



Our Island Home

PROGRESS Presentation to Board of Selectmen

March 15, 2017

THE PURPOSE OF THIS PRESENTATION IS TO PROVIDE AN UNDERSTANDING OF THE ANALYSIS COMPLETED TO DATE

Goals and Objectives

- **The goal of our Building Committee is [in two phases]:**
 1. To review the work done to date and to provide additional analysis where necessary to support the community in making a informed decision about the long-term plan for providing quality elderly care.
 2. To further assist the Town and its consultants in designing and procuring the construction of a new Our Island Home facility.
 3. To prepare site analyses and evaluation exploring pros and cons and general project costs of each option.
- **Phase II:**
 1. Develop designs.
 2. Develop details for all aspects of the project.



Phase 1 – Target Date March 2017

- 1. Review / understanding previous work over previous 10-12 years**
- 2. Review / understanding small house model**
 - Cost
 - Flexibility
 - Quality of care
 - Number of beds
- 3. General capital potential costs of each option**
 - Understand staffing needs and concerns
- 4. Identify alternate options and develop evaluation process**
- 5. Presentation of findings**



Small House Model

- 1. Resident directed concepts of care**
- 2. Improvement in the 7 domains quality of life**
 - Privacy, Dignity, Meaningful Activity, Strength of Relationship, Autonomy, Food Enjoyment, Individuality
- 3. Improved quality of care**
- 4. Increased direct care time**
- 5. Increased staff and family satisfaction**
- 6. Provide rooms open to social commons space, elimination of corridors**
- 7. Abundant natural light**
- 8. Operational flexibility**



Bed Count Determination

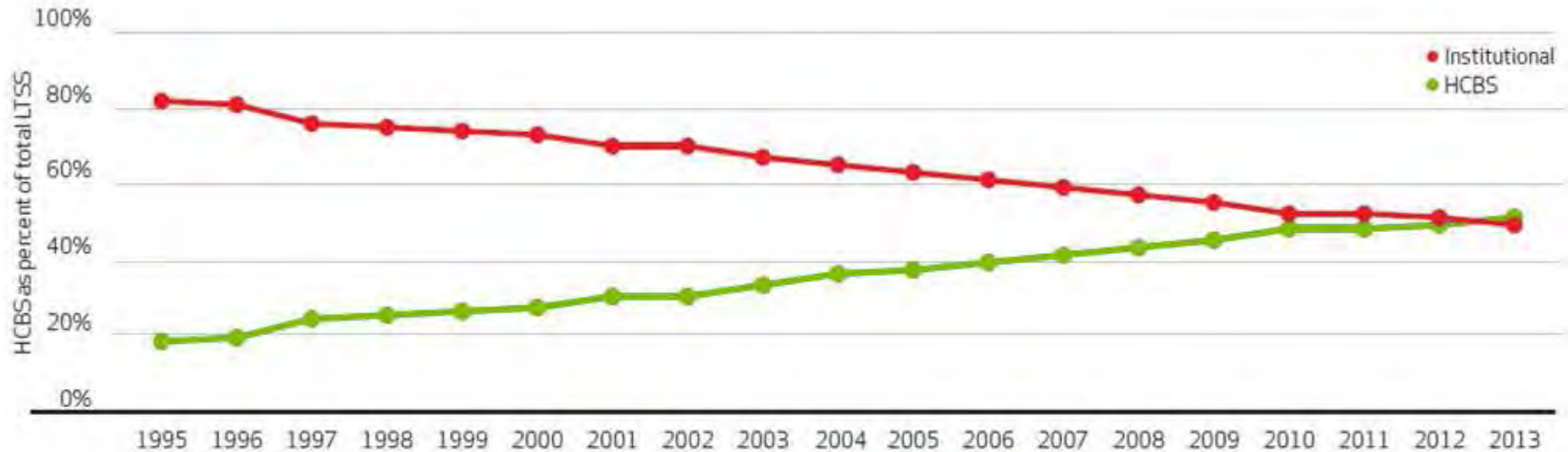
- **40 beds total –**
(initial recommendation to BOS) including:
 - 30 Skilled nursing beds
 - 10 Level IV beds
- **45 total existing licensed beds**
 - Continued evaluation of maintaining a 45 bed facility
 - Current state moratorium on additional beds
- **Operational efficiency of 10 resident home vs. larger home sizes**



Reimbursement Trends

EXHIBIT 1

Medicaid Home and Community-Based Services (HCBS) Expenditures as a Percentage of Total Medicaid Long-Term Services and Supports Expenditures, FY 1995-2013



SOURCE "Medicaid Expenditures for Long-Term Services and Supports in FFY 2013," Truven Health Analytics, June 30, 2015, page 7.

