons, has demonstrated good cause for doing so, which shall not be demonstrated solely on the basis of differences in reimbursement rates between Medicaid and other health care payers;” Conn.Gen.Stat. § 19a-639(a)(10).*

1. If the proposal fails to provide or reduces access to services by Medicaid recipients or indigent persons, provide explanation of good cause for doing so.

This Proposal will not reduce access to services for Medicaid recipients or indigent persons, as inpatient care will continue to be accessible at Nuvance Health’s Danbury Hospital location, which will apply the same standards for admission as would be applicable at Norwalk Hospital, and which will accept patients directly from Norwalk Hospital providers as warranted based on clinical condition. Additionally, access to outpatient behavioral health programs will be expanded through addition of specific intensive outpatient programs.

*§ “Whether the applicant has satisfactorily demonstrated that any consolidation resulting from the proposal will not adversely affect health care costs or accessibility to care.” Conn.Gen.Stat. § 19a-639(a)(12).*

1. Will the proposal adversely affect patient health care costs in any way? Quantify and provide the rationale for any changes in price structure that will result from this proposal, including, but not limited to, the addition of any imposed facility fees and changes to health plan reimbursement for services.

The Proposal will not adversely affect patient health care costs in any way. Norwalk Hospital has no plans to adjust price structures or impose new facility fees as a result of this proposal. Norwalk Hospital anticipates that the Proposal will reduce costs for community residents needing behavioral health care by enabling more care to be provided in a lower cost outpatient setting and reducing reliance on and need for higher cost hospital care. Expanded outpatient programs can also allow for earlier interventions that in turn reduce costs associated with complications or comorbidities that may arise in connection with neglect of personal mental health care. While there can be costs associated with transfers of a patient, Norwalk Hospital is working to reduce or eliminate these costs by providing for transportation at no cost (unless otherwise required by insurance) from Norwalk Hospital for admission to Danbury Hospital, and by considering cost as a central factor for patients in making decisions about their care. In addition, consolidating inpatient services can improve the cost effective delivery of care by consolidating expertise and staffing, and reducing duplication of similar services and work in the low utilization Norwalk Hospital inpatient unit.

1. Utilizing **OHS Table 3 and 4,** include both historical and projected cost data for self-pay patients and commercially insured patients as two separate tables.

**Note: If the COVID-19 pandemic affected the ability to report on FY2020 historical cost, please provide FY2019 cost data.**

# **OHS TABLE 3**

**Average cost**[1] **of NORWALK HOSPITAL INPATIENT PSYCHIATRIC UNIT Per SELF-PAY patient**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Historical** | **Projected** | | | |
| **FY 2020** | **FY 2021** | **FY 2022** | **FY 2023** | **FY 2024** |
| $11,626 | $11,586 | N/A | N/A | N/A |

[1] Cost is defined as the total dollar amount paid by the insurer plus patient out-of-pocket costs (e.g.,

deductibles, co-pays)

# **OHS TABLE 4**

**Average cost**[1] **of NORWALK HOSPITAL INPATIENT PSYCHIATRIC UNIT Per Commercially INSURED patient**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Historical** | **Projected** | | | |
| **FY 2020** | **FY 2021** | **FY 2022** | **FY 2023** | **FY 2024** |
| $8,094 | $9,205\_\_ | N/A | N/A | N/A |

[1] Cost is defined as the total dollar amount paid by the insurer plus patient out-of-pocket costs (e.g.,

deductibles, co-pays)

1. Explain whether this proposal will affect patient premiums or out of pocket costs for the commercially insured? If yes, please explain how. [Click here for information on the CMS price transparency rule.](https://www.cms.gov/newsroom/press-releases/cms-proposes-rule-increase-price-transparency-access-care-safety-health-equity)

Norwalk Hospital is not in a position to determine how the Proposal will affect premiums or out-of-pocket costs, as these matters are generally between a patient and the patient’s insurer or employer. However, Norwalk Hospital is obligated to comply with the CMS price transparency rule, and is posting new notices for patients to provide estimates of expected charges for uninsured and self-pay patients upon request or upon scheduling of a procedure, in accordance with the new surprise billing regulations in effect January 1, 2022. These processes and notices will enable patients to have more information and be more informed in advance about their costs of care and options.

1. Explain whether this proposal will affect costs to the uninsured.

The Proposal will not adversely affect costs for the uninsured. Expansion of outpatient psychiatric services as described in the Proposal will lower costs through increasing the availability services that address chronic mental health conditions and mitigating the need for more costly acute inpatient services. Moreover, Norwalk Hospital has in place a generous financial assistance policy which it will continue to utilize for the benefit of uninsured and underinsured individuals to enable access to medically necessary care without regard for cost.

1. Will the proposal result in increased costs to any State of Connecticut program (e.g., Medicaid, State employee plan)?

The Proposal will not result in increased costs to any State of Connecticut program. Inpatient Medicaid and Medicare services are reimbursed the same regardless of what hospital provides the services. Commercial (state employee) contracts have minimal variability for inpatient behavioral health services between Norwalk Hospital and Danbury Hospital.

1. Are you currently participating in any accountable care organization (ACO) arrangements or value-based payment arrangements? If yes, please describe in detail and describe whether and how the proposal will be incorporated into such arrangements.

The Applicant is a participant in the Western Connecticut Health Network Physician Hospital Organization ACO, an accountable care organization that has participated in the Medicare Shared Savings Program (“MSSP”) since 2015. As an ACO participant, Norwalk Hospital is responsible in part for supporting the ACO’s goals of being accountable for an assigned Medicare patient population while reducing costs, improving quality, and redesigning care models for improved performance.

The Proposal to terminate the inpatient psychiatric services at Norwalk Hospital and expand Norwalk Hospital’s outpatient behavioral health programs is consistent with – and advances – the cost-saving goals of the MSSP, because under the MSSP the ACO remains responsible for assigned beneficiaries regardless of where (or from whom) the beneficiary receives health care services. Approving this Proposal will enable Norwalk Hospital to more effectively deliver outpatient care utilizing its current staffing resources and can therefore advance the cost-saving goals of the MSSP by allowing Norwalk Hospital to deliver care in a lower cost setting, potentially avoid more costly admissions or extended inpatient stays, while also supporting continued care coordination for patients needing inpatient care who elect to go to Danbury Hospital. The Proposal thus maintains accountability for cost and quality at Norwalk Hospital, and constitutes a redesigned care process of the type intended for the MSSP.

# **Financial Information**

*§ “Whether the applicant has satisfactorily demonstrated how the proposal will impact the financial strength of the health care system in the state or that the proposal is financially feasible for the applicant;” Conn.Gen.Stat. § 19a-639(a)(4).*

1. Provide the applicant’s fiscal year: start date (mm/dd) and end date (mm/dd).

10/1 to 9/30.

1. Describe how this proposal will help ensure the stability of the state’s health care system or demonstrate that the proposal is financially feasible for the applicant(s).

The Proposal will help to ensure the stability of the state’s health care system by expanding outpatient treatment and interventions for a vulnerable behavioral health care population in the Norwalk Hospital Service Area, with the aim of increasing access to care and reducing the need for patients and families to rely on emergency departments as the sole provider of treatment for psychiatric conditions, and the resultant need to admit patients despite staffing challenges across facilities. The Proposal will introduce new outpatient programs and services, along with new providers, to provide care to patients where it can be most effective: in ambulatory and office settings, allowing the patient to stay home and continue to live and work productively outside of an institutional setting. The Proposal is intended to be consistent with the goals of Department of Public Health’s Statewide Health Care Facilities and Services Plan, including to “improve the health of Connecticut residents; increase the accessibility, continuity and quality of health services; prevent unnecessary duplication of health resources; and provide financial stability and cost containment of healthcare services.” The Proposal does so by seeking to increase accessibility to high quality health care services in a lower cost outpatient setting, and to ensure continuity and the reduction of duplicative services by allowing patients needing inpatient services to be treated at a renovated Danbury Hospital unit or other local hospital.

The financial strength of Connecticut’s healthcare system is directly related to the strength of its hospitals and their affiliated networks. Financially strong providers can invest in people, processes, and technology such as community health workers, peer specialists and screening tools to identify and service the needs in our most vulnerable populations. Collaboration and affiliation between hospitals within the same network to share resources and lower costs can directly advance the goal of ensuring the financial strength of the state’s healthcare system.