OPERATING TRENDS

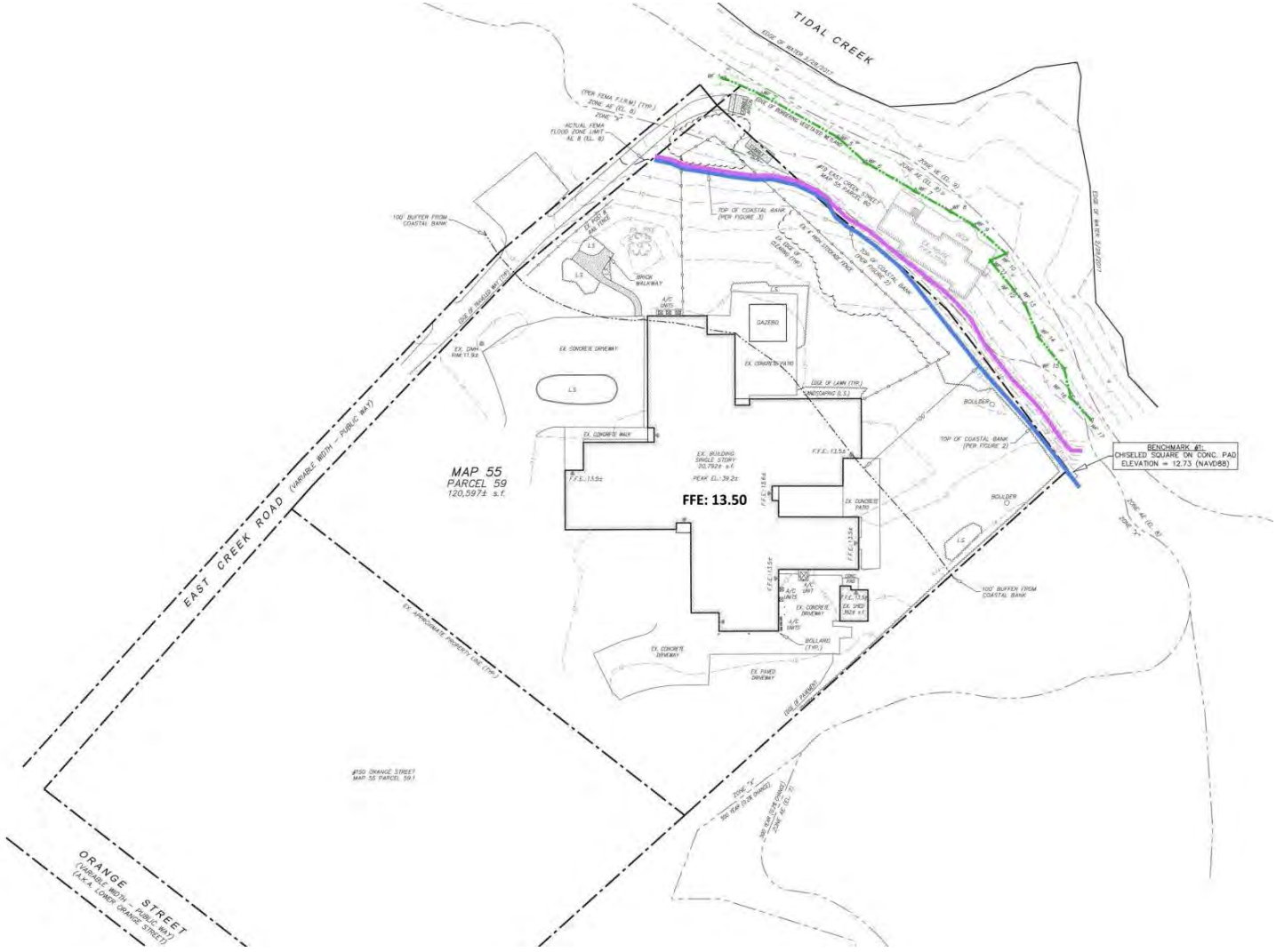


SLOSH (Sea, Land, Overland Surges in Hurricanes)