1. Provide a detailed explanation for all capital expenditure/costs associated with the proposal and list the dollar amount in **OHS Table 5.**

**OHS TABLE 5**

TOTAL Proposal CAPITAL EXPENDITURE

|  |  |
| --- | --- |
| **Category** | **Cost** |
| Equipment (specify the type) | - |
| Land/Building | - |
| Construction/Renovation | $1,200,000 |
| Other (specify) | - |
| **Total Capital Expenditure** | $1,200,000 |

There is no capital expenditure required for the proposed termination of the inpatient psychiatric unit at Norwalk Hospital. The capital expenditure referenced above as part of the Proposal is for the proposed renovation and enhancement of the Norwalk Hospital Emergency Department to address psychiatry crisis intervention services.

1. List all funding or financing sources for the proposal and the dollar amount of each. Provide applicable details such as: interest rate; term; letter of interest or approval from a lending institution.

The $1,200,000 capital expense will be funded through the Applicant’s annual capital budgeting allocations.

1. Include as an attachment:
   * + 1. audited financial statements for the most recently completed fiscal year. If audited financial statements do not exist, provide other financial documentation (e.g., unaudited balance sheet, statement of operations, statement of cash flow, tax return, or other set of books). Connecticut hospitals required to submit annual audited financial statements may reference that filing, if current; and

The Applicant’s FY 2020 Audited Financial statements were uploaded to OHS on 07/14/2021. Both the annual and twelve-month filings were submitted on 07/15/2021.

* + - 1. completed **Financial Worksheet A (non-profit entity), B (for-profit entity) or C (*§*19a-486a sale)**, available at [OHS Forms](http://portal.ct.gov/DPH/Office-of-Health-Care-Access/Apps--Forms/OHCA-Forms), providing a summary of revenue, expense, and volume statistics, “without the CON project,” “incremental to the CON project,” and “with the CON project.” **Note: the actual results reported in the Financial Worksheet must match the audited financial statements previously submitted or referenced. In addition, please make sure that the fiscal years reported on the Financial Worksheet are the same fiscal years reported for the utilization and payer mix tables (OHS Tables 8 and 9**).

See Attachment F for a completed Financial Worksheet A.

1. Fully identify the basis for the projections and explain all calculations reported in the Financial Worksheet. In providing these detailed assumptions, please include the following:
   1. Identify general assumptions for projected amounts that are estimated to be the same, both with or without this proposed project (i.e., project-neutral increases or decreases that occur between years). Explain significant variances (+/- 25% variances) that occur between years for the project neutral changes;

FY2020 baseline financials include significant impacts that resulted from the global pandemic and impact on overall utilization. The FY2023 project-neutral financials contemplate a return to our pre-COVID run rates with operational efficiencies built in.

FY2024 & FY2025 further build on those projections, using the global assumptions outlined below.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Revenue assumptions are based on the below table. | | | |  |  |
|  |  |  |  |  |  |
|  | | **FY23** | **FY24** | **FY25** |  |
| **Charge Increase** | | 5.0% | 5.0% | 5.0% |  |
| **Net Revenue:** | |  |  |  |  |
| Medicare | | 1.0% | 1.0% | 1.0% |  |
| Medicaid | | 0.0% | 0.0% | 0.0% |  |
| Commercial | | 3.0% | 3.0% | 3.0% |  |
| Uninsured | | 0.0% | 0.0% | 0.0% |  |
| State DSH | | 0.0% | 0.0% | 0.0% |  |
| **Volume:** |  |  |  |  |  |
| Inpatient |  | 1.0% | 1.0% | 1.0% |  |
| Outpatient | | 0.0% | 0.0% | 0.0% |  |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Expense assumptions are outlined below: | | |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| Bad Debt |  | Based on historic trend | | |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| Other Operating Revenue | | Assumed 2% annual increase | | |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| Salaries & Fringe Benefits | | Includes 3% inflationary increase annually | | | |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| Professional Services | | Assumed 2% annual increase | | |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| Supplies & Drugs | | Includes 3% inflationary increase annually | | | |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| Depreciation & Amortization | | Includes 2% annual increase based on typical cap ex spend and retirement of assets | | | | | | | |
|  |  |  |  |  |  |  |  |  |  |
| Interest Expense | | Based on interest expense expected on existing debt | | | | |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| Malpractice Insurance Cost | | Assumed 2% annual increase, consistent with Professional Services assumption above | | | | | | | |
|  |  |  |  |  |  |  |  |  |  |
| Lease Expense | | Based on 2% annual inflationary increase | | | |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| Other Operating Expense | | Assumes 2% annual increase | | |  |  |  |  |  |

* 1. Identify specific assumptions for all projected amounts that are estimated to change as a result of implementation of the proposed project (i.e., project-specific increases or decreases). Address projected changes in revenue, payer mix, expense categories and FTEs. In addition, connect any service, volume (utilization) or payer mix change described elsewhere in the CON application narrative or tables with these financial assumptions; and

Project specific financials model closure of the inpatient psychiatric unit at Norwalk Hospital. As such, the revenue & expense currently associated with the program is eliminated from the hospital financials.