- Planning level modeling tool
- Approximate levels of storm surge associated with Category I-IV hurricanes
- **“MEW” – Maximum Envelope of Water scenarios**
 - Category of storm
 - Direction of storm travel
 - Speed of storm
- **“MOM” Maximum of Maximum storm conditions** – worst case scenario, including tides and other storm factors





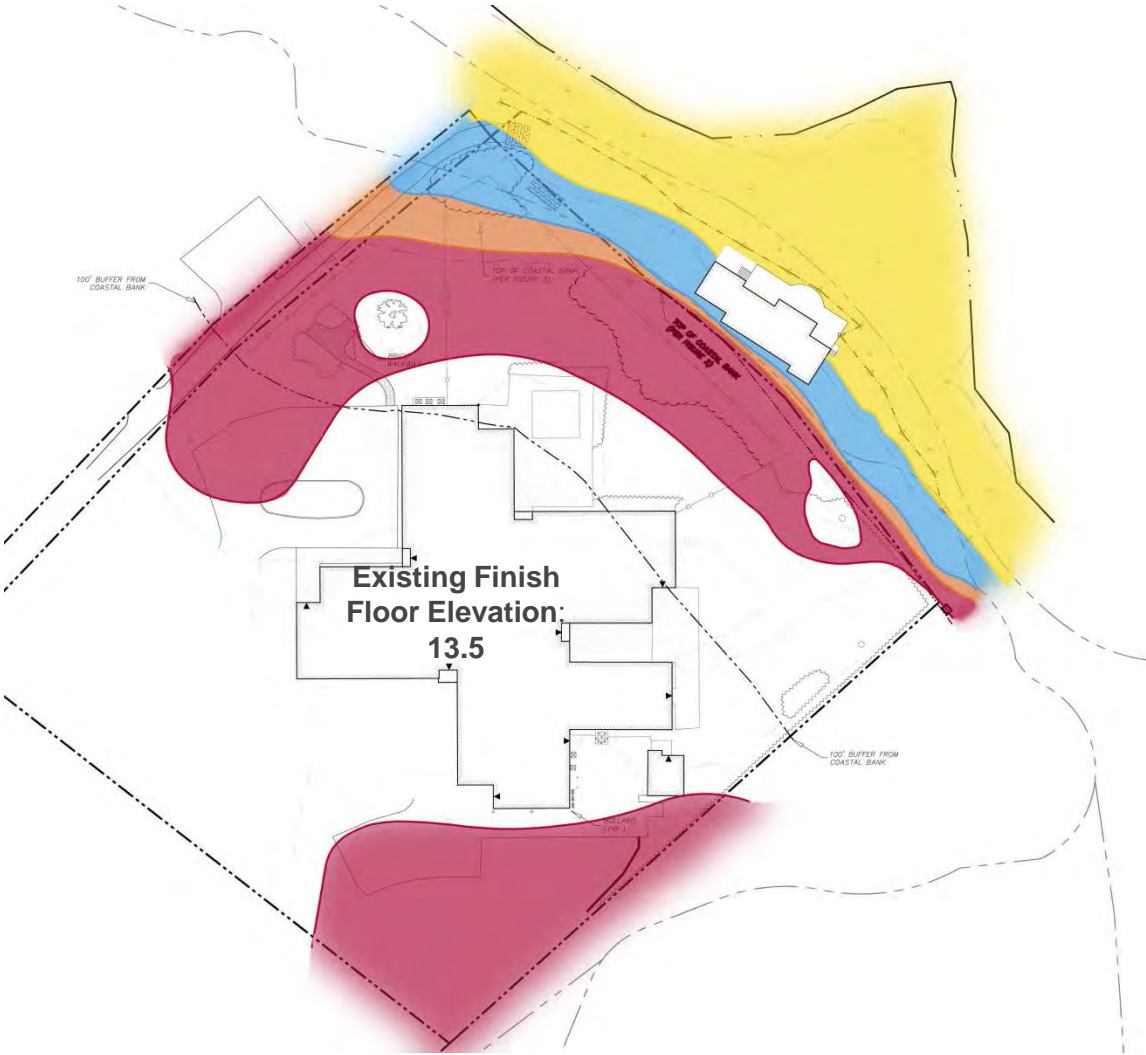
Our Island Home Site



SLOSH Model: Our Island Home Site "MOM"





LEGEND

-  CAT-4 (12.6')
-  CAT-3 (9.6')
-  CAT-2 (7.2')
-  CAT-1 (4.6')



SLOSH Model: Miacomet Road Site “MOM”

LEGEND

-  CAT-4 (13.9')
-  CAT-3 (11.0')
-  CAT-2 (8.2')
-  CAT-1 (5.3')



Development Options

Landmark House Option



Phased Construction Option



Miacomet Road Option



Other Sites Considered

- 4 Fairgrounds Road
- Wannacommet Water

Landmark House Option

1. Archeological and geotechnical investigation
2. Review of existing facility, including structural architectural / historic analysis
3. Determination of code mandated improvements
4. Development of resident relocation plan
5. Planning and design of 2-story facility
6. Permits and reviews including HDC, Conservation, and Planning Commissions, DPH, and DON
7. Review legal issues with Counsel on current lease agreements



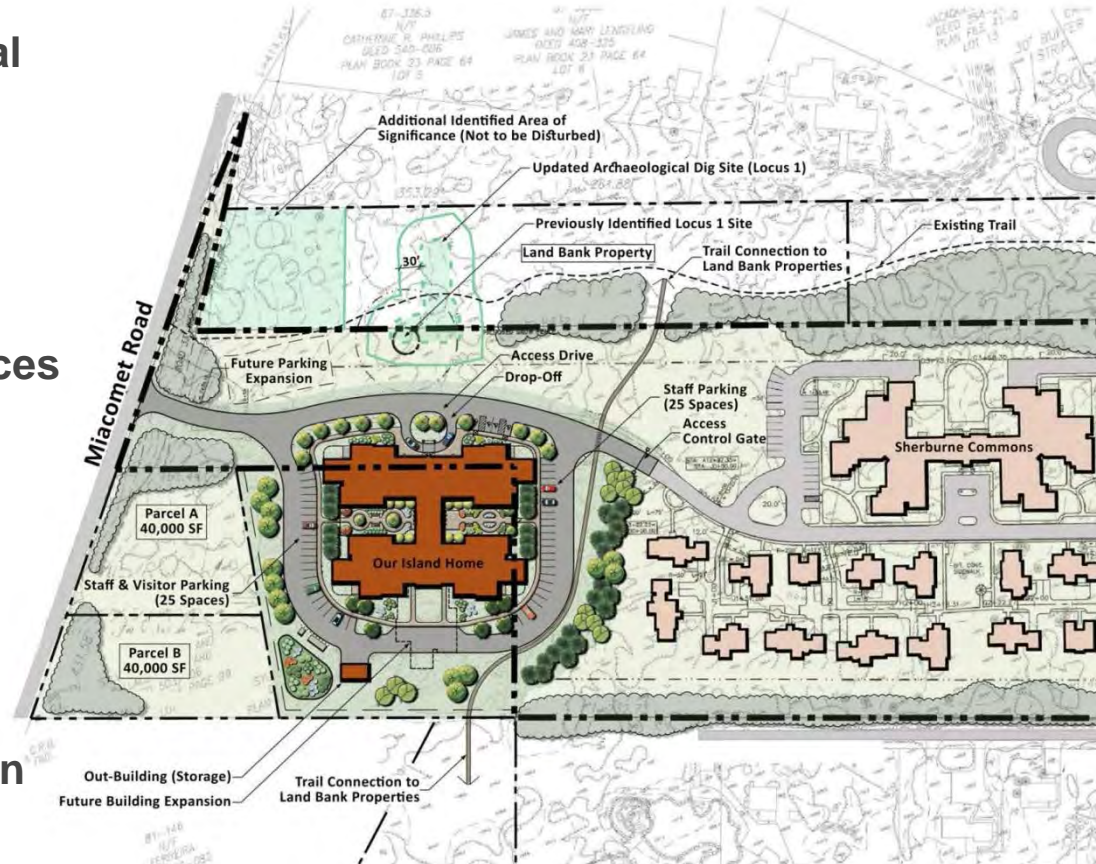
Phased Construction Option

1. Archaeological and geotechnical investigation
2. Development of resident and staff downsizing plan
3. Planning and design of 2-story facility (to be constructed in two phases)
4. Local permits and reviews including HDC, Conservation, and Planning Commissions, DPH and DON