* 1. If the applicant does not project any specific increases or decreases with the project in the Financial Worksheet, explain why.

Not applicable.

1. Describe any projected incremental losses from operations resulting from the implementation of the CON proposal. If losses will result, provide an estimate of the timeframe needed to achieve incremental operational gains.

Incremental losses of approximately $1.2M (see Schedule A) are anticipated at Norwalk Hospital as a result of closing the unit. However, incremental gains are anticipated at Danbury Hospital and for the parent company as the result of anticipated volume transfer, as demonstrated in the Financial Attachments included in response to Question 4.c of the Supplemental Form.

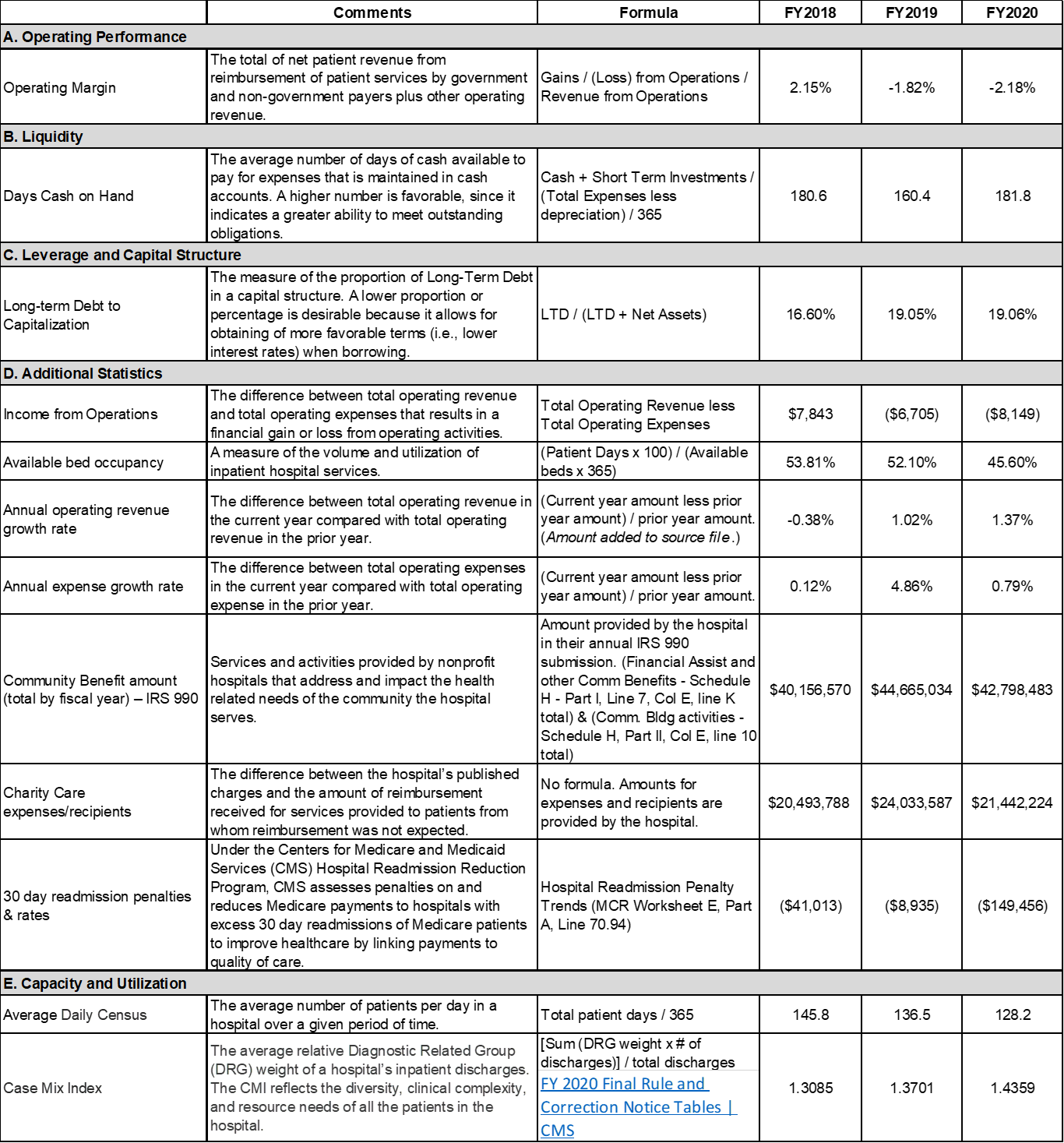
1. Describe how your proposal will aid in controlling the cost of healthcare (to patients and to the overall healthcare system). Please support your answer with historical cost data and comparisons (i.e., cost to patient and impact on cost to the CT healthcare system).