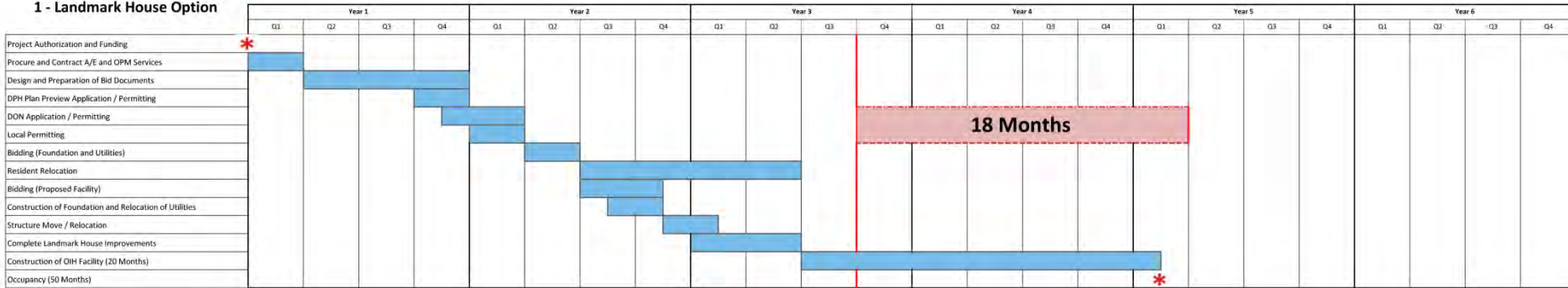
Miacomet Road Option

1. Archeological and geotechnical investigation
2. Resolution of previous and proposed Natural Heritage Habitat Protection encumbrances
3. Secure zoning change
4. Formal acquisition of adjacent parcel
5. Local / State approvals
6. Develop area improvement plan