**Note: All applications will have some sort of impact whether that includes additional fees, higher copays, fewer required visits, etc.**

The Proposal will aid in controlling the cost of health care in Connecticut by (i) increasing access to outpatient services and specialized intensive outpatient programs, which will result in more patients receiving necessary behavioral health care interventions and treatment in lower acuity settings before conditions decompensate and require emergency intervention and/or inpatient treatment, which can both lower costs for the services in the outpatient setting versus the inpatient setting, and reduce overall costs per patient by avoiding decompensation and potential complications or comorbidities associated with severe psychiatric conditions; (ii) increasing access to specialized emergency treatment in a safe and secure setting, which can support effective interventions with patients in crucial moments to avoid significant negative outcomes and costs associated therewith; and (iii) consolidating the provision of inpatient care in a specialized unit, with consistent access to expert physicians and non-physician providers and staff, who deliver high quality care and adhere to consistent performance improvement processes and metrics, and who are able to coordinate care and manage post-discharge follow-up with network providers, which can reduce the costs of inpatient care, and enable better follow-up case management to provide outpatient clinical support, and options for early intervention, to reduce the likelihood of readmissions or extended inpatient stays.

1. (i.e., provide all information appropriate for your facility or service) with data from the most recently completed three fiscal years. Please use the formulas in the table below.

**OHS TABLE 6**

HISTORICAL FINANCIAL INDICATORS AND MISCELLANEOUS DATA

# **Utilization**

*§ “The applicant's past and proposed provision of health care services to relevant patient populations and payer mix, including, but not limited to, access to services by Medicaid recipients and indigent persons;” Conn.Gen.Stat. § 19a-639(a)(6).*

1. Complete **OHS Table 7** and **OHS Table 8** for the past three fiscal years (“FY”), current fiscal year (“CFY”) and first three projected FYs of the proposal for each of the applicant’s existing and/or proposed services. In completing these tables, please adhere to the following:
2. Identify each service type and add lines as necessary. Provide the number of visits or discharges as appropriate for each service type and **label** what the **volumes** **represent** (e.g., visits) and the **fiscal year** reflected in the table.
3. For CFY periods 6 months or greater, report annualized volume, identify the months covered and the method of annualizing. For periods less than 6 months, report actual volume and identify the months covered.
4. For OHS Table 8, if the first year of the proposal is only a partial year, provide the partial year utilization and indicate the months included in a footnote. In addition, provide projections for the first three complete FYs.

**Note: Please make sure that the fiscal years reported on OHS Table 8 match the fiscal years reported in the Financial Worksheet and payer mix (OHS Table 9) projections.**

**OHS TABLE 7**

HISTORICAL UTILIZATION BY SERVICE

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Service** | **Actual Volume Inpatient Discharges**  **(Last 3 Completed FYs)** | | | **CFY Volume\*** |
| **FY 2018** | **FY 2019** | **FY 2020** | **FY 2021** |
| Inpatient Psychiatry Unit Discharges | 511 | 442 | 368 | 363 |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| **Total** | 511 | 442 | 368 | 363 |

**\*Months include full fiscal year (Oct – Sept)**

# 

# **OHS TABLE 8**

PROJECTED UTILIZATION BY SERVICE

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Service** | **Projected Volume Inpatient Discharges** | | | |
| **Partial FY FY2022\*** | **FY 2023** | **FY 2024** | **FY 2025** |
| Inpatient Psychiatry Unit Discharges | 182 | 0 | 0 | 0 |
|  |  |  |  |  |
|  |  |  |  |  |
| **Total** | 182 | 0 | 0 | 0 |

**\* Months include full fiscal year (Oct – Sept)**

1. Provide a detailed explanation and justification of all assumptions used in the derivation/calculation of the projected service volume; explain any increases and/or decreases in volume reported in OHS Tables 7 and 8

This Proposal involves the closure of the inpatient unit at Norwalk Hospital and therefore future projections are not applicable.