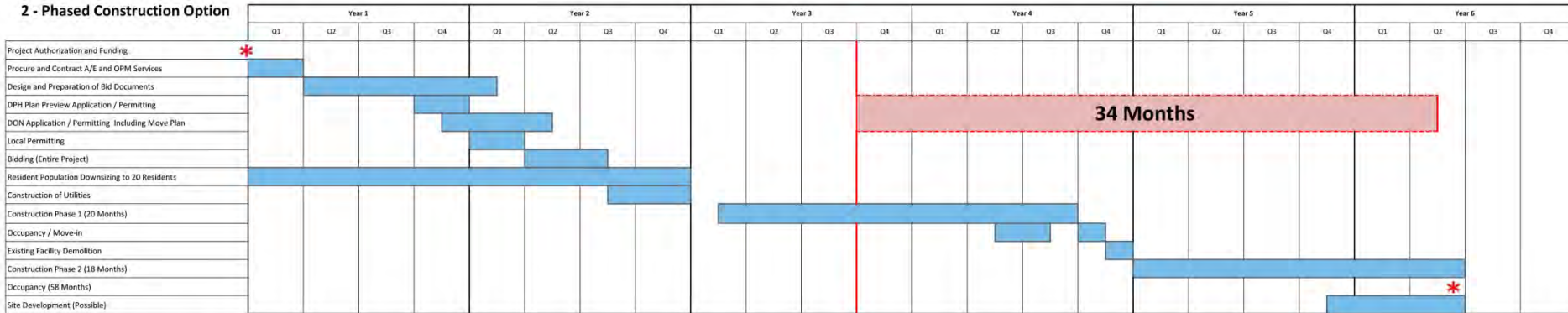


Implementation Timeline

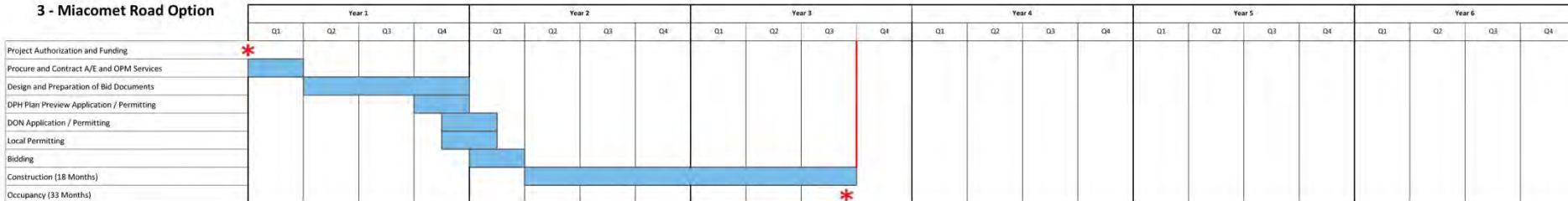
1 - Landmark House Option



2 - Phased Construction Option



3 - Miacomet Road Option



Escalation Impacts

- **Construction Cost:**

- *40 bed, single story facility, 34,600SF* \$ 22,000,000 *

- **Escalation @ 4.0% / year = \$ 880,000 / year or \$75,000 per month**

- **Escalation @ 7.0% / year = \$ 1,540,000 / year or \$125,000 per month**

* based on Miacomet Road option. Escalation costs of Our Island Home options will be higher due to increased construction costs.



Project Costs

- **Landmark House Option**

• Escalation costs [18 months @ 100,000/month]	\$ 1,800,000
• Relocation of Landmark House, including code upgrades and foundation	\$ 4,000,000
• Temporary housing – [26 residents for 12 months at \$3,000/month]	\$ 936,000
• Utility improvements to both facilities [allowance]	<u>\$ 1,500,000</u>
• Total	\$ 8,236,000

- **Phased Construction Option**

• Escalation costs [35 Months]	\$ 3,500,000
• Resident population and staff downsizing	\$ Unknown
• Phased / extended construction period [20 months]	\$ 1,000,000
• Construction operations / staging premium [15%]	\$ 3,300,000
• Utility improvements to new facility [allowance]	<u>\$ 1,250,000</u>
• Total	\$ 9,050,000

- **Miacomet Road Site Option**

• Howard Parcel Purchase	\$ 2,500,000
• Natural Heritage Habitat Protection	\$ 250,000
• Neighborhood Mitigation plan, incl. roadway and other area improvements	<u>\$ Unknown</u>
• Total	\$ 2,750,000



Phase 2 – Target Date November 2017

1. **Develop high level designs for each option as needed**
2. **Identify costs (operational and capital), operational efficiencies and risks associated with the preferred option**
3. **Provide decommissioning plan / recommendations for the existing facility (as applicable)**
4. **Community outreach / public discussion of town-wide elder care services / alliances with other organizations**
5. **Presentation of findings**
6. **Develop strategy to assure all necessary short term improvements are made to existing facility to support compliance and highest quality of care**



Phase I March 2017 Conclusion

- **Construct a new small house facility at the Miacomet Road site**
 1. Most straightforward and efficient solution
 2. Least complexity; avoids requisite move plans
 3. Shortest time line to occupancy
 4. Least costly solution
 5. Affords 45 bed expansion potential



Next Steps / Tasks to be Completed

1. Obtain clear direction from Town Meeting and associated bond votes
2. Complete the acquisition of the necessary property
3. Complete the archaeological study
4. Provide a strategy for the MEPA habitat area requirements
5. Review with Town administration and Our Island Home staff needs and requirements within the proposed facility
6. Develop a strategy to assure the correct operating model and the maximum bed count, incorporating flexibility for the future
7. Finalize building footprint and design
8. Work to develop building specifications and procurement strategies
9. Allow adequate time throughout the process for public input
10. Be prepared by June 2017 to present long-term strategies to the community and preparation of development of final strategies to construct targeting late 2017 / early 2018



National Trends in Healthcare Spending