1. Provide the current and projected patient population mix **by individual service location(s)** for the proposal using **OHS Table 9,** provide the number and percentage of patients by payer, all assumptions and label what the volume represents (e.g., discharges).

**Note: payer mix should be calculated from patient volumes, not patient revenues. Also, current year should be the most recently completed fiscal year. Projected years should match OHS Table 8 and the Financial Worksheet.**

**OHS TABLE 9**

**APPLICANT’S CURRENT & PROJECTED PAYER MIX NORWALK HOSPITAL**



\* Aligned with anticipated timeline of FY23 for termination of inpatient psychiatric unit at Norwalk Hospital.

*§ “Whether the applicant has satisfactorily identified the population to be served by the proposed project and satisfactorily demonstrated that the identified population has a need for the proposed services;” Conn.Gen.Stat. § 19a-639(a)(7).*

1. Describe the population (as identified in question 8(a)) by gender, race/ethnicity, age groups or persons with a specific condition or disorder and provide evidence (i.e., incidence, prevalence, or other demographic data) that demonstrates a need for the proposed service or proposal. **Please note: if population estimates or other demographic data are submitted, provide only publicly available and verifiable information (e.g., U.S. Census Bureau, Department of Public Health and Connecticut State Data Center) in a format consistent with the standards established in compliance with** [Public Act 21-35](https://www.cga.ct.gov/2021/act/Pa/pdf/2021PA-00035-R00SB-00001-PA.PDF#:~:text=Public%20Act%20No.%2021-35%20AN%20ACT%20EQUALIZING%20COMPREHENSIVE,and%20House%20of%20Representatives%20in%20General%20Assembly%20convened%3A)**, and document the source.**

As noted in response to previous Questions 8.f. and 16, The Hospital derives the largest number of patients from the city of Norwalk, which has a population of approximately 88,599 individuals and includes a medically underserved low income population designated by the Health Resources & Services Administration.

|  |  |  |
| --- | --- | --- |
| Race/Ethnicity | Norwalk | State of CT |
| Asian (Non-Hispanic) | 5% | 4% |
| Black (Non-Hispanic) | 14% | 10% |
| Hispanic or Latino/a (or any race) | 28% | 16% |
| White (Non-Hispanic) | 51% | 67% |
| Other (American Indian, Alaska Native, Native Hawaiian or Pacific Islander) | 2% | 3% |

The Norwalk Hospital Service Area population is 218,882 and is comprised of mostly white, non-Hispanic individuals, which make up 68.9% of the total population, which is greater than the U.S. total of 59% of the population. Hispanic individuals make up 16.6% of the population, while all other ethnicities (black non-Hispanic, Asian & Pacific Islander non-Hispanic and all others) make up less than one fourth of the total population (15%), as reflected in the chart below:

Source: The Claritas Company[[1]](#footnote-1), Norwalk Hospital Primary Service Area

Source: The Claritas Company, Norwalk Hospital Primary Service Area

1. Using **OHS Table 10**, provide a breakdown of utilization by town (i.e., use **ONLY** [official town names](http://ctstatelibrary.org/cttowns/counties)) for the **most recently completed fiscal year**. Indicate the fiscal year and the type of volume being reported: number of persons, visits, scans or other appropriate unit. Provide the source of data.

**OHS TABLE 10**

**UTILIZATION BY TOWN**

**FY 2020**

|  |  |
| --- | --- |
| **Official Connecticut Town** | **Volume (discharges)** |
| NORWALK | 188 |
| WESTPORT | 32 |
| Stamford | 15 |
| BRIDGEPORT | 13 |
| WESTON | 11 |
| NEW CANAAN | 10 |
| WILTON | 10 |
| BETHEL | 7 |
| DANBURY | 7 |
| Stratford | 7 |
| FAIRFIELD | 6 |
| DARIEN | 6 |
| Other CT Towns (less than 5 discharges each) | 41 |
| Out of State | 15 |
| **Totals** | **368** |

*§ “The utilization of existing health care facilities and health care services in the service area of the applicant;” Conn.Gen.Stat. § 19a-639(a)(8).*

1. Using **OHS Table 11**, identify all existing providers in the service area and, as available, list the services provided, population served, days/hours of operation and current utilization. Include providers in the towns served or proposed to be served by the applicant, as well as providers in towns contiguous to the service area.

# 

# **OHS TABLE 11**

SERVICES AND SERVICE LOCATIONS OF EXISTING PROVIDERS

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Facility's Provider Name, Street Address and Town** | **Program or Service** | **Population Served** | **Days/Hours of Operation** | **Licensed Beds** |
| Bridgeport Hospital | Inpatient psychiatry | Adult psychiatric | 24/7 | Licensed beds: 40 |
| Greater Bridgeport Community Mental Health Center | Psychiatric hospital | Adult psychiatric | 24/7 | Licensed beds: 62 |
| Danbury Hospital, 24 Hospital Avenue, Danbury | Inpatient psychiatry | Adult psychiatric | 24/7 | Staffed beds: 15 |
| Stamford Hospital, One Hospital Plaza, Stamford | Inpatient psychiatry | Adult psychiatric | 24/7 | Staffed beds: 15 |
| Silver Hill Hospital, 208 Valley Road, New Canaan | Inpatient psychiatry | Adult psychiatric | 24/7 | Licensed beds: 39\* |
| St. Vincent’s Behavioral Health, 47 Long Lots Road, Westport | Inpatient psychiatry | Adult & adolescent psychiatric | 24/7 | Believed to be included in SVMC data below |
| St. Vincent’s Medical Center (“SVMC”), 2800 Main Street, Bridgeport | Inpatient psychiatry | Adult psychiatric | 24/7 | Licensed beds: 75 |

Source: CT staffed and available beds from Report 400, FY20.

\* Source: OHS Docket No. 20-32403-DTR.

Table 11 provides all inpatient psychiatric services in DMHAS Region 1. In addition, St. Vincent’s Behavioral Health and Silver Hill Hospital are located within the Service Area.

1. Will this proposal shift volume away from existing providers in the area? If not, explain in detail why the proposal will have no impact on existing provider volumes. Please justify the utilization figured provided.

The closure of the inpatient psychiatric unit at Norwalk Hospital will not shift volume away from existing providers in the area. Norwalk Hospital anticipates that patients with behavioral health care needs will continue to present at its Emergency Department, including as a result of referrals from Norwalk Hospital and affiliated outpatient program providers, and patients needing inpatient care may then be admitted to Danbury Hospital or another hospital with capacity to receive them. This practice is consistent with the current clinical practice at Norwalk Hospital when a patient’s clinical situation is not capable of treatment on the Norwalk Hospital inpatient unit.

1. Describe what effect the proposal will have on existing physician referral patterns in the service area.

The Proposal is not intended to materially affect existing physician referral patterns because patients admitted for hospital psychiatric care are most often admitted following care in an emergency department. A significant number of admissions to the Norwalk Hospital inpatient psychiatric unit result from individuals presenting at the Emergency Department in crisis. Patients in crisis will continue to be evaluated at the Norwalk Hospital Emergency Department, and under the Proposal that evaluation process will be bolstered and streamlined via the improvement of the physical crisis treatment spaces and improved work flows for clinical staff. Where appropriate depending on a patient’s diagnosis and treatment needs, and patient preference, patients requiring inpatient psychiatric treatment may be transferred to Danbury Hospital, where they can be directly admitted pursuant to a transfer agreement between the hospitals, or to another facility for inpatient psychiatric services.

1. Describe how this proposal will affect the overall health care system/market concentration. Include how the proposal will impact other providers, referral patterns, regional impact, rates, and any other applicable factors.

The Proposal is intended to have a positive impact on Norwalk Hospital and Danbury Hospital, as well as other regional providers of psychiatric services. Norwalk Hospital intends for its expanded outpatient services to supplement current programs and increase patient choice for essential outpatient treatment outside of the hospital setting. Norwalk Hospital is also implementing systems to ensure continued access to inpatient psychiatric care for its patients, which will be enhanced through plans to renovate the Danbury Hospital unit, which Norwalk Hospital believes will become a destination for providers, staff, and patients to receive high quality psychiatric care in an academic setting. Existing referral patterns and physician relationships will not be impacted.

1. Will the proposal result in additional providers added to your staff? If yes, provide the number, location, provider types, and justification to be added.

Yes – Norwalk Hospital is actively recruiting to staff new positions upon establishment of the new IOPs and expanded outpatient behavioral health services, and to prepare for the proposed updates to the Emergency Department to more effectively provide crisis intervention and stabilization. As noted above, no providers or staff will be let go in order to accomplish the Proposal, but staff currently on the inpatient psychiatric unit may be given the option to shift to Danbury Hospital as part of increased staffing on that unit. All current Norwalk Hospital inpatient psychiatric unit staff will be given the opportunity to transition to newly created positions. As is the case nationwide for health care facilities, Norwalk Hospital has faced significant staffing challenges for the delivery of behavioral health care, and the Proposal seeks to allow Norwalk Hospital to more effectively and safely utilize its existing staff while also establishing new programs for expanded staff opportunities.

1. If applicable, describe how the proposal will help advance the applicant’s ability to participate in alternative payment arrangements for healthcare delivery and reimbursement (e.g., shared savings arrangements).

As noted in response to Question 27 above, Norwalk Hospital participates alongside other Nuvance Health and community providers in the MSSP and is actively participating and pursuing additional alternate payment models with both commercial and government payers (above and beyond current arrangements). Norwalk Hospital has already had success in addressing quality, total cost of care and underlying social determinates of health that impact overall health. Approval of the Proposal will allow Norwalk Hospital to offer more comprehensive behavioral health services in lower cost settings, which is intended to increase patient satisfaction, lower costs and increase quality. Norwalk Hospital anticipates that this new approach to care delivery will enable it to pursue more alternative payment arrangements with governmental and commercial payors, and to be able to effectively coordinate and manage care as necessary to succeed under such alternative payment models.

1. Considering the proposed transaction as a whole, describe any potential constraints or limitations that will impact the applicant’s ability to participate in the Connecticut Health Information Alliance d/b/a Connie. [Health Information Alliance (ct.gov)](https://portal.ct.gov/OHS/HIT-Work-Groups/Health-Information-Alliance)

Norwalk Hospital, as a member of Nuvance Health, already participates in “Connie”, and the proposal will not impose any limitations or constraints on Norwalk Hospital’s Connie participation.

*§ “Whether the applicant has satisfactorily demonstrated that the proposed project shall not result in an unnecessary duplication of existing or approved health care services or facilities;” Conn.Gen.Stat. § 19a-639(a)(9).*

1. If applicable, explain why approval of the proposal will not result in an unnecessary duplication of services.

Approval of this Proposal will enable Nuvance Health to consolidate two existing inpatient psychiatric units within twenty-four miles of one another into one more efficient, centralized unit, reducing current duplication of services and enabling expansion of non-duplicative outpatient behavioral health care programs.

*§ “Whether the applicant has satisfactorily demonstrated that the proposal will not negatively impact the diversity of health care providers and patient choice in the geographic region;” Conn.Gen.Stat. § 19a-639(a)(11).*

1. Explain in detail how the proposal will impact (i.e., positive, negative or no impact) the diversity of health care providers and patient choice in the geographic region.

This Proposal will have a positive impact on the diversity of health care providers and patient choice in the region. Norwalk Hospital plans to recruit new providers to staff the IOPs and other expanded outpatient programs, while retaining current psychiatric providers and specialized staff to provide outpatient services or transition to other hospital roles. In addition, the expansion of access to telehealth services correspondingly expands access to more providers at Norwalk Hospital from across the Nuvance Health network. Moreover, upon completion of future renovations, the new expanded inpatient psychiatry unit at Danbury Hospital will feature expanded behavioral health care specialist staff, including rotating residents and new hires drawn to the larger state-of-the-art inpatient psychiatric unit offering treatment in an environment unlike any inpatient unit currently available in the community.

The Applicant’s plans to expand outpatient services in the Norwalk community, including through additional intensive outpatient programming, will provide the Norwalk community with additional patient choice when in search of such outpatient services, and expanded capacity for emergency psychiatric services in Norwalk Hospital will provide additional access to much needed services. This Proposal will enable Nuvance Health to continue to connect patients with the care they need to support their wellbeing.

1. Updated annually, Claritas demographic estimates are based on the 2010 U.S. Census. Claritas bases their estimates on products of the United States Census Bureau, including the 2010 Census Summary File 1 (SF1). Use of Claritas allows detail at the zip code level for both Connecticut and New York. Details of the methodology and definitions used to create the SF1 data, including field definitions and the 2010 Census questionnaire, are available in the Census 2010 Data Definitions publication. [↑](#footnote-ref-1)